

Submit 3 Copies To Appropriate District Office  
 District I  
 1625 N. French Dr., Hobbs, NM 88240  
 District II  
 1301 W. Grand Ave., Artesia, NM 88218  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

**RECEIVED**  
**APR 16 2013**  
**NM OGD ARTESIA**

State of New Mexico  
 Energy, Minerals and Natural Resources  
**OIL CONSERVATION DIVISION**  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

Form C-103  
 June 19, 2008

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)		WELL API NO. 30-015-40230
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator <b>LRE OPERATING, LLC</b>		6. State Oil & Gas Lease No.
3. Address of Operator c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401		7. Lease Name or Unit Agreement Name <b>HORSESHOE STATE</b>
4. Well Location Unit Letter <u>F</u> : <u>2310</u> feet from the <u>NORTH</u> line and <u>1800</u> feet from the <u>WEST</u> line Section <u>30</u> Township <u>17-S</u> Range <u>28-E</u> NMPM Eddy County		8. Well Number #1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3576' GL		9. OGRID Number 281994
		10. Pool name or Wildcat Red Lake, Glorieta-Yeso NE (96836)

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

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

Spud well on 4/6/13. Drilled 12-1/4" hole to 485'. Landed 8-5/8" 24# J-55 csg @ 480'. Cmted w/325 sx (439 cf) "C" cmt w/2% Cacl2 & 0.125# CF. Circ 117 sx cmt to surface. On 4/8/13, PT 8-5/8" csg to 600 psi for 30 min-OK.

Drilled 7-7/8" hole from 8-5/8" csg shoe to 4815' on 4/11/13. Ran open hole logs. On 4/12/13, landed 5-1/2" 17# J-55 csg @ 4805'. Cmted lead w/300sx (570 cf) 35/65 poz "C" cmt w/1/4#/sx CF, 5% salt, 5# LCM-1, & 0.55% R-3. Tailed w/600 sx (798 cf) "C" cmt w/0.25% R-3, 0.2% CD-32, & 0.25#/sx CF. Circ 118 sx cmt to pit. Released drilling rig on 4/12/13. Plan to pressure test the 5-1/2" csg before completion operations.

Spud Date: 4/6/13 Drilling Rig Release Date: 4/12/13

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 4/13/13

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

**For State Use Only**  
 APPROVED BY: JDade TITLE Dist. IT Supervisor DATE 4/17/13

Conditions of Approval (if any):

*AW*