

District I
1625 N French Dr, Hobbs, NM 88240
District II
1301 W Grand Avenue, 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 & Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-104
Revised Feb. 26, 2007

HOBBS OCD
JAN 06 2012

Submit to Appropriate District Office
5 Copies

RECEIVED ☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

| | | |
|---|--|--|
| ¹ Operator name and Address LRE OPERATING, LLC c/o Mike Pippin LLC, 3104 N. Sullivan Farmington, NM 87401 | | ² OGRID Number 281994 |
| | | ³ Reason for Filing Code/ Effective Date Payadd Workover |
| ⁴ API Number 30 - 015-34111 | ⁵ Pool Name Artesia, Glorieta-Yeso | ⁶ Pool Code 96830 |
| ⁷ Property Code 309866 | ⁸ Property Name WYLIE | ⁹ Well Number 2 |

II. ¹⁰ Surface Location

| | | | | | | | | | |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South Line | Feet from the | East/West line | County |
| A | 28 | 17-S | 28-E | | 990 | NORTH | 990 | EAST | EDDY |

¹¹ Bottom Hole Location

| | | | | | | | | | |
|-----------------------------|---|---|-----------------------------------|------------------------------------|-------------------------------------|------------------|---------------|----------------|--------|
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| | | | | | | | | | |
| ¹² Lse Code S | ¹³ Producing Method Code P | ¹⁴ Gas Connection Date READY | ¹⁵ C-129 Permit Number | ¹⁶ C-129 Effective Date | ¹⁷ C-129 Expiration Date | | | | |

III. Oil and Gas Transporters

| | | |
|------------------------------------|--|---------------------|
| ¹⁸ Transporter OGRID | ¹⁹ Transporter Name and Address | ²⁰ O/G/W |
| 34019 | ConocoPhillips 1130 Plaza Office Building, Bartlesville, OK 74004 | O |
| 221115 | Frontier Field Service 4200 E. Skelly Drive, Suite 700, Tulsa, OK 74135 | G |
| | | |
| | | |
| | | |
| | | |

IV. Well Completion Data

| | | | | | |
|------------------------------------|-------------------------------------|---------------------------|-----------------------------|---|-----------------------|
| ²¹ Spud Date 5/17/06 | ²² Ready Date 11/9/09 | ²³ TD 3575' | ²⁴ PBTB 3508' | ²⁵ Perforations 3341'-3499' | ²⁶ DHC, MC |
| ²⁷ Hole Size | ²⁸ Casing & Tubing Size | ²⁹ Depth Set | ³⁰ Sacks Cement | | |
| 12-1/4" | 8-5/8" 28# | 368' | 325 sx Class C | | |
| 7-7/8" | 5-1/2" 17&14# | 3571' | 400 sx C + 325 sx 35/65 C | | |
| | | | | | |
| | 2-7/8" tubing | 3403' | | | |

V. Well Test Data

| | | | | | |
|--|---|------------------------------------|-------------------------------------|-----------------------------|--------------------------------------|
| ³¹ Date New Oil 11/10/09 | ³² Gas Delivery Date 11/10/09 | ³³ Test Date 3/2/10 | ³⁴ Test Length 24 hrs | ³⁵ Tbg. Pressure | ³⁶ Csg. Pressure |
| ³⁷ Choke Size | ³⁸ Oil (bbbls) 13 | ³⁹ Water (bbbls) 107 | ⁴⁰ Gas (MCF) 20 | | ⁴¹ Test Method Pumping |

| | | | |
|--|-----------------------|--|--|
| ⁴² I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature <i>Mike Pippin</i> | | OIL CONSERVATION DIVISION Approved by: <i>T.C. Shepard</i> Geologist | |
| Printed name: Mike Pippin | | Title: | |
| Title Petroleum Engineer - Agent | | Approval Date: APR 05 2012 | |
| E-mail Address: mike@pippinllc.com | | | |
| Date 1/5/12 | Phone 505-327-4573 | | |

dm