

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

Form C-103
 Revised July 18, 2013

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. 30-015-40989
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 STALEY STATE
4. Well Location Unit Letter <u>I</u> : <u>1655</u> feet from the <u>South</u> line and <u>330</u> feet from the <u>East</u> line Section <u>30</u> Township <u>17-S</u> Range <u>28-E</u> NMPM <u>Eddy</u> County		8. Well Number <u>#21</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3615' GL		9. OGRID Number <u>281994</u>
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 <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"/>		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: <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 6/10/15, MIRUSU. TOH w/rods, pump, & tbg. Set 5-1/2" CBP @ 3250' & PT 5-1/2" csg & CBP to 4000 psi-OK. (Existing Yeso perms are @ 3310'-4580'). Perfed lower San Andres @ 2766'-3110' w/35-0.42" holes. On 6/16/15, treated new perms w/1500 gal 15% HCL acid & fraced lower San Andres w/29,386# 100 mesh & 304,471# 40/70 Ottawa sand in slick water.

Set 5-1/2" CBP @ 2700'. PT CBP & 5-1/2" csg to 4000 psi-OK. Perfed middle San Andres @ 2238'-2640' w/40-0.42" holes. Treated perms w/1500 gal 15% HCL acid & fraced w/30,558# 100 mesh & 344,409# 40/70 Ottawa sand in slick water.

Set 5-1/2" CBP @ 2150'. PT CBP & 5-1/2" csg to 4000 psi-OK. Perfed upper San Andres @ 1758'-1992' w/35-0.42" holes. Treated perms w/1500 gal 15% HCL acid & fraced w/32,345# 100 mesh & 126,826# 40/70 Ottawa sand in slick water.

On 6/17/15, drilled CBPs @ 2150', 2700', & CO to CBP @ 3250'. On 6/17/15, landed 2-7/8" 6.5# J-55 tbg @ 3138'. Ran pump & rods. Released workover rig on 6/18/15. Completed the well as a single San Andres oil well. Following a test on the San Andres alone, the CBP @ 3250' will be removed and the well DHC as per State order ART-4609-Z.

Spud Date: 3/21/13 Drilling Rig Release Date: 3/27/13

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 6/19/15

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 6/23/15
 Conditions of Approval (if any):