

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
RECEIVED
 OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 NMOC D ARTESIA NM 87505

Form C-103
 June 19, 2008

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.)		WELL API NO. 30-015-41082
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 LRE OPERATING, LLC		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 AID 24 STATE
4. Well Location Unit Letter <u>N</u> : <u>190</u> feet from the <u>SOUTH</u> line and <u>2390</u> feet from the <u>WEST</u> line Section <u>24</u> Township <u>17-S</u> Range <u>28-E</u> NMPM Eddy County		8. Well Number <u>#27</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3679' GL		9. OGRID Number <u>281994</u>
10. Pool name or Wildcat Empire, Glorieta-Yeso (96210)		

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

NOTICE OF INTENTION TO: 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"/>		SUBSEQUENT REPORT OF: 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 5/21/13. Drilled 12-1/4" hole to 495'. Landed 8-5/8" 24# J-55 csg @ 488'. Cmted w/225 sx (304 cf) "C" cmt w/2% CaCl2 & 0.25# CF. Circ 58 sx cmt to surface. On 5/23/13, PT 8-5/8" csg to 600 psi for 30 min-OK.

Drilled 7-7/8" hole from 8-5/8" csg shoe to 5357' on 5/28/13. Ran open hole logs. On 5/29/13, landed 5-1/2" 17# J-55 csg @ 5353'. Cmted lead w/350 sx (665 cf) 35/65 poz "C" cmt w/5% PF-44(BWOW), 6% PF-20, 0.2% PF-13, 0.125# PF-29, 0.25# PF-46, & 3# PF-42. Tailed w/700 sx (931 cf) "C" cmt w/0.5% PF-13, 2% PF-167, 0.2% PF-65, & 0.125# PF-29. Circ 215 sx cmt to pit. Released drilling rig on 5/29/13. Plan to pressure test the 5-1/2" csg before completion operations.

BOTTOM HOLE LOCATION: 341' FSL & 2272' FWL Sec. 24 T17S R28E.

Spud Date: 5/21/13 Drilling Rig Release Date: 5/29/13

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 5/30/13

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

For State Use Only

APPROVED BY: R Dade TITLE Dist. R Spewiser DATE 6/7/13

Conditions of Approval (if any):