

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, Mineral and Natural Resources  
ARTESIA DISTRICT  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505  
RECEIVED

Form C-103  
Revised July 18, 2013

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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. 30-015-41371
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>ARCO STATE</b>
4. Well Location Unit Letter <u>L</u> : <u>2310</u> feet from the <u>South</u> line and <u>330</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>#3</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3702' 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 ☐  
CLOSED-LOOP SYSTEM ☒  
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐  
OTHER: 2nd Payadd Workover ☒

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.

On 12/15/14, TOH w/2-7/8" tbg. Set 5-1/2" CBP @ 5000' & PT CBP & 5-1/2" csg to 3500 psi for 15 min-OK. Perfed Yeso @ 4673', 84', 94', 4705', 14', 20', 26', 34', 44', 53', 60', 66', 74', 80', 86', 93', 4800', 06', 14', 25', 34', 40', 48', 54', 66', 84', 90', 4900', 19' w/1-0.41" spf. Total 29 holes. On 12/17/14, treated w/1515 gal 7.5% HCL acid. Fraced Yeso w/30,400# 100 mesh & 238,418# 40/70 Arizona sand in slick water.

Set 5-1/2" CBP @ 4600' & PT CBP & 5-1/2" csg to 4000 psi-OK. Perfed Yeso @ 4255', 64', 70', 79', 86', 4305', 16', 32' 44', 55', 60', 72', 80', 88', 96', 4404', 15', 26', 34', 40', 48', 54', 62', 70', 81', 94', 98', 4504', 12', 26', 33' w/1-0.41" spf. Total 31 holes. Treated w/1510 gal 7.5% HCL acid & fraced w/30,658# 100 mesh & 190,302# 40/70 Arizona sand in slick water.

Set 5-1/2" CBP @ 4200' & PT CBP & 5-1/2" csg to 4000 psi-OK. Perfed Yeso @ 3840', 50', 60', 70', 80', 90', 3900', 10', 20', 30', 40', 50', 60', 70', 80', 90', 4000', 10', 16', 26', 38', 50', 64', 80', 93', 4102', 14', 30', 40', 46' w/1-0.41" spf. Total 30 holes. Treated w/1501 gal 7.5% HCL acid & fraced w/22,630# 100 mesh & 191,027# 40/70 Arizona sand in slick water.

On 12/18/14, MIRUSU. CO after frac, drilled out CBPs @ 4200', 4600', & 5000', & CO to RBP @ 5384'. On 12/20/14, landed ESP on 2-7/8" 6.5# J-55 tbg @ 3667'. Released completion rig on 12/22/14. After obtaining a test of the upper Yeso, we plan to retrieve the RBP @ 5384' to open all the Yeso perfs to production.

Spud Date: 5/6/14

Drilling Rig Release Date: 5/13/14

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 12/22/14  
Type or print name Mike Pippin E-mail address: mike@pippinllc.com PHONE: 505-327-4573

For State Use Only

APPROVED BY: JD Wade TITLE Dist. Engineer DATE 1/6/2015  
Conditions of Approval (if any):