

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

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, 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. 30-015-40988
1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐		5. Indicate Type of Lease STATE ☒ FEE ☐
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 STALEY STATE
4. Well Location Unit Letter <u>L</u> : <u>1655</u> feet from the <u>SOUTH</u> line and <u>990</u> feet from the <u>WEST</u> line Section <u>30</u> Township <u>17-S</u> Range <u>28-E</u> NMPM <u>Eddy</u> County		8. Well Number #26
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3598' GL		9. OGRID Number 281994
		10. Pool name or Wildcat Red Lake, Glorieta-Yeso NE (96836) Red Lake, Queen-Grayburg-San Andres (51300)

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☒

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Open San Andres, & DHC ☒

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 10/31/13, MIRUSU. TOH w/rods, pump, & tbg. Set 5-1/2" CBP @ 3130' & PT 5-1/2" csg & CBP to 3500 psi-OK. Perfed lower San Andres @ 2650', 60', 68', 76', 92', 2702', 10' 22', 32', 42', 50', 62', 70', 82', 94', 2806', 14', 24', 36', 50', 58', 72', 82', 90' w/1-0.34" spf. Total 24 holes. On 11/6/13, treated w/2500 gal 15% HCL acid & 36 perf balls. Fraced lower SA w/66,188# 16/30 Arizona & 17,545# 16/30 resin coated sand in 20# X-linked gel.
Set 5-1/2" CBP @ 2634' & PT csg & CBP to 4000 psi-OK. Perfed middle SA @ 2400', 10', 22', 30', 40', 50', 62', 70', 82', 94', 2510', 20', 32', 44', 56', 68', 82', 98', 2608', 16' w/1-0.34" spf. Total 20 holes. Treated perfs w/2200 gal 15% HCL acid & 30 perf balls. Fraced w/57,309# 16/30 Arizona & 20,213# 16/30 resin coated sand in 20# X-linked gel.
Set 5-1/2" CBP @ 2385'. PT CBP & csg to 4000 psi-OK. Perfed upper SA @ 2070', 82', 90' 2100', 10', 20', 30', 38', 50', 60', 70', 79', 90', 2206', 16', 30', 38', 47', 57', 68', 78', 96', 2306', 20', 32', 44', 56', 70' w/1-0.34" spf. Total 28 holes. Treated perfs w/2974 gal 15% HCL acid & 42 perf balls. Fraced w/82,779# 16/30 Arizona & 21,833# 16/30 resin coated sand in 20# X-linked gel.
On 11/8/13, drilled CBPs @ 2385', 2634', & 3130' & CO to PBTD4876'. On 11/9/13, landed 2-7/8" 6.5# J-55 tbg @ 4680'. Ran pump & rods. Released workover rig on 11/11/13. Completed well as a commingled San Andres/Yeso oil well as per DHC-4609L. (Existing Yeso perfs are @ 3154'-4560').

Spud Date: 2/6/13 Drilling Rig Release Date: 2/12/13

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 11/18/13

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. Supervisor DATE 11/20/13
Conditions of Approval (if any):