

Submit 3 Copies To Appropriate District  
 Office  
 District I  
 1625 N. French Dr., Hobbs, NM 88248  
 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  
 CONSERVATION DIVISION  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

Form C-103  
 June 19, 2008

**RECEIVED**  
 JUL 15 2008  
 NMOCD ARTESIA

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. 30-015-41165
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 <b>LRE OPERATING, LLC</b>		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 <b>KERSEY STATE</b>
4. Well Location Unit Letter <u>P</u> : <u>930</u> feet from the <u>SOUTH</u> line and <u>860</u> feet from the <u>EAST</u> line Section <u>32</u> Township <u>17-S</u> Range <u>28-E</u> NMPM Eddy County		8. Well Number # <u>6</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3671' GL		9. OGRID Number <u>281994</u>
		10. Pool name or Wildcat Artesia, Glorieta-Yeso (96830)

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

<b>NOTICE OF INTENTION TO:</b> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/>		<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input checked="" type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: Spud & Casings <input checked="" type="checkbox"/>	

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 7/3/13. Drilled 11" hole to 450'. Landed 8-5/8" 24# J-55 csg @ 439'. Cmted w/225 sx (303 cf) "C" cmt w/2% Cacl2, 0.005# static free, & 0.25# CF. Circ 65 sx cmt to surface. On 7/5/13, PT 8-5/8" csg to 600 psi down to 580 psi in 30 min.

Drilled 7-7/8" hole from 8-5/8" csg shoe to MD4900' on 7/10/13. On 7/10/13, landed 5-1/2" 17# J-55 csg @ MD4900'. Cmted lead w/325 sx (618 cf) 35/65 poz "C" cmt w/5% salt, 6% gel, 2% R-3, & 0.125# CF. Tailed w/625 sx (825 cf) "C" cmt w/0.5% PF-13, 2% PF-167, 0.2% PF-65, & 0.125# PF-29. Circ 206 sx cmt to pit. Released drilling rig on 7/11/13. Plan to pressure test the 5-1/2" csg before completion operations.

Spud Date: 7/3/13

Drilling Rig Release Date: 7/11/13

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 7/13/13

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

**For State Use Only**

APPROVED BY: [Signature] TITLE Dist P Supervisor DATE July 16, 2013

Conditions of Approval (if any):

*W*