

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

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

Form C-103  
 Revised July 18, 2013

NOV 10 2014

RECEIVED

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| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(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.<br>30-015-41832  |
| 1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>  |  | 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 2. Name of Operator<br><b>LRE OPERATING, LLC</b>  |  | 6. State Oil & Gas Lease No.  |
| 3. Address of Operator<br>c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401   |  | 7. Lease Name or Unit Agreement Name<br><b>HORSESHOE STATE</b>                                      |
| 4. Well Location<br>Unit Letter <u>F</u> : <u>1655</u> feet from the <u>North</u> line and <u>1690</u> feet from the <u>West</u> line<br>Section <u>30</u> Township <u>17-S</u> Range <u>28-E</u> NMPM <u>Eddy</u> County |  | 8. Well Number # <u>3</u>   |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)<br><u>3564' GL</u>   |  | 9. OGRID Number <u>281994</u>   |
|   |  | 10. Pool name or Wildcat<br><u>Red Lake, Glorieta-Yeso NE (96836)</u>                               |

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

|  |  |  |  |
|--|--|--|--|
| <b>NOTICE OF INTENTION TO:</b><br>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/><br>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/><br>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/><br>DOWNHOLE COMMINGLE <input type="checkbox"/><br>CLOSED-LOOP SYSTEM <input checked="" type="checkbox"/> |  | <b>SUBSEQUENT REPORT OF:</b><br>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/><br>COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/><br>CASING/CEMENT JOB <input type="checkbox"/> |  |
| OTHER: <u>Payadd in Yeso</u> <input checked="" type="checkbox"/>   |  | OTHER: <input 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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

LRE would like to perform a payadd workover in the Yeso. MIRUSU. TOH w/ESP pump & tbg. Set a 5-1/2" CBP @ ~4350' (existing perfs @ 4628'-5010') & PT 5-1/2" csg & CBP to ~3500 psi. Perf Yeso @ ~4046'-4313' w/ ~30 holes. Stimulate with ~1500 gal 15% HCL acid & frac w/~30,000# 100 mesh & ~238,140# 40/70 Ottawa sand in slick water.

Set a CBP @ ~3950 & PT 5-1/2" csg & CBP to ~3500 psi. Perf Yeso @ ~3664'-3888' w/ ~29 holes. Stimulate with ~1500 gal 15% HCL acid & frac w/~30,000# 100 mesh & ~190,512# 40/70 Ottawa sand in slick water.

Set a CBP @ ~3550 & PT 5-1/2" csg & CBP to ~3500 psi. Perf Yeso @ ~3340'-3490' w/ ~26 holes. Stimulate with ~1500 gal 15% HCL acid & frac w/~30,000# 100 mesh & ~142,884# 40/70 Ottawa sand in slick water.

CO after frac & drill out CBPs @ 3550', 3950', & 4350' & CO to ~PBSD @ 5068'. Land ESP on 2-7/8" 6.5# J-55 tbg @ ~3300'. Complete as a single Yeso oil well. See the attached wellbore diagram.

Spud Date: 5/15/14 Drilling Rig Release Date: 5/21/14

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 11/7/14

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

**For State Use Only**

APPROVED BY: RDade TITLE Dist Supervisor DATE 11/13/14  
 Conditions of Approval (if any):

