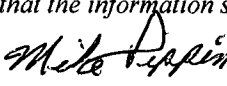


Submit To Appropriate District Office Two Copies <b>District I</b> 1625 N. French Dr., Hobbs, NM 88240 <b>District II</b> 1301 W. Grand Avenue, Artesia, NM 88210 <b>District III</b> 1000 Rio Brazos Rd., Aztec, NM 87410 <b>District IV</b> 1220 S. St. Francis Dr., Santa Fe, NM 87505		<b>State of New Mexico</b> <b>Energy, Minerals and Natural Resources</b>  <b>Oil Conservation Division</b> <b>1220 South St. Francis Dr.</b> <b>Santa Fe, NM 87505</b>			<b>Form C-105</b> <b>July 17, 2008</b>									
		1. WELL API NO. <b>30-015-40026</b>												
		2. Type of Lease <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/> FED/INDIAN												
		3. State Oil & Gas Lease No.												
<b>WELL COMPLETION OR RECOMPLETION REPORT AND LOG</b>														
4. Reason for filing:  <input checked="" type="checkbox"/> <b>COMPLETION REPORT</b> (Fill in boxes #1 through #31 for State and Fee wells only)  <input type="checkbox"/> <b>C-144 CLOSURE ATTACHMENT</b> (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC)				5. Lease Name or Unit Agreement Name <b>STALEY STATE</b>										
				6. Well Number: <b>#17</b>										
7. Type of Completion: <input type="checkbox"/> NEW WELL <input checked="" type="checkbox"/> WORKOVER <input type="checkbox"/> DEEPENING <input type="checkbox"/> PLUGBACK <input checked="" type="checkbox"/> DIFFERENT RESERVOIR <input type="checkbox"/> OTHER														
8. Name of Operator: <b>LRE OPERATING, LLC</b>				9. OGRID: 281994										
10. Address of Operator: c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401				11. Pool name or Wildcat: Red Lake, Glorieta-Yeso NE (96836) Red Lake, Queen-Grayburg-San Andres (51300)										
12. Location	Unit Ltr	Section	Township	Range	Lot	Feet from the								
Surface:	N	30	17-S	28-E		330								
BH:	N	30	17-S	28-E		340								
13. Date Spudded 3/15/12	14. Date T.D. Reached 3/22/12	15. Date Drilling Rig Released 3/23/12		16. Date Completed (Ready to Produce) WO: 3/26/13		17. Elevations (DF and RKB, RT, GR, etc.): 3880' GR								
18. Total Measured Depth of Well MD5108'		19. Plug Back Measured Depth CBP @ MD3100'		20. Was Directional Survey Made? Yes		21. Type Electric and Other Logs Run Induction, Density/Neutron								
22. Producing Interval(s), of this completion - Top, Bottom, Name MD2101'-2401'-Upper San Andres, MD2451'-2681'- Middle San Andres, MD2731'-2981' - Lower San Andres,														
<b>23. CASING RECORD (Report all strings set in well)</b>														
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED									
8-5/8"	24# J-55	438'	12-1/4"	280 sx CI C	0'									
5-1/2"	17# J-55	MD5100'	7-7/8"	330 sx 35/65 Poz/C	0'									
				+ 580 sx C										
<b>24. LINER RECORD</b>				<b>25. TUBING RECORD</b>										
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET								
					2-7/8"	MD3047'								
26. Perforation record (interval, size, and number) Upper San Andres: MD2101'-2401', 40 holes Upper San Andres: MD2451'-2681', 30 holes Middle San Andres: MD2731'-2981', 34 holes  Yeso: MD3318'-4680', 169 holes: SI below CBP @ 3100'				27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th>DEPTH INTERVAL</th> <th>AMOUNT AND KIND MATERIAL USED</th> </tr> <tr> <td>MD2101'-2401'</td> <td>4000 gals 7.5% HCL; fraced w/79,036# 16/30 BW&amp; 51,210# 16/30 RC sand in 20# X-linked gel</td> </tr> <tr> <td>MD2451'-2681'</td> <td>4000 gals 7.5% HCL; fraced w/60,418# 16/30 BW &amp; 34,437# 16/30 RC sand in 20# X-linked gel</td> </tr> <tr> <td>MD2731'-2981'</td> <td>3000 gals 7.5% HCL; fraced w/58,179# 16/30 BW &amp; 31,732# 16/30 RC sand in 20# X-linked gel</td> </tr> </table>			DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	MD2101'-2401'	4000 gals 7.5% HCL; fraced w/79,036# 16/30 BW& 51,210# 16/30 RC sand in 20# X-linked gel	MD2451'-2681'	4000 gals 7.5% HCL; fraced w/60,418# 16/30 BW & 34,437# 16/30 RC sand in 20# X-linked gel	MD2731'-2981'	3000 gals 7.5% HCL; fraced w/58,179# 16/30 BW & 31,732# 16/30 RC sand in 20# X-linked gel
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<b>28. PRODUCTION</b>														
Date First Production READY		Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping			Well Status (Prod. or Shut-in) Pumping									
Date of Test Within 30 days	Hours Tested	Choke Size	Prod'n For Test Period:	Oil - Bbl	Gas - MCF	Water - Bbl.								
Flow Tubing Press.	Casing Pressure	Calculated 24- Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)								
29. Disposition of Gas (Sold, used for fuel, vented, etc.) To Be Sold					30. Test Witnessed By: Jerry Smith									
31. List Attachments														
32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit.														
33. If an on-site burial was used at the well, report the exact location of the on-site burial:														
Latitude			Longitude		NAD 1927 1983									
I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief														
Signature		Printed Name		Title:	Date:									
		Mike Pippin		Petroleum Engineer	3/27/13									
E-mail Address: mike@pippinllc.com														

**STALEY STATE #17 -- Recompletion to San Andres**

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

## OIL OR GAS SANDS OR ZONES

No. 3, from.....to.....  
No. 4, from.....to.....

**Include data on rate of water inflow and elevation to which water rose in hole.**

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology
			- On File -