

Submit 2 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
June 19, 2008

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-40340
5. Indicate Type of Lease STATE ☒ FEE ☐
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name STALEY STATE
8. Well Number #19
9. OGRID Number 281994
10. Pool name or Wildcat Red Lake, Glorieta-Yeso NE (96836) Red Lake, Queen-Grayburg-San Andres (51300)

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

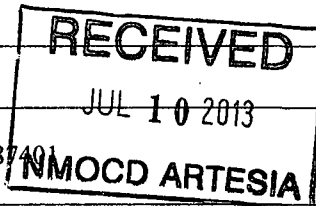
1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator
LRE OPERATING, LLC

3. Address of Operator
c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401

4. Well Location
Unit Letter L : 2160 feet from the SOUTH line and 455 feet from the WEST line
Section 30 Township 17-S Range 28-E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3582' GL



12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Recomplete to San Andres



OTHER:



13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

LRE would like to recomplete to the San Andres as follows: MIRUSU. TOH w/pump, rods, & tbg. Set 5-1/2" CBP @ ~MD3200' to cover existing Yeso perfs (MD3279'-4532'). PT 5-1/2" csg & CBP to ~3500 psi. Perf lower SA @ ~MD2600'-2901' w/~25 holes. Breakdown new perfs w/ ~3000 gal 15% HCL acid & frac w/ ~91,000# 16/30 sand in 20# X-linked gel. Set 5-1/2" CBP @ ~MD2560'. PT 5-1/2" csg & CBP to ~3500 psi. Perf middle SA @ ~MD2290'-2511' w/~19 holes. Breakdown new perfs w/ ~2500 gal 15% HCL acid & frac w/ ~77,000# 16/30 sand in 20# X-linked gel. Set 5-1/2" CBP @ ~MD2250'. PT 5-1/2" csg & CBP to ~3500 psi. Perf upper SA @ ~MD1914'-2211' w/~22 holes. Breakdown new perfs w/ ~3000 gal 15% HCL acid & frac w/ ~91,000# 16/30 sand in 20# X-linked gel. CO after frac, drill out CBPs @ MD2250' & 2560', & CO to CBP @ MD3200'. Land 2-7/8" tbg @ ~MD2996'. Run pump & rods & complete as a single San Andres oil well. The well will then be evaluated for downhole commingle.

Bottom Hole Location is 2293' FSL & 343' FWL Sec.30 T17S R28E

Spud Date: 6/6/12

Drilling Rig Release Date: 6/15/12

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

Mike Pippin

TITLE Petroleum Engineer - Agent

DATE 7/8/13

Type or print name Mike Pippin

E-mail address: mike@pippinllc.com

PHONE: 505-327-4573

For State Use Only

APPROVED BY:

LR Dade

TITLE Dist # Supervisor

DATE July 11, 2013

Conditions of Approval (if any):

	County	EDDY	Well Name	Staley State A #19	Field	Redlake Glorieta-Yaso NE	Well Sketch:	AFE R13015
	Surface Lat:	32.8035740°N	BH Lat:	32.8039040°N	Survey:	S30-T17S-R28E Unit L	API #	30-015-40340
	Surface Long:	104.2215644°W	BH Long:	104.2218753°W		2160' FSL & 455' FWL	OGRID #	281994

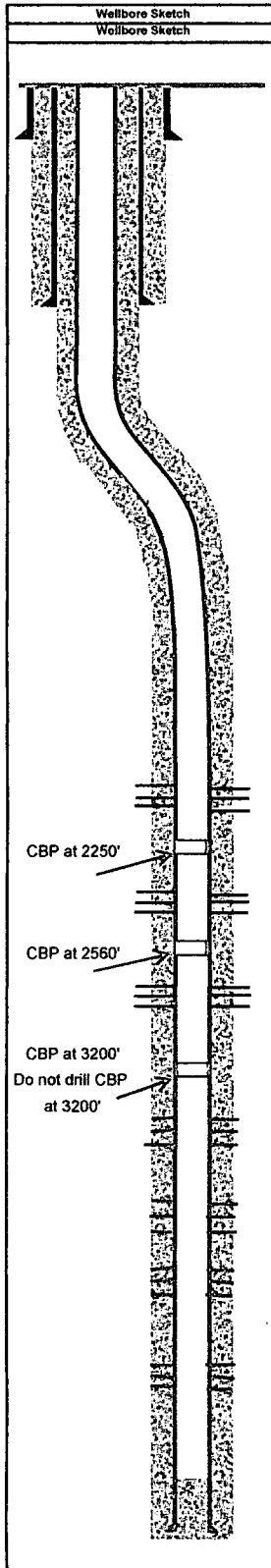
Directional Data:		
KOP	475	MD/TVD
Max Dev.:	11.6	1030' MD 1029' TVD
Dleg sev.:	2	1030' MD 1029' TVD
Dev @ Perfs	0.2	4175' MD 4163' TVD
Ret to Vert:	2013'	2036' MD 2024' TVD

