

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 281994
⁴ API Number 30 - 015-30476		³ Reason for Filing Code/ Effective Date Recomplete to Wolfcamp
⁵ Pool Name Empire, Wolfcamp	⁶ Pool Code 22420	
⁷ Property Code 309702	⁸ Property Name DUKE ARP FEDERAL	⁹ Well Number 1

II. ¹⁰ Surface Location

UL or lot no. L	Section 14	Township 17-S	Range 27-E	Lot Idn	Feet from the 1980	North/South Line SOUTH	Feet from the 990	East/West line WEST	County 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
¹² Lse Code F	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	O
246624	DCP Midstream LP 10 Desta Dr. Suite 400-West, Midland, TX	G
<div style="border: 1px solid black; padding: 5px; text-align: center;">RECEIVED SEP 24 2012 NMOCD ARTESIA</div>		

IV. Well Completion Data

²¹ Spud Date 12/2/98	²² Ready Date w/o 9/17/12	²³ TD 9720'	²⁴ PBD 9075'	²⁵ Perforations 6194'-6220'	²⁶ DHC, MC
²⁷ Hole Size	²⁸ Casing & Tubing Size	²⁹ Depth Set	³⁰ Sacks Cement		
12-1/4"	8-5/8" 24	1605'	1000 sx		
7-7/8"	4-1/2" 11.6#	9720'	875 sx		
2-7/8" tubing		6349'	CIRP @ 9300' 25.04		

V. Well Test Data

³¹ Date New Oil READY	³² Gas Delivery Date READY	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
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>		
Printed name: Mike Pippin			Title: <i>Dist II Geologist</i>		
Title: Petroleum Engineer - Agent			Approval Date: <i>10/16/12</i>		
E-mail Address: mike@pippinllc.com					
Date: 9/21/12		Phone: 505-327-4573			

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No 1004-0135
Expires July 31, 1996

5. Lease Serial No.

NM-99028

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

DUKE ARP FEDERAL #1

9. API Well No

30-015-30476

10. Field and Pool, or Exploratory Area

EMPIRE, WOLFCAMP (22420)

AND

Eddy County, New Mexico

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

LRE OPERATING, LLC

3a. Address c/o Mike Pippin LLC

3104 N Sullivan, Farmington, NM 87401

3b. Phone No. (include area code)

505-327-4573

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1980' FSL & 990' FWL Unit L

Sec. 14, T17S, R27E

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input checked="" type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input checked="" type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input checked="" type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other TA Morrow Perfs, Repair Csg Leak, & Recomplete to Wolfcamp
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input checked="" type="checkbox"/> Temporarily Abandon <input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No on file with BLM/BLA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

8/22/12: MIRUSU. 1 OH w/all production equipment. Using 4-1/2" RBP & pkr, located csg leaks from 4774' to 4996' (222'). CO to PBTD9632'. Set 4-1/2" CIBP @ 9300'. On 8/31/12, circ 25 sx cmt 15.6# CI "H" w/defoamer & R-38 retarder on top of CIBP. WOC. Tagged cmt @ 9075' inside 4-1/2" csg. Tag witnessed by Jim Hughs w/BLM. Ran freepoint survey on 4-1/2" csg. On 9/4/12, chemical cut 4-1/2" csg @ 5048' & TOH w/4-1/2" csg. Dressed off top of cut off 4-1/2" csg. On 9/7/12, ran 4-1/2" Logan Lead Seal Csg Patch on 33 jts 4-1/2" 11.6# L-80, 9 jts 4-1/2" 11.6# N-80, & 80 jts 4-1/2" 11.6# P-110 csg & worked csg patch over 4-1/2" csg stub. On 9/10/12, PT new 4-1/2" csg & csg patch w/chart recorder to 1000 psi. PT witnessed by Jim Hughs w/BLM. On 9/11/12, perfed Wolfcamp 6194'-6220' w/2-0.37" spf. Total 53 holes. Treated new Wolfcamp perfs w/3000 gal 15% HCL acid & 120 perf balls. Swabbed back load water. On 9/14/12, landed 2-7/8" 6.5# N-80 tbg @ 6349'. Ran pump & rods. Realeased workover rig on 9/17/12.

