

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. 30-015-40068
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name WELCH RL STATE
8. Well Number #14
9. OGRID Number 281994
10. Pool name or Wildcat Artesia, Glorieta-Yeso (96830) Red Lake, San Andres (97253)
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3639' GL

**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.)

1. Type of Well: Oil Well  Gas Well  Other

2. Name of Operator  
LRE OPERATING, LLC

3. Address of Operator  
c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401

4. Well Location  
 Unit Letter F : 2310 feet from the North line and 2310 feet from the West line  
 Section 28 Township 17-S Range 28-E NMPM Eddy County

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"/> CLOSED-LOOP SYSTEM <input checked="" type="checkbox"/> OTHER: <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 type="checkbox"/> OTHER: <u>Recompleted to San Andres</u> <input checked="" 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.

LRE has recompleted this Yeso oil well to the San Andres as follows: On 4/9/15, MIRUSU. TOH w/rods, pump, & tbg. Set 5-1/2" CBP @ 3350' & PT 5-1/2" csg & CBP to 4000 psi-OK. (Existing Yeso perms are @ 3394'-3510'). Perfed lower San Andres @ 2776'-3170' w/1-0.40" spf. Total 38 holes. On 4/15/15, treated w/1500 gal 15% HCL acid & fraced lower San Andres w/30,000# 100 mesh & 248,074# 40/70 Arizona sand in slick water.

Set 5-1/2" CBP @ 2752'. Perfed middle San Andres @ 2435'-2720' w/1-0.40" spf. Total 31 holes. On 4/16/15, treated perms w/1500 gal 15% HCL acid & fraced w/30,000# 100 mesh & 258,929# 40/70 Arizona sand in slick water.

Set 5-1/2" CBP @ 2420'. PT CBP & 5-1/2" csg to 4000 psi-OK. Perfed upper San Andres @ 2061'-2388' w/1-0.40" spf. Total 31 holes. Treated perms w/1500 gal 15% HCL acid & fraced w/30,200# 100 mesh & 165,487# 40/70 Arizona sand in slick water.

On 4/17/15, MIRUSU. Drilled CBPs @ 2420', 2752', & CO to CBP @ 3350'. On 4/18/15, landed 2-7/8" 6.5# J-55 tbg @ 3237'. Ran pump & rods. Released completion rig on 4/18/15. Completed the well as a single San Andres oil well. Following a test on the San Andres alone, the CBP @ 3350' will be removed and the well DHC as per State order DHC-4746.

Spud Date: 1/21/14 Drilling Rig Release Date: 1/25/14

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 4/20/15  
 Type or print name Mike Pippin E-mail address: mike@pippinllc.com PHONE: 505-327-4573

**For State Use Only**

APPROVED BY: [Signature] TITLE Dist. Supervisor DATE 4/27/15

Conditions of Approval (if any):

NM OIL CONSERVATION  
 ARTESIA DISTRICT

APR 21 2015

RECEIVED