

Office

District I - (575) 393-6161

1625 N. French Dr., Hobbs, NM 88240

District II - (575) 748-1283

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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

NM OIL CONSERVATION

ARTESIA DISTRICT

OIL CONSERVATION DIVISION

JAN 12 2015 20 South St. Francis Dr.

Santa Fe, NM 87505

RECEIVED

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 : 1650 feet from the South line and 330 feet from the West lineSection 30 Township 17-S Range 28-E NMPM Eddy County

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

3586' GL

WELL API NO.

30-015-36976

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 #11

9. OGRID Number 281994

10. Pool name or Wildcat

Red Lake, Glorieta-Yeso NE (96836)

Red Lake, Queen-Grayburg-San Andres (51300)

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: Recomplete to San Andres & DHC ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☐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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

LRE Operating, LLC would like to recomplete this Yeso oil well to the San Andres & DHC as follows: MIRUSU. TOH w/rods, pump, & tbg. Set a 5-1/2" CBP @ ~3000' & PT to ~3500 psi. (Existing Yeso perms are @ 3143'-4567'). Perf lower San Andres @ ~2600'-2901' w/~30 holes. Stimulate with ~1500 gal 15% HCL acid & frac w/~30,000# 100 mesh & ~257,040# 40/70 Ottawa sand in slick water.

Set a 5-1/2" CBP @ ~2500' & PT to ~3500 psi. Perf San Andres @ ~2047'-2409' w/~36 holes. Stimulate with ~1500 gal 15% HCL acid & frac w/~30,000# 100 mesh & ~296,940# 40/70 Ottawa sand in slick water.

Set a 5-1/2" CBP @ ~1980' & PT to ~3500 psi. Perf upper San Andres @ ~1686'-1911' w/~32 holes. Stimulate with ~1500 gal 15% HCL acid & frac w/~30,000# 100 mesh & ~158,340# 40/70 Ottawa sand in slick water.

CO after frac & drill out CBPs @ 1980' & 2500', & CO to CBP @ 3000'. Run ESP on 2-7/8" 6.5#J-55 production tbg & land @ ~1610'. Release workover rig. Complete as a single San Andres oil well. See the attached proposed wellbore diagram. Following a test of the San Andres alone, the CBP @ 3000' will be removed & the well DHC as per ART-2609-T.

Spud Date: 8/26/09

Drilling Rig Release Date: 9/8/09

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 1/9/15

Type or print name

Mike Pippin

E-mail address:

mike@pippinllc.com

PHONE:

505-327-4573

For State Use Only

APPROVED BY:

A. D. Dole

TITLE

Dist. Supervisor

DATE

2/11/15

Conditions of Approval (if any):

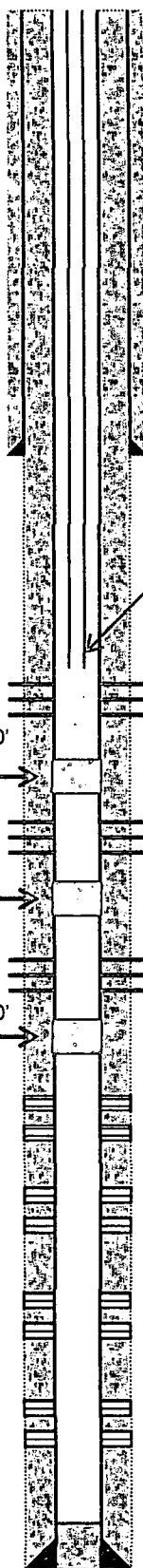
CID2?



LRE Operating LLC,
Staley State #11
San Andres Recompletion
AFE # R15002

Staley State #11
Sec 30-17S-28E (SW of L
1650' FSL, 330' FWL
Elevation - 3,601'
API #: 30-015-36976
Eddy County, NM

Spud
8/26/09



8-5/8", 24#, J-55, ST&C Casing @ 432'. 375 sks
cement. Circulated 127 sx to Surface.

2-7/8"; 6.5#, J-55 Tubing with ESP and pump intake at 1586'

San Andres Perfs: 1686'-1911'
32 holes

Stim Info: 1500 g 15% HCL, 6,700 bbls water,
30,000 #'s 100 Mesh, 158,340 #'s 40/70 Ottawa,
80+ BPM

San Andres Perfs: 2047'-2409'
36 holes

Stim Info: 1500 g 15% HCL, 8,600 bbls water,
30,000 #'s 100 Mesh, 296,940 #'s 40/70
Ottawa, 80+ BPM

San Andres Perfs: 2600'-2901'
30 holes

Stim Info: 1500 g 15% HCL, 8,100 bbls water,
30,000 #'s 100 Mesh, 257,040 #'s 40/70
Ottawa, 80+ BPM

Yeso Perfs: 3,143' - 3,466' (1 SPF - 84 holes)

Stim Info: 4500 gal 15% NEFE; Frac w/ 147,330 # 16/30
Ottawa & 57,067 # 12/20 in 20# x-linked gel. (2/10/10)

Yeso Perfs: 3,561' - 3,759' (1 SPF - 56 holes)

Stim Info: 5549 gal 15% NEFE; Frac w/ 79,623 # 16/30
Ottawa & 27,197 # SLC in 18# x-linked gel. (10/18/09)

Yeso Perfs: 3,858' - 4,084' (1 SPF - 76 holes)

Stim Info: 6175 gal 15% NEFE; Frac w/ 65,950 # 16/30
Ottawa & 41,899 # SLC in 18# x-linked gel. (10/18/09)

Yeso Perfs: 4,196' - 4,567' (1 SPF - 82 holes)

Stim Info: 5000 gal 15% NEFE; Frac w/ 140,987 # 16/30
Ottawa & 24,604 # SLC in 18# x-linked gel. (10/18/09)

PBTD @ 4,711'

5-1/2"; 17#, J-55; ST&C Casing @ 4,753'. 500 sks lead & 550
sks tail. Circulate 123 sx to Surface. (09/09/2009)

TD @ 4,770'

GEOLOGY

Zone	Top
Queen	988'
Grayburg	1,382'
San Andres	1,736'
Glorieta	3,137'
Yeso	3,238'

SURVEYS

Degrees	Depth
1/2°	445'
1/4°	939'
1/4°	1,476'
1/2°	1,980'
3/4°	2,518'
1-1/4°	2,991'
1-1/2°	3,526'
1°	4,026'
1-1/4°	4,532'
1-1/4°	4,770'