

Submit 3 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.<br>30-015-36252                                                                        |
| 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No.                                                                        |
| 7. Lease Name or Unit Agreement Name<br><b>STALEY STATE</b>                                         |
| 8. Well Number <b>#4</b>                                                                            |
| 9. OGRID Number 281994                                                                              |
| 10. Pool name or Wildcat<br>Red Lake, Glorieta-Yeso NE (96836)                                      |

|                                                                                                                                                                                                                   |  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>                                                                                    |  |
| 2. Name of Operator<br><b>LRE OPERATING, LLC</b>                                                                                                                                                                  |  |
| 3. Address of Operator<br>c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401                                                                                                                             |  |
| 4. Well Location<br>Unit Letter <u>N</u> : <u>990</u> feet from the <u>SOUTH</u> line and <u>1980</u> feet from the <u>WEST</u> line<br>Section <u>30</u> Township <u>17-S</u> Range <u>28-E</u> NMPM Eddy County |  |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)<br>3626' GL                                                                                                                                                    |  |

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

| NOTICE OF INTENTION TO:                        |                                           | SUBSEQUENT REPORT OF:                                                         |                                          |
|------------------------------------------------|-------------------------------------------|-------------------------------------------------------------------------------|------------------------------------------|
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/>                                        | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/>   | CHANGE PLANS <input type="checkbox"/>     | COMMENCE DRILLING OPNS. <input type="checkbox"/>                              | P AND A <input type="checkbox"/>         |
| PULL OR ALTER CASING <input type="checkbox"/>  | MULTIPLE COMPL <input type="checkbox"/>   | CASING/CEMENT JOB <input type="checkbox"/>                                    |                                          |
| DOWNHOLE COMMINGLE <input type="checkbox"/>    |                                           |                                                                               |                                          |
| OTHER: <input type="checkbox"/>                |                                           | OTHER: 1 <sup>st</sup> Delivery & IP Test <input checked="" type="checkbox"/> |                                          |

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.

After this well's payadd workover, this well was re-delivered on 12/19/11 with its IP Test on 1/2/12 for 14 BOPD, 22 MCF/D, & 234 BWPD

Spud Date: 6/23/08 Rig Release Date: 7/3/08

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 3/17/12

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

**For State Use Only**

APPROVED BY [Signature] TITLE Drill Supervisor DATE 04/02/2012

Conditions of Approval (if any):

