

District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W Grand Avenue, 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 & Natural Resources

Form C-104
Revised Feb 26, 2007

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

| | | | |
|--|---|---|--|
| ¹ Operator name and Address LRE OPERATING, LLC c/o Mike Pippin LLC, 3104 N. Sullivan Farmington, NM 87401 | | ² OGRID Number 281944 | |
| | | ³ Reason for Filing Code/ Effective Date NW | |
| ⁴ API Number 30 - 015-39638 | ⁵ Pool Name Red Lake, Glorieta-Yeso NE | | ⁶ Pool Code 96836 |
| ⁷ Property Code 310037 | ⁸ Property Name ANTHONEY STATE | | ⁹ Well Number 3 |

II. ¹⁰ Surface Location

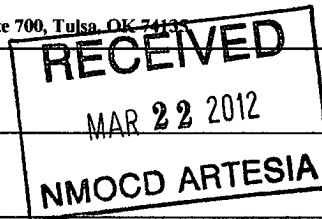
| Ul or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South Line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| P | 30 | 17-S | 28-E | | 412 | SOUTH | 679 | EAST | EDDY |

¹¹ Bottom Hole Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|-----------------------------|--|--|-----------------------------------|---------|------------------------------------|------------------|-------------------------------------|----------------|--------|
| P | 30 | 17-S | 28-E | | 356 | SOUTH | 346 | EAST | EDDY |
| ¹² Lse Code S | ¹³ Producing Method Code P | ¹⁴ Gas Connection Date READY | ¹⁵ C-129 Permit Number | | ¹⁶ C-129 Effective Date | | ¹⁷ C-129 Expiration Date | | |

III. Oil and Gas Transporters

| ¹⁸ Transporter OGRID | ¹⁹ Transporter Name and Address | ²⁰ O/G/W |
|---------------------------------|--|---------------------|
| 34019 | ConocoPhillips 1130 Plaza Office Building, Bartlesville, OK 74004 | O |
| 221115 | Frontier Field Service 4200 E. Skelly Drive, Suite 700, Tulsa, OK 74135 | G |



IV. Well Completion Data

| | | | | | |
|------------------------------------|-------------------------------------|------------------------------------|-----------------------------|---|-------------------------------|
| ²¹ Spud Date 2/21/12 | ²² Ready Date 3/21/12 | ²³ TD 5039' | ²⁴ PBDT 4989' | ²⁵ Perforations 3361'-4722' | ²⁶ DHC, MC |
| ²⁷ Hole Size | | ²⁸ Casing & Tubing Size | ²⁹ Depth Set | | ³⁰ Sacks Cement |
| 12-1/4" | | 8-5/8" 24# | 460' | | 300 sx C |
| 7-7/8" | | 5-1/2" 17# | 5036' | | 350 sx 35/65 Poz/C + 550 sx C |
| | | 2-7/8" tubing | 4822' | | |

V. Well Test Data

| | | | | | |
|---|---------------------------------|----------------------------|---|-----------------------------|--------------------------------------|
| ³¹ Date New Oil READY | ³² Gas Delivery Date | ³³ Test Date | ³⁴ Test Length | ³⁵ Tbg. Pressure | ³⁶ Csg. Pressure |
| ³⁷ Choke Size | ³⁸ Oil (bbls) | ³⁹ Water (bbls) | ⁴⁰ Gas (MCF) | | ⁴¹ Test Method Pumping |
| ⁴² I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Mike Pippin</i> | | | OIL CONSERVATION DIVISION Approved by: <i>T. C. Shepard</i> Title: <i>Geologist</i> Approval Date: <i>4/9/2012</i> | | |
| Printed name: Mike Pippin | | | | | |
| Title Petroleum Engineer - Agent | | | | | |
| E-mail Address mike@pippinllc.com | | | | | |
| Date 3/21/12 | | Phone: 505-327-4573 | | | |