Tubular Data							
Tubulars	Size	Weight	Grade	Thread	TVD	MD	TOC
Conductor	14"	55.5#	B	Weld	40'	40'	SURF
Surface	8 5/8"	24#	J-55	STC	423'	423'	SURF
Intermediate							
Production	5 1/2"	17#	J-55	LTC	4,733'	4,745'	SURF
Liner							

CEMENT DATA							
	L/sks	Yld	Wt	T/sks	Yld	Wt	XS
Surface	280	1.35	14.8	NA	NA	NA	100 sx
Intermediate							
Liner							
Production	300	1.9	14.8	550	1.33	14.8	157 sx

Wellhead Data	
Type:	
WP:	
Flange:	
Tree Cap	
Thread:	
Tbg Hanger:	
8TM Flange:	
BPV Profile:	NA
Elevations:	GR - RKB = 13.4'
RKB:	3595.1
GL:	3,581.7'

Drilling / Completion Fluid	
Drilling Fluid:	10.2 PPG Brine / Salt Gel
Completion Fluid:	2% KCL
Packer Fluid:	NA



Completion Information					
DEPTHS (MD)/(TVD)	WELL INFO	PERFORATIONS from to		# of HOLES	DETAILS
0					
40'	20" Hole				14" Conductor Pipe
423'	12-1/4" Hole				8-5/8" Surf Csg Circ 100 sx Cmt to surf
880'	7-7/8" hole KOP				Kick off to 2"/100'
998' / 996'	Queen Formation				End Build - Start 11" Tangent
1030' / 1026'	End Build				Drop - Start @ 1.5"/100'
1442' / 1433'	Grayburg Formation				Return to vertical
1345' / 1336'	End Tangent - Start Drop				
1710' / 1699'	Premier Sand				
1750' / 1739'	San Andres Formation				
2036' / 2024'	Return to Vertical				
2042' / 2244'	Middle San Andres				
2670' / 2658'	Lower San Andres				
Proposed San Andres Recompletion					
	Stage #3 SA	1,914'	2,211'	22	3000 g 15% HCL & 33 bio balls at 15 BPM 55,000 g 20# Xlink gel; 73,000 # 16/30 Brady & 18,000 # 16/30 Resin at 65 BPM
	Stage #2 SA	2,290'	2,511'	19	2500 g 15% HCL & 29 bio balls at 15 BPM 45,000 g 20# Xlink gel; 58,500 # 16/30 Brady & 18,000 # 16/30 Resin at 65 BPM
	Stage #1 SA	2,600'	2,901'	25	3000 g 15% HCL & 38 bio balls at 15 BPM 55,000 g 20# Xlink gel; 73,000 # 16/30 Brady & 18,000 # 16/30 Resin at 65 BPM
3153' / 3141'	Glorieta				
3275' / 3263'	Yaso				
6/21/12	Stage 4 L. Yaso Frac	3279'	3488'	34	2158 g 7.5% HCL & 51 bio balls at 15 BPM 41,718 g 20# gel; 58,037# 16/30 Brady & 18,821# 16/30 resin at 70 BPM.
(1/9/13 treated w Calcium Sulfate Converter and acidized w 3000 g 15% HCL).					
6/21/12	Stage 3 L. Yaso Frac	3550'	3784'	35	2000 g 7.5% HCL & 53 bio balls at 15 BPM 42,467 g 25# gel; 58,025# 16/30 Brady & 18,821# 16/30 resin at 70 BPM.
(1/9/13 treated w Calcium Sulfate Converter and acidized w 3000 g 15% HCL)					
6/21/12	Stage 2 L. Yaso Frac	3847'	4112'	37	2000 g 7.5% HCL & 56 bio balls at 15 BPM 46,623 g 25# gel; 65,682# 16/30 Brady & 20,040# 16/30 resin at 70 BPM.
(1/9/13 treated w Calcium Sulfate Converter and acidized w 3000 g 15% HCL)					
6/21/12	Stage 1 L. Yaso Frac	4182'	4532'	57	2000 g 7.5% HCL & 86 bio balls at 15 BPM 61,596 g 25# gel; 81,958# 16/30 Brady & 22,729# 16/30 resin at 70 BPM.
(1/9/13 treated w Calcium Sulfate Converter and acidized w 3000 g 15% HCL)					
4701' / 4689'	PBTD				5-1/2" Float Collar
4745' / 4733'	PROD CSG				5-1/2" Prod Csg. Circ 30 SX Cmt to Surf
Comments: NM OCD CLP 0213025				Plug back Depth:	4188' TVD 4204' MD
				Total Well Depth:	4745' TVD 4733' MD
				Prepared By:	Date:
				Eric McClusky	8-Jul-13