

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

Energy, Minerals and Natural Resources

RECEIVED

FEB 21 2013

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

AMOC D ARTESIA

WELL API NO.

30-015-40049

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

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

7. Lease Name or Unit Agreement Name

AID 24 STATE

8. Well Number #19

9. OGRID Number 281994

10. Pool name or Wildcat

Empire, Glorieta-Yeso (96210)

4. Well Location

Unit Letter N : 990 feet from the SOUTH line and 1650 feet from the WEST 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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐

ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐

P AND A ☐

CASING/CEMENT JOB ☐

OTHER: ☐

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 2/6/13, PT 5-1/2" csg to 5000 psi for 30 min-OK. Perfed lower Yeso @ 4760', 70', 80', 88', 4808', 20', 34', 46', 60', 70', 78', 90', 96', 4904', 12', 22', 32', 46', 54', 62', 70', 76', 85', 5002', 10', 18', 26', 34', 42', 48', 56', 64' w/1-0.42" spf. Total 32 holes. Treated w/3003 gal 15% HCL acid & 48 perf balls. On 2/8/13, fraced lower Yeso w/67,787# 16/30 Brady & 33,143# 16/30 siber prop sand in X-linked gel.

Set 5-1/2" CBP @ 4730'. PT csg & CBP to 4000 psi-OK. Perfed middle Yeso @ 4348', 64', 75', 86', 96', 4410', 20', 30', 40', 50', 60', 70', 80', 90', 4500', 10', 20', 30', 40', 50', 60', 70', 80', 90', 4600', 10', 20', 30', 46', 56', 65', 73', 80', 88', 95', 4700', 13' w/1-0.42" spf. Total 37 holes. Treated perfs w/4074 gal 15% HCL acid & 56 perf balls. Fraced w/79,889# 16/30 Brady & 22,829# 16/30 siber prop sand in X-linked gel.

Set 5-1/2" CBP @ 4326'. PT csg to 4000 psi-OK. Perfed upper Yeso @ 4000', 06', 16', 21', 28', 41', 66', 80', 90', 4114', 24', 32', 40', 50', 70', 76', 84', 92', 4208', 10', 18', 24', 30', 40', 50', 70', 80', 90', 96' w/1-0.42" spf. Total 29 holes. Treated perfs w/2994 gal 15% HCL acid & 44 perf balls. Fraced w/54,459# 16/30 Brady & 34,062# 16/30 siber prop sand in X-linked gel.

Continued on Page #2.

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 2/20/13

Type or print name Mike Pippin

E-mail address: mike@pippinllc.com

PHONE: 505-327-4573

For State Use Only

APPROVED BY:

RDade

TITLE

Drs H. S. P. W. S. D.

DATE

2/21/2013

Conditions of Approval (if any):

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
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OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-40049
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 #19
9. OGRID Number 281994
10. Pool name or Wildcat Empire, Glorieta-Yeso (96210)

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c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401

4. Well Location
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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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: Completion Page #2 <input checked="" type="checkbox"/>	

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Continued from Page #1

Set 5-1/2" CBP @ 3975'. PT csg to 4000 psi-OK. Perfed Glorieta/upper Yeso @ 3620', 32', 42', 52', 66', 74', 98', 3712', 24', 40', 50', 60', 70', 80', 90', 3800', 10', 20', 30', 40', 50', 56', 62', 70', 76', 84', 94', 3904', 14', 22', 32', 42', 50' w/1-0.42" spf. Total 33 holes. Treated perfs w/4095 gal 15% HCL acid & 50 perf balls. Fraced w/75,127# 16/30 Brady & 54,420# 16/30 siber prop sand in X-linked gel. On 2/18/13, MIRUSU. Drilled CBPs @ 3975', 4326', & 4730' & CO to PBTD5290'. On 2/19/13, landed 2-7/8" 6.5# J-55 tbg @ 5169'. Ran pump & rods. Released completion rig on 2/20/13.

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 2/20/13

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

For State Use Only

APPROVED BY: RDade TITLE Asst. H. Supervisor DATE 2/21/2013

Conditions of Approval (if any):

