

Office

Revised July 18, 2013

MINERAL OIL CONSERVATION
 District I - (575) 393-1001
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

Energy, Minerals and Natural Resources

ARTESIA DISTRICT

OCT 20 2014

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

RECEIVED

 WELL API NO.
 30-015-41834

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

 7. Lease Name or Unit Agreement Name
SOUTHERN UNION 30 G STATE

8. Well Number #3

9. OGRID Number 281994

 10. Pool name or Wildcat
 Red Lake, Glorieta-Yeso NE (96836)

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 G : 1655 feet from the North line and 2375 feet from the East line
 Section 30 Township 17-S Range 28-E NMPM Eddy County

 11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3563' 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 ☐
 CLOSED-LOOP SYSTEM ☒
 OTHER: ☐

SUBSEQUENT REPORT OF:

 REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ P AND A ☐
 CASING/CEMENT JOB ☐
 OTHER: Payadd Workover ☒

 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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

On 9/20/14, MIRUSU. TOH w/production equipment. Set 5-1/2" CBP @ 4610' & PT csg & CBP to 3500 psi-OK. (Existing Tubbs perfs are 4648'-5010'). Perfed Yeso @ 4417', 22', 26', 32', 44', 50', 56', 60', 72', 78', 84', 89', 94', 4500', 06', 10', 14', 22', 30', 36', 41', 46', 50', 58', 65', 70', 74' w/1-0.41" spf. Total 27 holes. Could not load csg for breakdown. Concluded that the new perfs had communicated with the existing fraced perfs below in the Tubbs. Therefore, could not frac these perfs. Set 5-1/2" CBP @ 4380' & PT csg & CBP to 3500 psi for 5 min-OK. Perfed Yeso @ 4034', 40', 48', 58', 66', 74', 86', 94', 4103', 16', 31', 47', 64', 74', 84', 92', 99', 4220', 26', 36', 46', 55', 62', 70', 83', 94', 4302', 16', 24', 32', 41' w/1-0.41" spf. Total 31 holes. On 10/9/14, treated new perfs w/1504 gal 15% HCL acid & fraced w/23,606# 100 mesh & 192,810# 40/70 Wisconsin sand in slick water. Set 5-1/2" CBP @ 3960' & PT csg & CBP to 3500 psi-OK. Perfed Yeso @ 3590', 3600', 10', 18', 24', 32', 38', 46', 56', 64', 88', 92', 3700', 12', 21', 30', 41', 52', 62', 74', 80', 90', 99', 98', 3805', 14', 25', 40', 50', 59', 68', 77', 87' w/1-0.41" spf. Total 33 holes. Treated new perfs w/1488 gal 15% HCL acid & fraced w/23,323# 100 mesh & 181,836# 40/70 Wisconsin sand in slick water. Set 5-1/2" CBP @ 3575' & PT csg & CBP to 3500 psi-OK. Perfed Yeso @ 3362', 67', 72', 77', 82', 87', 92', 97', 3402', 07', 12', 17', 22', 32', 37', 42', 47', 52', 57', 62', 67', 72', 77', 82', 87', 92', 97', 3502', 07', 12', 17', 22', 27', 37' w/1-0.41" spf. Total 34 holes. Treated new perfs w/1493 gal 15% HCL acid & fraced w/11,404# 100 mesh & 103,222# 40/70 Wisconsin sand in slick water. On 10/10/14, MIRUSU. Drilled CBPs @ 3575, 3960' & 4380' & CO to CBP @ 4610'. On 10/13/14, landed ESP on 2-7/8" 6.5# J-55 tbg @ 3361'. Released workover rig on 10/14/14. Following a production test, the CBP @ 4610' will be drilled out & the well CO to PBT5013' in order to open all perfs to production. Bottom Hole @ 1660' FNL & 2278' FEL Sec 30. Spud Date: 5/29/14 Drilling Rig Release Date: 6/4/14

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 10/17/14
 Type or print name Mike Pippin E-mail address: mike@pippinllc.com PHONE: 505-327-4573

For State Use Only

 APPROVED BY: [Signature] TITLE [Signature] DATE 10/24/14
 Conditions of Approval (if any):