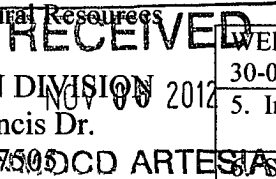


Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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. 30-015-40553
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.

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.)		7. Lease Name or Unit Agreement Name EDDY-HUMBLE 4 STATE
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other SWD-1345		8. Well Number #1 SWD
2. Name of Operator LRE OPERATING, LLC		9. OGRID Number 281994
3. Address of Operator c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401		10. Pool name or Wildcat SWD, Abo/Wolfcamp/Cisco (97967)
4. Well Location Unit Letter J : 2310 feet from the SOUTH line and 1650 feet from the EAST line Section 4 Township 18-S Range 28-E NMPM Eddy County		
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3665' 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: SWD COMPLETION <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.

On 10/18/12, ran CBL, which indicated TOC @ 6692'. Perfed Cisco @ 8193'-8293', 8311'-65', 8381'-8503', 8505'-43' w/69-0.37" spf. Dump bailed acid onto perfs. Set 4-1/2" CIBP @ 8180'. Perfed Wolfcamp @ 7779'-7815' w/13 holes, 7818'-54' w/13 holes. 7857'-93' w/13 holes. 7914'-98' w/18 holes, 8004'-8114' w/21 holes, 8122'-71' w/17 holes. Total 95 holes. On 10/22/12, treated perfs w/4900 gal 15% HCL acid & 160 perf balls. Set 4-1/2" CBP @ 7634'. Perfed Wolfcamp @ 7324'-52' w/7 holes, 7358'-7405', w/8 holes, 7410'-45' w/8 holes, 7450'-85' w/8 holes, 7490'-7510' w/5 holes, 7520'-50' w/7 holes, 7571'-7607' w/10 holes. Total 53 holes. Dump bailed 14 gal 15% HCL acid @ 7550' & 7485'. On 10/24/12, treated perfs w/3500 gal acid & 90 perf balls. Set CBP @ 7300'. Perfed Abo/Wolfcamp @ 6805'-40' w/8 holes, 6845'-80' w/8 holes, 6885'-6920' w/8 holes, 6925'-60' w/8 holes, 6965'-7000' w/8 holes, 7010'-45', w/8 holes, 7050'-7220' w/19 holes, 7225'-60' w/7 holes. Total 74 holes. Set 4-1/2" pkr @ 6750' on 3-1/2" 9.3# L-30 workover string & treated perfs w/7000 gal 15% HCL acid. Spotted 300 gal 15% HCL across perfs. Set pkr @ 6735' & treated perfs w/3500 gal acid & 125 perf balls. TOH w/tbg & pkr. On 10/29/12, perfed Abo @ 6710'-30' w/6 holes, 6734'-50' w/5 holes, 6754'-74' w/6 holes, & 6778'-94' w/5 holes. Total 22 holes. Drilled out CBPs @ 7300' & 7634'. CO to CIBP @ 8180'. On 11/1/12, ran seal assembly on 4-1/2" 11.6# L-80 duolined csg to 4-1/2" liner top @ 6692'. Circ 125 bbls pkr fluid into annulus. Landed seal assembly in liner hanger & PT annulus to 500 psi for 35 min-OK. Ran MIT test on 11/1/12. Released rig on 11/2/12. Initiated SWD on 11/3/12 as per order SWD-1345.

Spud Date: 8/23/12

Drilling Rig Release Date: 10/5/12

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 11/5/12

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

For State Use Only

APPROVED BY: Ruthen / Nue TITLE COMPLIANCE OFFICER DATE 11/8/12
Conditions of Approval (if any):