

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

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-36252
5. Indicate Type of Lease STATE ☒ FEE ☐
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name STALEY STATE
8. Well Number #4
9. OGRID Number 281994
10. Pool name or Wildcat Red Lake, Glorieta-Yeso NE (96836)

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 N : 990 feet from the SOUTH line and 1980 feet from the WEST line
Section 30 Township 17-S Range 28-E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3626' GL

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: Payadd Workover ☒	SUBSEQUENT REPORT OF: REMEDIAL WORK ☐ ALTERING CASING ☐ COMMENCE DRILLING OPNS. ☐ P AND A ☐ CASING/CEMENT JOB ☐ OTHER: ☐
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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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Lime Rock would like to open the upper Yeso & Glorieta & produce the well with the existing Yeso perfs as follows:
TOH w/rods, pump, & tbg. Set a 5-1/2" RBP @ about 3650' & using pkr, PT RBP to about 2000 psi. W/pkr above existing perfs (3308'-3498'), PT 5-1/2" csg to about 2000 psi. Perf additional Yeso & Glorieta @ about 3210'-3628'. Break down Glorieta/Yeso perfs 3210'-3628' w/about 2500 gal 15% HCL acid & frac w/about 187,350# 16/30 sand in X-linked gel. Clean out after frac, retrieve RBP @ 3650', & CO to about 4015'. Re-run production tbg, pump & rods & initiate pumping both new & old Glorieta/Yeso perfs.

Spud Date: 6/23/08 Rig Release Date: 7/3/08

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

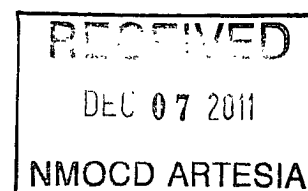
SIGNATURE Mike Pippin TITLE Petroleum Engineer - Agent DATE 12/4/11

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

For State Use Only

APPROVED BY: T. C. Shyman TITLE Geologist DATE DEC 08 2011

Conditions of Approval (if any):



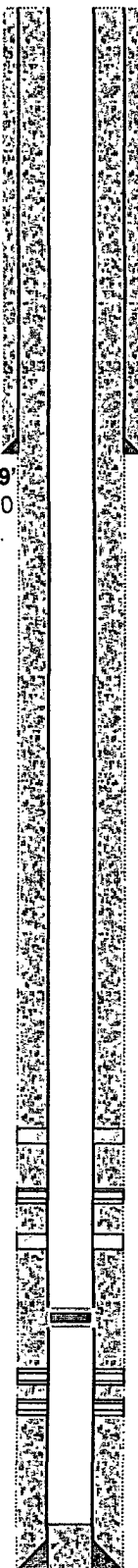
dm



**PROPOSED PAYADD
and FRAC
CAPITAL WORKOVER
AFE # W11088**

**Staley State A #4
Sec 30-17S-28E (N)
990' FSL, 1980' FWL
Elevation – 3,625'
API #: 30-015-36252
Eddy County, NM**

8-5/8", 23#,
J-55, ST&C
Casing @ 419'
Circulated 140
sx to Surface.



GEOLOGY

<u>Zone</u>	<u>Top</u>
Queen	1,046'
Grayburg	1,470'
San Andres	1,777'
Glorieta	3,165'
Yeso	3,272'

SURVEYS

<u>Degrees</u>	<u>Depth</u>
3/4°	412'
1°	993'
3/4°	1,495'
1/2°	1,999'
1/4°	2,533'
1/2°	3,005'
3/4°	3,509'
1/2°	4,012'

ADD Proposed Perfs: 3210', 3212', 3214', 3220', 3224', 3231', 3237', 3245', 3261', 3263', 3276', 3278', 3282', 3286', 3314', 3406', 3410', 3412', 3527', 3528', 3537', 3563', 3598', 3600', 3606', 3609', 3612', 3623', and 3628'(this last foot is 2 SPF) (1spf, 0.4" to 0.41" EHD, 31"+ penetration, 30 Holes)

Proposed Stimulaton: 2500 Gals 15% HCL w/ 110 ball sealers at 15 BPM, 101136 gal Viking 2000 X-linked Gel, 162350#'s 16/30 Brady Sand – staged at 1.5-4 ppg, and 25000#'s 16/30 SiberProp all pmp'd @ 60 BPM

Perfs. 3,308' – 3,498' (1 SPF - 38 holes)

Stim Info: 3500 gal 15% NEFE; Treat w/ 20k gal 20% HCl + 30k gal 40# linear gel + 3000 gal 15% HCl. (9/12/08)

Set RBP @ 3650' MD (Pull After PayAdd Perfs are Cleaned Out after Frac and Clean to Bottom)

Perfs: 3,671' –3,994' (1 SPF - 63 holes)

Stim Info: 3320 gal 15% NEFE; Frac w/ 138,499# 16/30 Ottawa + 26,484# 16/30 RCS in 123.6k gal SilverStim LT-15. (6/11/09)

PBTD @ 4,015'

5-1/2"; 14#, J-55; ST&C Casing @ 4,017'.
Circulated 10 sx to Surface (7/3/2008)

TD @ 4,025'