

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. 30-015-38234
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 ANTHONEY
8. Well Number #2
9. OGRID Number 281994
10. Pool name or Wildcat: Red Lake, Glorieta-Yeso NE (96836)

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 **P**: **430** feet from the **SOUTH** line and **800** feet from the **EAST** line
Section **30** Township **17-S** Range **28-E** NMPM **Eddy** County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3644' 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: Glorieta-Yeso Payadd Workover <input checked="" type="checkbox"/>		OTHER: <input 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.

LRE OPERATING, LLC would like to perform a payadd workover as follows: MIRUSU. TOH w/rods, pump, & tbq. Set 5-1/2" CBP @ ~3630' & PT CBP & 5-1/2" csg to 4000 psi. Perf upper Yeso @ about 3450'-3600' w/about 11 holes. (The existing Yeso perfs are 3644'-4729'). Stimulate new perfs with ~2000 gal 15% HCL acid & frac w/~47,220# 16/30 sand in X-linked gel. Set 5-1/2" CBP @ ~3428' & PT CBP & 5-1/2" csg to 4000 psi. Perf the Glorieta & upper Yeso @ about 3235'-3408' w/about 31 holes. Stimulate new perfs with ~2000 gal 15% HCL acid & frac w/~52,000# 16/30 sand in X-linked gel. CO after frac, drill CBPs @ 3428' & 3630', & CO to ~PBSD4762'. Land 2-7/8" 6.5# J-55 tbq @ ~4661'. Run pump & rods & release workover rig. Resume production from the Red Lake, Glorieta-Yeso NE pool. See attached wellbore diagram.

Spud Date: **2/1/11** Drilling Rig Release Date: **2/17/11**

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

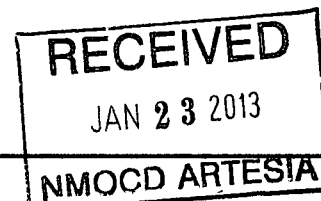
SIGNATURE *Mike Pippin* TITLE Petroleum Engineer - Agent DATE 1/21/13

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

For State Use Only

APPROVED BY: *T. C. Shynard* TITLE *Geologist* DATE *1/23/2013*

Conditions of Approval (if any):





County	EDDY	Well Name	Anthony State #2	Field:	Redlake Glorieta-Yeso NE	Well Sketch:	AFE W13011 PayAdd LRE - Glorieta-Yeso NE PayAdd
Surface Lat:	32.798914°N	BH Lat:	32.798914°N	Survey:	S30-T17S-R28E Unit P	API #	30-015-38234
Surface Long:	104.208509°W	BH Long:	104.208509°W		430' FSL & 800' FEL	OGRID #	281994

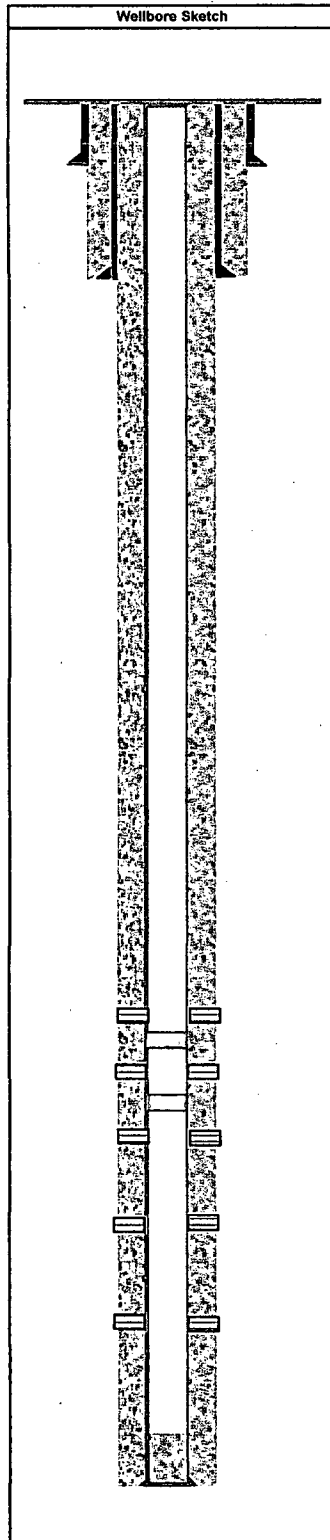
Directional Data:	
KOP	Vertical Well
Max Dev.:	
Dleg sev:	
Dev @ Perfs	
Ret to Vert:	

