

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., 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 and Natural Resources

Form C-103
June 19, 2008

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-37056
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name STALEY STATE
8. Well Number #6
9. OGRID Number 281994
10. Pool name or Wildcat: Red Lake, Glorieta-Yeso NE (96836)
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3593' GL

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 L (Lot #3): 1960 feet from the SOUTH line and 990 feet from the WEST line
Section 30 Township 17-S Range 28-E NMPM Eddy County

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 ☐

OTHER: Yeso Payadd Workover ☒

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Lime Rock would like to perform a payadd workover as follows: MIRUSU. TOH w/rods, pump, & tbg. Set a 5-1/2" RBP @ ~3570' & PT csg & RBP to about 4000 psi. Perf additional Glorieta/upper Yeso between ~3269'-3507' w/about 51 holes. (Existing Yeso perfs are 130 holes @ 3600'-4623'). Stimulate new Glorieta/Yeso perfs with ~2,500 gal 7.5% HCL & frac w/~125,880# 16/30 sand in 20# X-linked gel. CO after frac, retrieve RBP @ 3570', & CO to about 4706'. Land 2-7/8" 6.5# J-55 tbg @ ~3150'. Run pump & rods & release workover rig. Resume production from the Red Lake, Glorieta-Yeso NE pool.

Spud Date: 1/14/11

Drilling Rig Release Date: 1/28/11

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE _____ TITLE Petroleum Engineer - Agent DATE 12/8/11

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

For State Use Only

APPROVED BY: [Signature] TITLE District Supervisor DATE 01/18/2012

Conditions of Approval (if any):