

Office

Revised July 18, 2013

District I - (575) 393-6161 NM OIL CONSERVATION Minerals and Natural Resources

1625 N. French Dr., Hobbs, NM 88240 ARTESIA DISTRICT

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

RECEIVED

## OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-015-37044

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil &amp; Gas Lease No.

7. Lease Name or Unit Agreement Name

STALEY STATE

8. Well Number #5

9. OGRID Number 281994

10. Pool name or Wildcat

Red Lake, Glorieta-Yeso NE (96836)

Red Lake, San Andres (97253)

## 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 H : 1650 feet from the North line and 330 feet from the East lineSection 30 Township 17-S Range 28-E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3595' 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 ☒CLOSED-LOOP SYSTEM ☒OTHER: Recomplete to the San Andres & DHC ☒

## SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☐OTHER: ☐

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 Operating, LLC would like to recomplete this Yeso oil well to the San Andres & DHC as follows: MIRUSU. TOH w/rods, pump, & tbg. Set a 5-1/2" CBP @ ~3190' & PT to ~3500 psi. (Existing Yeso perms are @ 3668'-4595'). Perf lower San Andres @ ~2747'-3141' w/~38 holes. Stimulate with ~1500 gal 15% HCL acid & frac w/~30,000# 100 mesh & ~322,140# 40/70 Ottawa sand in slick water.

Set a 5-1/2" CBP @ ~2704' & PT to ~3500 psi. Perf San Andres @ ~2365'-2665' w/~31 holes. Stimulate with ~1500 gal 15% HCL acid & frac w/~30,000# 100 mesh & ~257,040# 40/70 Ottawa sand in slick water.

Set a 5-1/2" CBP @ ~2310' & PT to ~3500 psi. Perf upper San Andres @ ~1762'-2257' w/~30 holes. Stimulate with ~1500 gal 15% HCL acid & frac w/~30,000# 100 mesh & ~158,340# 40/70 Ottawa sand in slick water.

CO after frac & drill out CBPs @ 2310' & 2704', & CO to CBP @ 3190'. Run ESP on 2-7/8" 6.5#J-55 production tbg & land @ ~1690'. Release workover rig. Complete as a single San Andres oil well. See the attached proposed wellbore diagram. Following a test of the San Andres alone & the approval of our DHC application in Santa Fe, the CBP @ 3190' will be removed & the well DHC.

Spud Date: 10/27/09

Drilling Rig Release Date: 11/9/09

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 1/22/15Type or print name Mike Pippin E-mail address: mike@pippinllc.com PHONE: 505-327-4573

For State Use Only

APPROVED BY: RDade TITLE Dist. Rep. USA DATE 2/3/2015

Conditions of Approval (if any):

**District I**

1625 N. French Dr., Hobbs, NM 88240

**District II**

1301 W. Grand Avenue, 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 & Natural Resources Department  
**NM OIL CONSERVATION**  
ARTESIA DISTRICT  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

**RECEIVED**☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number 30-015-37044	<sup>2</sup> Pool Code 97253	<sup>3</sup> Pool Name Red Lake, San Andres
<sup>4</sup> Property Code 309874	<sup>5</sup> Property Name <b>STALEY STATE</b>	<sup>6</sup> Well Number <b>5</b>
<sup>7</sup> OGRID No. 281994	<sup>8</sup> Operator Name <b>LRE OPERATING, LLC.</b>	<sup>9</sup> Elevation 3595' GL

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	30	17-S	28-E		1650	NORTH	330	EAST	EDDY

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<div style="position: relative; width: 100px; height: 100px; border: 1px solid black;"> <div style="position: absolute; top: 0; right: 0; left: 0; bottom: 0; border: 1px solid black; width: 100%; height: 100%;"></div> </div>	1650'	<div style="position: relative; width: 100px; height: 100px; border: 1px solid black;"> <div style="position: absolute; top: 0; right: 0; left: 0; bottom: 0; border: 1px solid black; width: 100%; height: 100%;"></div> </div>	330'	30	<div style="position: relative; width: 100px; height: 100px; border: 1px solid black;"> <div style="position: absolute; top: 0; right: 0; left: 0; bottom: 0; border: 1px solid black; width: 100%; height: 100%;"></div> </div>	<sup>17</sup> <b>OPERATOR CERTIFICATION</b> <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> <div style="display: flex; justify-content: space-between;"> <div>Signature <i>Mike Pippin</i></div> <div>Date 1/22/15</div> </div> <div style="display: flex; justify-content: space-between;"> <div>Printed Name <u>Mike Pippin</u></div> <div></div> </div>		
						<sup>18</sup> <b>SURVEYOR CERTIFICATION</b> <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i> 3/24/09 Date of Survey Signature and Seal of Professional Surveyor: Ronald Eidson 3239 Certificate Number		



