

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. 30-015-37693
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 KERSEY STATE
8. Well Number #5
9. OGRID Number 281994
10. Pool name or Wildcat: (96830) Artesia, Glorieta-Yeso

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 **I**: **2310** feet from the **SOUTH** line and **890** feet from the **EAST** line
Section **32** Township **17-S** Range **28-E** NMPM **Eddy** County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3683' GL

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: Payadd Workover <input checked="" type="checkbox"/>	

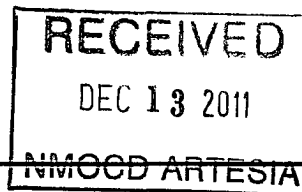
13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

11/28/11: MIRUSU. TOH w/rods, pump, & tbg. Set 5-1/2" RBP @ 3865' & PT to 5000 psi for 30 min-OK. Perfed Glorieta/Upper Yeso @ 3540', 47', 56', 62', 73', 82', 90', 98', 3615', 20', 23', 34', 40', 43', 51', 60', 65', 70', 75', 83', 86', 92', 3711', 22', 32', 46', 50', 55' w/1-0.42" spf & 3764', 76', 80', 88', 96', 3802', 10' w/2-0.42" spf. Total 42 holes. Broke down new perfs w/2646 gal 15% HCL acid & 84 perf balls. Fraced new perfs w/127,686# 16/30 Brady & 28,754# 16/30 siber prop sand in 20# X-linked gel. CO after frac, release RBP @ 3865', & TOH. CO to 5047'. Landed 2-7/8" 6.5# J-55 tbg @ 3437'. Ran pump & rods & initiated pumping both new & existing Yeso perfs. Released workover rig on 12/9/11.

(Existing Yeso perfs before this WO were 136 holes @ 3875'-4988').

Spud Date: **11/6/10** Drilling Rig Release Date: **11/22/10**

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 12/12/11

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

APPROVED BY: *T. C. Shepard* TITLE *Geologist* DATE 12/14/2011
Conditions of Approval (if any):