

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

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. 30-015-40049
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 AID 24 STATE
4. Well Location Unit Letter <u>N</u> : <u>990</u> feet from the <u>SOUTH</u> line and <u>1650</u> feet from the <u>WEST</u> line Section <u>24</u> Township <u>17-S</u> Range <u>28-E</u> NMPM <u>Eddy</u> County		8. Well Number <u>#19</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3692' GL		9. OGRID Number <u>281994</u>
		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:

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: Spud & Casings ☒

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.

Spud well on 1/25/13. Drilled 12-1/4" hole to 490. Landed 8-5/8" 24# J-55 csg @ 490'. Cmted lead w/180 sx (268 cf) "C" cmt w/0.5% Cacl2, 1% salt, 8% A-10, & 0.25# CF & tailed w/325 sx (448 cf) "C" cmt w/2% Cacl2 & 0.25# CF. Did not circ cmt to surface. Temp survey indicated TOC @ 250'. Randy Dade w/OCD approved running 1" tbg to bring cmt to surface. Ran 1" tbg into 8-5/8" csg annulus & found TOC @ 240'. Pumped 175 sx cmt from 240'. Circ 34 sx cmt to surface. On 1/27/13, PT 8-5/8" csg to 1500 psi for 30 min-OK.

Drilled 7-7/8" hole from 8-5/8" csg shoe to 5350' on 2/3/13. On 2/3/13, landed 5-1/2" 17# J-55 csg @ 5347'. Cmted lead w/350 sx (665 cf) 35/65 poz "C" cmt w/6% gel, 0.125#/sx CF, 5% salt, 5# LCM-1 & 0.2% R-3. Tailed w/675 sx (898 cf) "C" cmt w/0.25#/sx CF & 0.25% R-3. Circ 198 sx cmt to pit. Released drilling rig on 2/4/13. Plan to pressure test the 5-1/2" csg before completion operations.

Spud Date: 1/25/13

Drilling Rig Release Date: 2/4/13

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:

R. Dade

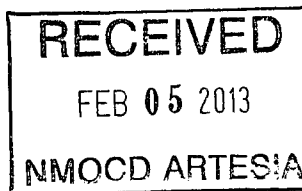
TITLE

Dist. R Supervisor

DATE

2/5/13

Conditions of Approval (if any):



Am