

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

WELL API NO. 30-015-36253
5. Indicate Type of Lease STATE ☒ FEE ☐
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name STALEY STATE
8. Well Number #7
9. OGRID Number 281994
10. Pool name or Wildcat Red Lake, Glorieta-Yeso NE (96836) Red Lake, Queen-Grayburg-San Andres (51300)

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 <u>I</u> : <u>1750</u> feet from the <u>South</u> line and <u>990</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	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3604' GL	

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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 ☐
CLOSED-LOOP SYSTEM ☒
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
OTHER: Recompleted to San Andres & DHC ☒

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.
LRE has recompleted this Yeso well to the San Andres & DHC as follows: On 3/20/14, MIRUSU. TOH w/rods, pump, & tbg. Set 5-1/2" CBP @ 3200' & PT 5-1/2" csg & CBP to 4000 psi-OK. (Existing Yeso perfs are @ 3310'-4667'). Perfed lower San Andres @ 2800', 10', 20', 30', 40', 50', 60', 70', 80', 2900', 10', 20', 30', 40', 50', 60', 70', 80', 90', 3000', 10', 24', 34', 44', 56', 66', 76', 86', 98', 3110', 20', 30' w/1-0.41" spf. Total 32 holes. Treated w/3400 gal 15% HCL acid & 48 perf balls. On 3/26/14, fraced lower San Andres w/92,201# 16/30 Arizona & 31,230# 16/30 resin coated sand in 25# X-linked gel.
Set 5-1/2" CBP @ 2771'. PT csg & CBP to 3500 psi-OK. Perfed middle San Andres @ 2450', 60', 76', 94', 2504', 16', 28', 38', 48', 58', 68', 78', 88', 2604', 18', 32', 42', 52', 62', 72', 86', 2704', 16', 26', 40', 50' w/1-0.41" spf. Total 26 holes. Treated perfs w/4100 gal 15% HCL acid & 39 perf balls. Fraced w/74,158# 16/30 Arizona & 17,972# resin coated 16/30 sand in 20# X-linked gel.
Set 5-1/2" CBP @ 2430'. PT CBP & 5-1/2" csg to 3500 psi-OK. Perfed upper San Andres @ 2122', 34', 44', 56', 66', 80', 90', 2200', 10', 20', 30', 40', 50', 58', 72', 80', 86', 2300', 08', 24', 30', 38', 50', 60', 70', 82', 92', 2400', 08', 16' w/1-0.41" spf. Total 30 holes. Treated perfs w/2977 gal 15% HCL acid & 45 perf balls. Fraced w/71,240# 16/30 Arizona & 18,755# 16/30 resin coated sand in 20# X-linked gel.
Set 5-1/2" CBP @ 2050'. PT CBP & 5-1/2" csg to 3500 psi-OK. Perfed Grayburg/upper San Andres @ 1750', 54', 62' 68', 74', 80', 86', 1808', 16', 24', 30', 40', 46', 54', 60', 64', 68', 90', 1906', 22', 40', 70', 76', 78', 80' w/1-0.41" spf. Total 26 holes. Treated perfs w/2800 gal 15% HCL acid & 38 perf balls. Fraced w/45,091# 16/30 Arizona & 25,499# 16/30 resin coated sand in 20# X-linked gel.
On 3/28/14, MIRUSU. Drilled CBPs @ 2050', 2430', 2771', & 3200' & CO to PBTD4684'. On 3/29/14, landed 2-7/8" 6.5# J-55 tbg @ 3224'. Ran pump & rods. Released completion rig on 3/30/14. Completed the well as a DHC San Andres/Yeso oil well as per order ART-2609-P. NOTE: 4" 10.8# L-80 LINER @ 3284'-4726'.

Spud Date: 6/9/08

Drilling Rig Release Date: 6/19/08

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 4/2/14

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. H. Supervisor DATE 4/8/14

Conditions of Approval (if any):