

Submit 3 Copies To Appropriate District 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

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
June 19, 2008

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

WELL API NO. 30-015-40048
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 AID 24 STATE
8. Well Number #18
9. OGRID Number 281994
10. Pool name or Wildcat Empire, Glorieta-Yeso (96210)

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.)

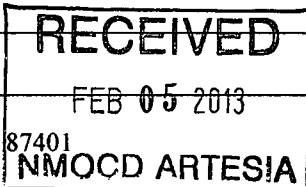
1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

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 **O** : **990** feet from the **SOUTH** line and **2310** feet from the **EAST** line
Section **24** Township **17-S** Range **28-E** NMPM **Eddy** County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3692' 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: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Completion Page #1 ☒

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.

On 1/17/13, PT 5-1/2" csg to 5000 psi for 30 min-OK. Perfed lower Yeso @ 4894', 4900', 07', 14', 20', 28', 35', 40', 50', 60', 70', 80', 90', 5000', 12', 20', 26', 30', 36', 40', 44', 46', 59', 70', 76', 78', 96', 5100', 10', 20' w/1-0.42" spf. Total 30 holes. Treated w/2000 gal 15% HCL acid & 45 perf balls. On 1/24/13, fraced lower Yeso w/39,331# 16/30 Brady & 14,230# 16/30 siber prop sand in X-linked gel.

Set 5-1/2" CBP @ 4860'. PT csg & CBP to 4000 psi-OK. Perfed middle Yeso @ 4596', 4600', 08', 14', 20', 30', 40', 45', 55', 60', 66', 71', 80', 88', 95', 4704', 06', 10', 16', 28', 40', 54', 58', 66', 75', 80', 84', 94', 98', 4806', 15' w/1-0.42" spf. Total 31 holes. Treated perfs w/2000 gal 15% HCL acid & 47 perf balls. Fraced w/40,513# 16/30 Brady & 16,554# 16/30 siber prop sand in X-linked gel.

Set 5-1/2" CBP @ 4570'. PT csg to 4000 psi-OK. Perfed upper Yeso @ 4336', 44', 50', 56', 63', 70', 80', 86', 93', 4405', 08', 10', 16', 22', 26', 32', 44', 50', 58', 65', 71', 74', 84', 92', 4500', 04', 12', 14', 20', 26', 32', 40', 46', 52' w/1-0.42" spf. Total 34 holes. Treated perfs w/2000 gal 15% HCL acid & 51 perf balls. Fraced w/46,499# 16/30 Brady & 14,343# 16/30 siber prop sand in X-linked gel.

Continued on Page #2.

Spud Date: 1/7/13

Drilling Rig Release Date: 1/15/13

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 2/4/13

Type or print name Mike Pippin

E-mail address: mike@pippinllc.com PHONE: 505-327-4573

For State Use Only

APPROVED BY: RR Dade

TITLE Dist # Supervisor DATE 2/5/13

Conditions of Approval (if any):

District I

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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 AID 24 STATE
4. Well Location Unit Letter <u>O</u> : <u>990</u> feet from the <u>SOUTH</u> line and <u>2310</u> feet from the <u>EAST</u> line Section <u>24</u> Township <u>17-S</u> Range <u>28-E</u> NMPM <u>Eddy</u> County		8. Well Number #18
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3692' GL		9. OGRID Number 281994
		10. Pool name or Wildcat Empire, Glorieta-Yeso (96210)

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

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 TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
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 DOWNHOLE COMMINGLE ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

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OTHER: Completion Page #2 ☒

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Continued from Page #1

Set 5-1/2" CBP @ 4310'. PT csg to 4000 psi-OK. Perfed upper Yeso @ 4024', 31', 42', 47', 58', 64', 72', 78', 4100', 11', 20', 26', 33', 40', 50', 60', 65', 74', 82', 90', 4200', 06', 10', 14', 20', 29', 35', 40', 46', 49', 62', 64', 66', 70' w/1-0.42" spf. Total 34 holes. Treated perfs w/2000 gal 15% HCL acid & 51 perf balls. Fraced w/48,434# 16/30 Brady & 17,204# 16/30 siber prop sand in X-linked gel.

Set 5-1/2" CBP @ 4000'. PT csg to 4000 psi-OK. Perfed Glorieta/upper Yeso @ 3680', 86', 90', 3700', 08', 18', 26', 30', 38', 44', 46', 56', 62', 70', 76', 80', 84', 86', 94', 3800', 10', 14', 20', 26', 32', 44', 54', 56', 64', 72', 74', 78', 94', 3900', 06', 10', 14', 20', 24', 30', 37', 44', 50', 56', 60', 68', 76' w/1-0.42" spf. Total 47 holes. Treated perfs w/2835 gal 15% HCL acid & 71 perf balls. Fraced w/56,828# 16/30 Brady & 27,486# 16/30 siber prop sand in X-linked gel.

On 1/28/13, MIRUSU. Drilled CBPs @ 4000', 4310', 4570', & 4860' & CO to PBTD5286'. On 1/30/13, landed 2-7/8" 6.5# J-55 tbg @ 5192'. Ran pump & rods. Released completion rig on 1/30/13.

Spud Date: 1/7/13

Drilling Rig Release Date: 1/15/13

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 2/4/13

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

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):