

Submit 1 Copy To Appropriate District Office
 District I – (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II – (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III – (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV – (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

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. 30-015-41638
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 SOUTHERN UNION 30 G STATE
4. Well Location Unit Letter <u>G</u> : <u>1815</u> feet from the <u>North</u> line and <u>1650</u> feet from the <u>East</u> line Section <u>30</u> Township <u>17-S</u> Range <u>28-E</u> NMPM <u>Eddy</u> County		8. Well Number #2
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3574' GL		9. OGRID Number 281994
10. Pool name or Wildcat Red Lake, Glorieta-Yeso NE (96836)		

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

NOTICE OF INTENTION TO: 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"/> CLOSED-LOOP SYSTEM <input checked="" type="checkbox"/> OTHER: <input type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input checked="" type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input checked="" type="checkbox"/> OTHER: Spud & Casings <input checked="" type="checkbox"/>	
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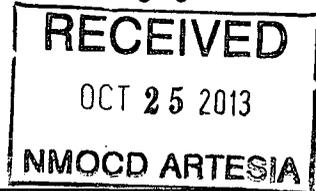
13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Spud well on 10/15/13. Drilled 11" hole to 450'. Landed 8-5/8" 24# J-55 csg @ 444'. Cmted w/300 sx (305 cf) "C" cmt w/2% Cacl2 & 1/4#/sx cello-flake. Circ 126 sx cmt to surface. On 10/18/13, PT 8-5/8" csg to 600 psi for 30 min – OK.

Drilled 7-7/8" hole to MDTD4900' on 10/21/13. Ran open hole logs. Landed 5-1/2" 17# J-55 csg @ MD4889'. Cmted lead w/300 sx (579 cf) 35/65 poz C cmt w/5% PF-44(BWOW), 6% PF-20, 0.2% PF-13, 0.125# PF-29, 0.4# PF-46, & 0.5# PF-42. Tailed w/600 sx (804 cf) "C" cmt w/0.3% PF-13, 0.4# PF-46, & 0.125# PF-29. Circ 96 sx cmt to pit. Released drilling rig on 10/22/13. We plan to pressure test the 5-1/2" csg before completion operations.

Bottom Hole Location: 1659' FNL & 1647' FEL SEC. 30 T17S R28E

Spud Date: 10/15/13 Drilling Rig Release Date: 10/22/13



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 10/22/13

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

For State Use Only

APPROVED BY: [Signature] TITLE SUPERVISOR, DISTRICT # DATE 10/25/2013

Conditions of Approval (if any):