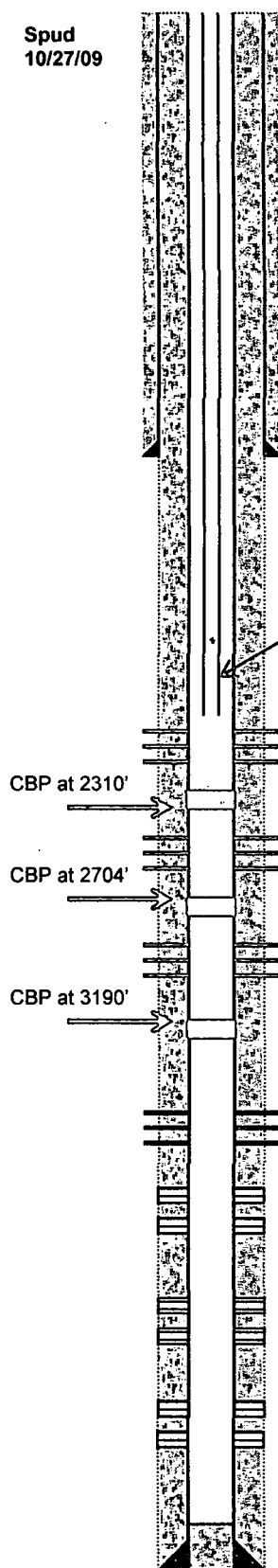
LRE Operating LLC,  
Staley State A #5  
San Andres Recompletion  
AFE # R15003

**Staley State A #5**  
**Sec 30-17S-28E (NE of H)**  
**1650' FNL, 330' FEL**  
**Elevation – 3,601'**  
**API #: 30-015-37044**  
**Eddy County, NM**

Spud  
10/27/09

GEOLOGY	
Zone	Top
Queen	1,064'
Grayburg	1,501'
San Andres	1,813'
Glorieta	3,180'
Yeso	3,301'
Tubb	4,720'

SURVEYS	
Degrees	Depth
1°	445'
1/4°	935'
1/2°	1,513'
3/4°	2,486'
3/4°	2,992'
1-1/4°	3,565'
1°	4,007'
1°	4,506'
1-1/4°	4,790'



8-5/8", 23# J-55, ST&C Casing @ 434'.  
Cement with 375 sx. Circulated 133 sx to  
Surface.

2-7/8", 6.5# J-55 Tubing with ESP and pump intake at 1662'

San Andres Perfs: 1762'-2257' Stim Info: 1500 g 15% HCL, 6,700 bbls water,  
30 holes 30,000 #'s 100 Mesh, 158,340 #'s 40/70  
Ottawa, 80+ BPM

San Andres Perfs: 2365'-2665' Stim Info: 1500 g 15% HCL, 8,100 bbls water,  
31 holes 30,000 #'s 100 Mesh, 257,040 #'s 40/70  
Ottawa, 80+ BPM

San Andres Perfs: 2747'-3141' Stim Info: 1500 g 15% HCL, 8,900 bbls water,  
38 holes 30,000 #'s 100 Mesh, 322,140 #'s 40/70  
Ottawa, 80+ BPM

Stage # 1 GL/Yeso Perfs: 3215'-3541', 1 sp5f, 66 holes (10/14/13)

Stim Info: 4,000 g 15% HCL acid and 100 bio balls, 70,000 g X-link  
25# gel, 100,000 lbs 16/30 Brady, 22,500 lbs 16/30 resin  
coated sand, staged 1-4.5 ppg, at 65 BPM

Yeso Perfs: 3,668' - 3,943' (1 SPF - 66 holes)  
(2/14/10)

Stim Info: 4422 gal 15% NEFE; Frac w/ 100,287 #  
16/30 Ottawa & 37,054 # SiberProp in 20# x-linked  
gel. (2/14/10)

Yeso Perfs: 3,982' - 4,218' (1 SPF - 71 holes)  
(2/14/10)

Stim Info: 3500 gal 15% NEFE; Frac w/ 79,793 #  
16/30 Ottawa & 53,793 # SiberProp in 20# x-linked  
gel. (2/14/10)

Yeso Perfs: 4,305' - 4,595' (1 SPF - 59 holes)  
(11/19/09)

Stim Info: 5000 gal 15% NEFE; Frac w/ 116,196 #  
16/30 Ottawa & 24,092 # SiberProp in 20# x-linked  
gel. (11/20/09)

PBSD @ 4,729'

5-1/2", 17# J-55, ST&C Casing @ 4,771'.  
Cement with 500 sx lead and 550 sx tail.

TD @ 4,790' Circulated 142 sx to Surface. (11/09/2009)