

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-015-38360
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.)		<div style="border: 2px solid black; padding: 5px; width: fit-content; margin: auto;"> RECEIVED SEP 16 2013 NMOCD ARTESIA </div>
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	7. Lease Name or Unit Agreement Name AID 24 STATE	
2. Name of Operator LRE OPERATING. LLC	8. Well Number #16	
3. Address of Operator c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401	9. OGRID Number 281994	
4. Well Location Unit Letter <u>K</u> : <u>1650</u> feet from the <u>South</u> line and <u>1650</u> feet from the <u>West</u> line Section <u>24</u> Township <u>17-S</u> Range <u>28-E</u> NMPM <u>Eddy</u> County	10. Pool name or Wildcat Empire, Glorieta-Yeso (96210)	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3705' GL		

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"/> CLOSED-LOOP SYSTEM <input checked="" type="checkbox"/> OTHER: <u>Payadd Workover</u> <input checked="" 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 type="checkbox"/> OTHER: <input type="checkbox"/>	
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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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Lime Rock would like to perform a payadd workover on this Glorieta-Yeso oil well as follows: MIRUSU. TOH w/rods, pump, & tbg. Set a 5-1/2" CBP @ ~4080' & PT to ~3500 psi. (Existing Yeso perms are @ 4107'-5081'). Perf additional Glorieta/upper Yeso @ ~3730'-4050' w/~65 holes. Stimulate with ~3500 gal 15% HCL acid & frac w/~102,000# 16/30 sand in 25# X-linked gel. CO after frac & drill out CBP @ 4080' & CO to ~5200'. Re-land 2-7/8" production tbg @ ~5165'. Run pump & rods, release workover rig, & return well to production. Complete as a single Glorieta-Yeso oil well. See the attached proposed wellbore diagram.

Spud Date: 7/22/11 Drilling Rig Release Date: 8/5/11

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 9/11/13

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

APPROVED BY: [Signature] TITLE Dist. Mgr. Services DATE 9/17/13

Conditions of Approval (if any):

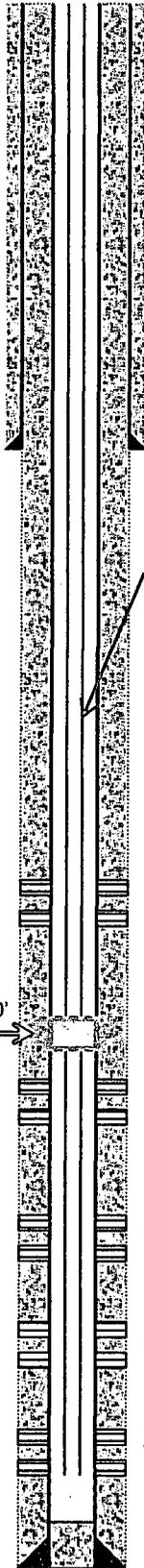


LRE Operating, LLC
Proposed Yeso 1 Stage Pay Add
AFE # W13088

AID 24 State #16
Sec 24-17S-28E (K)
1650' FSL, 1650' FWL
Elevation - 3,705'
API # 30-015-38360
Eddy County, NM

Spud
7/23/11

Lufkin 320-256-120 Conventional
Pumping Unit with 40 HP motor



8-5/8", 24#, J-55, ST&C Casing @ 474'. 375 sx cement, circulated 145 sx to Surface. (7/24/2011)

2-7/8"; 6.5#, J-55 Tubing, TAC at 3630', SN at 5100', 4' slotted sub, 2 jt MA w BP at ~ 5165'

Stage 1 Yeso: 3730'-4051', 1 spf, 65 holes
 3500 g 15% HCL acid and 98 bio balls, 62,000 g X-link 25# gel, 84,000 lbs 16/30 Brady, 18,000 lbs 16/30 resin coated sand, staged 1-4.5 ppg, at 65 BPM

CBP @ 4080'

Yeso Perfs: 4,107' - 4,289' (2 SPF - 40 holes) (8/19/11)

Stim Info: 3738 g 15% HCL & 80 bio balls at 15 BPM. 33,465 g 18# xlink gel & 51,130 # 16/30 Brady at .75# - 3.5# at 60 BPM. Flush before Resin to prevent screen out.

Yeso Perfs: 4,323' - 4,599' (2 SPF - 46 holes) (8/19/11)

Stim Info: 3486 g 15% HCL & 92 bio balls at 15 BPM. 57,734 g 18# xlink gel & 103,193 # 16/30 Brady 1# -4.5#, 11,728 # 16/30 Resin at 5# at 60 BPM. (8/19/11)

Yeso Perfs: 4,645' - 4,838' (2 SPF - 36 holes) (8/19/11)

Stim Info: 3486 g 15% HCL & 80 bio balls at 15 BPM. 44,790 g 18# xlink gel & 59,000 # 16/30 Brady .75#-3.5#, 8,131# 16/30 Resin at 4# at 60 BPM (8/19/11)

Yeso Perfs: 4,899' - 5,081' (2 SPF - 40 holes) (8/19/11)

Stim Info: 3500 g 15% HCL & 80 bio balls at 15 BPM. 37,175 g 18# xlink gel & 49,798 # 16/30 Brady .75#-3.5#, 13,682 # 16/30 Resin at 4# at 50 BPM (8/19/11)

PBTD @ 5,200'

5-1/2"; 17#, J-55; ST&C Casing @ 5,244'. Lead 550 sx, tail 650 sx, circulated 183 sx to Surface. (8/5/2011)

TD @ 5,260'

GEOLOGY

Zone	Top
Yates	739'
7 Rivers	978'
Queen	1,586'
Grayburg	1,940'
Premier	2,211'
San Andres	2,239'
MSA	2,542'
LSA	3,064'
Glorieta	3,649'
Yeso	3,713'
Tubb	5,152'

SURVEYS

Degrees	Depth
0.08°	490'
0.4	1,008'
0.2°	1,511'
1.3°	2,045'
0.5°	2,544'
0.5°	3,016'
0.5°	3,487'
1.3°	4,122'
0.6°	4,530'
0.07°	4,997'
1.3°	5,260'