RECEIVED

SEP 24 2012

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Mike Pippin

Title

Petroleum Engineer (Agent)

Signature

Mike Pippin

Date

September 21, 2012

NMOCD ARTESIA

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED
OMB NO. 1004-0137
Expires: November 30, 2000

1a. Type of Well ☒ Oil Well ☐ Gas ☐ Dry ☐ Other
b. Type of Completion: ☐ New ☒ Work Over ☐ Deepen ☐ Plug Back ☒ Diff. Resvr.
Other: _____

2. Name of Operator

LRE OPERATING, LLC c/o Mike Pippin LLC (Agent)

3. Address

3104. N. Sullivan, Farmington, NM 87401

3a. Phone No. (include area code)

505-327-4573

4. Location of Well (Report locations clearly and in accordance with Federal requirements)*

At surface

1980' FSL & 990' FWL Unit (L) Sec. 14, T17S, R27E

At top prod. interval reported below

At total depth

14. Date Spudded

12/02/98

15. Date T.D. Reached

12/22/98

16. Date Completed

☐ P & A ☒ Ready to Prod.
WO: 9/17/12

17. Elevations (DF, RKB, RT, GL)*

3483' GL

18. Total Depth: MD

9720'

TVD

19. Plug Back T.D.: MD

9075'

TVD

20. Depth Bridge Plug Set: MD 9300'

TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

LDT-CNL-GR, BHC, & DLL

22. Was well cored? ☒ No ☐ Yes (Submit copy)

Was DST run? ☒ No ☐ Yes (Submit copy)

Directional Survey? ☐ No ☒ Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	8-5/8"	24#	0'	1605'		1000 sx		Surface (Circ)	0'
7-7/8"	4-1/2"***	11.6#	0'	9720'		875 sx		Surface (Circ)	0'
**	4-1/2"	11.6#	0'	5048'		NONE	9/12: cut off 4-1/2" csg @ 5048' & replaced w/new.		

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Set (MD)
2-7/8"	6349'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Wolfcamp	6200'	8022'	6194'-6220'	0.37"	53	Open

26. Perforation Record

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and type of Material
6194'-6220'	3000 gal 15% HCL acid & 120 perf balls

RECEIVED

SEP 24 2012

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water	Oil Gravity Corr.	Gas Gravity	Production Method
	In 30 days		→						Pumping
Choke Size	Tbg Press. Flwg PSI	Csg Press.	24 Hr Rate	Oil BBL	Gas MCF	Water	Gas : Oil Ratio	Well Status	
			→						Pumping

28a Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water	Oil Gravity Corr.	Gas Gravity	Production Method
			→						
Choke Size	Tbg Press. Flwg SI	Csg Press.	24 Hr Rate	Oil BBL	Gas MCF	Water	Gas : Oil Ratio	Well Status	
			→						

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr	Gas Gravity	Production Method
Choke Size	Tbg. Press Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr.	Gas Gravity	Production Method
Choke Size	Tbg. Press Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

Plan to Sell

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas Depth
Wolfcamp	6200'	8022'	Oil & Gas		Depth
				Seven Rivers	346'
				Queen	820'
				San Andres	1597'
				Glorieta	2989'
				Yeso	3180'
				Abo	5077'
				Wolfcamp	6200'
				Penn	8022'
				Atoka	9058'
				Morrow	9322'
				Chester	9628'

32. Additional remarks (include plugging procedure):

DUKE ARP FEDERAL #1 TA Morrow Perfs, Repair Csg Leak, & Recomplete to Wolfcamp

33. Circle enclosed attachments:

1. Electrical/Mechanical Logs (1 full set req'd.)
2. Geologic Report
3. DST Report
4. Directional Survey
5. Sundry Notice for plugging and cement verification
5. Core Analysis
7. Other:

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Mike Pippin 505-327-4573 Title Petroleum Engineer (Agent)

Signature *Mike Pippin* Date September 21, 2012

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the U. States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.