

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. 30-015-42899
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 JEFFERS 36 STATE
4. Well Location Unit Letter <u>B</u> : <u>890</u> feet from the <u>North</u> line and <u>1655</u> feet from the <u>East</u> line Section <u>36</u> Township <u>17-S</u> Range <u>27-E</u> NMPM <u>Eddy</u> County		8. Well Number # <u>6</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3624' GL		9. OGRID Number <u>281994</u>
		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 & Surface Casing <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 5/25/15. Drilled 11" hole to 445'. Landed 8-5/8" 24# J-55 csg @ 429'. Cmted w/250 sx (338 cf) "C" cmt w/2% Cacl2 & 0.125# CF. Circ 0 sx cmt to surface. Ran temperature log, which indicated cmt @ 180'. Ran 1" tbg down 8-5/8" annulus to 120' & pumped 100 sx cmt w/2% Cacl2. Still no returns. Pumped another 100 sx cmt & circ 1 bbl cmt to surface. On 5/27/15, PT 8-5/8" csg to 600 psi for 30 min-OK. Initiate drilling 7-7/8" hole for production csg.

NM OIL CONSERVATION
 ARTESIA DISTRICT
 JUN 10 2015

Spud Date: 5/25/15 Drilling Rig Release Date: RECEIVED

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 6/6/15

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. Engineer DATE 6/11/2015
 Conditions of Approval (if any):