Tubular Data							
Tubulars	Size	Weight	Grade	Thread	TVD	MD	TOC
Conductor	14"	65.7	B	Weld	40'	40'	SURF
Surface	8 5/8"	24#	J-55	STC	468'	468'	SURF
Intermediate							
Production	5 1/2"	17#	J-55	LTC	4,807'	4,807'	SURF
Liner							

Wellhead Data	
Type:	
WP:	
Tree Cap	Flange:
	Thread:
Tbg Hanger:	
8TM Flange:	
BPV Profile:	NA
Elevations:	GR - RKB = 11.6'
RKB:	=3655.6
GL:	3,644.0'

Drilling / Completion Fluid	
Drilling Fluid:	10.2 PPG Brine / Salt Gel
Drilling Fluid:	
Completion Fluid:	2% KCL
Completion Fluid:	
Packer Fluid:	NA

CEMENT DATA							
	Usks	Yld	Wt	T/sks	Yld	Wt	XS
Surface	175	1.35	14.8	200	1.32	14.8	125 sx
Intermediate							
Liner							
Production	450	1.9	12.8	550	1.33	14.8	153 SX



Completion Information						
DEPTHS (MD)	FORMATION TOPS / WELL INFO	PERFORATIONS		# of HOLES	DETAILS	
		from	to			
0					14" Conductor Pipe	
40'	20" Hole					
468'	12-1/4" Hole				8-5/8" Surf Csg Circ 125 sx Cmt to surf	
					DEVIATION	
					1004' - 1/4"	
					1483' - 1/4"	
					1984' - 1/4"	
					2494' - 3/4"	
					3032' - 1"	
					3500' - 1"	
					4009' - 1-1/4"	
					4477' - 1"	
					4799' - 1-1/2"	
1820'	San Andres				Glorieta-Upper Yeso PayAdd Summary Procedures 1. Pull rods, pump & tbg, 2. Run scraper thru perfs at 3644, 3. Set CBP @ 3630', 4. Test CBP & casing to 4000 psi, 5. Perf every 5' from 3450' to 3600', 6. Frac as per frac design, 7. Set CBP @ 3428' and test, 8. Perf 3235' to 3408' w/ 31 holes, 9. Frac as per frac design, 10. Clean out wellbore to PBTD 11. Put well back on pump 180' Gross/173' Net Stg 2 - See Frac Design 180' Gross/150' Net Stg 1 - See Frac Design CBP to isolate Lower Yeso from Upper Yeso Acid'zd w/ 4326 gal 15% NEFE-Frac'd w/ 87734 gal 20# xlink gel, 106223# 16/30 sd, 28806# 16/30 RC sd Acid'zd w/ 3000 gal 15% NEFE-Frac'd w/ 104157 gal 20# xlink gel, 117994# 16/30 sd, 34026# 16/30 RC sd Acid'zd w/ 3000 gal 15% NEFE-Frac'd w/ 110629 gal 20# xlink gel, 118118# 16/30 sd, 30839# 16/30 RC sd Float Collar 5-1/2" Prod Csg. Circ 153 SX Cmt to Surf	
2,149'	Middle San Andres					
2,769'	Lower San Andres					
3232'	Glorieta-U. Yeso Frac Stage 2	3,235'	3,408'	32		
Glorieta	CBP @ 3428'					
3341'	U. Yeso Frac Stage 1	3,450'	3,600'	29		
Yeso	CBP @ 3630'					
	L. Yeso Frac	3,644'	3,932'	42		
	L. Yeso Frac	3,962'	4,254'	42		
	L. Yeso Frac	4,355'	4,719'	44		
4,750'	PBTD					
4,807'	PROD CSG					
Comments:				Plug back Depth:	4,750'	MD
				Total Well Depth:	4,823'	MD
				Prepared By:	Date:	
				Sid Ashworth	17-Jan-13	