

Submit To Appropriate District Office Two Copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, 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 Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505			Form C-105 July 17, 2008																																
WELL COMPLETION OR RECOMPLETION REPORT AND LOG						1. WELL API NO. 30-015-41064																															
4. Reason for filing: <input checked="" type="checkbox"/> COMPLETION REPORT (Fill in boxes #1 through #31 for State and Fee wells only) <input type="checkbox"/> C-144 CLOSURE ATTACHMENT (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)						2. Type of Lease <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/> FED/INDIAN																															
						3. State Oil & Gas Lease No.																															
5. Lease Name or Unit Agreement Name STALEY STATE						<div style="border: 2px solid black; padding: 5px; display: inline-block;"> RECEIVED JUN 19 2013 NMOCD ARTESIA </div>																															
6. Well Number: #23																																					
7. Type of Completion: <input checked="" type="checkbox"/> NEW WELL <input type="checkbox"/> WORKOVER <input type="checkbox"/> DEEPENING <input type="checkbox"/> PLUGBACK <input type="checkbox"/> DIFFERENT RESERVOIR <input type="checkbox"/> OTHER						9. OGRID: 281994																															
8. Name of Operator: LRE OPERATING, LLC						11. Pool name or Wildcat: Red Lake, Glorieta-Yeso NE (96836)																															
10. Address of Operator: c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401						12. Location <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th>Unit Ltr</th> <th>Section</th> <th>Township</th> <th>Range</th> <th>Lot</th> <th>Feet from the</th> <th>N/S Line</th> <th>Feet from the</th> <th>E/W Line</th> <th>County</th> </tr> <tr> <td>Surface:</td> <td>H</td> <td>30</td> <td>17-S</td> <td>28-E</td> <td>1755</td> <td>North</td> <td>970</td> <td>East</td> <td>Eddy</td> </tr> <tr> <td>BH:</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </table>		Unit Ltr	Section	Township	Range	Lot	Feet from the	N/S Line	Feet from the	E/W Line	County	Surface:	H	30	17-S	28-E	1755	North	970	East	Eddy	BH:									
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13. Date Spudded 5/31/13		14. Date T.D. Reached 6/4/13		15. Date Drilling Rig Released 6/6/13		16. Date Completed (Ready to Produce) 6/14/13		17. Elevations (DF and RKB, RT, GR, etc.): 3587' GR																													
18. Total Measured Depth of Well 4908'				19. Plug Back Measured Depth 4857'		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 3290'-3535'-Upper Yeso, 3598'-3860'- Upper Yeso, 3896'-4194' - Middle Yeso, 4244'-4546' - Lower Yeso																																					
23. CASING RECORD (Report all strings set in well)																																					
CASING SIZE		WEIGHT LB./FT.		DEPTH SET		HOLE SIZE		CEMENTING RECORD																													
8-5/8"		24# J-55		435'		11"		225 sx Cl C																													
5-1/2"		17# J-55		4904'		7-7/8"		300 sx 35/65 Poz/C																													
								+ 600 sx C																													
24. LINER RECORD																																					
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	25. TUBING RECORD																																
					SIZE	DEPTH SET	PACKER SET																														
					2-7/8"	4637'																															
26. Perforation record (interval, size, and number) Upper Yeso: 3290'-3535', 50 holes Upper Yeso: 3598'-3860', 22 holes Middle Yeso: 3896'-4194', 26 holes Lower Yeso: 4244'-4546', 27 holes					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>3290'-3535'</td> <td>3000 gals 15% HCL; fraced w/72,386# 16/30 & 19,772# 16/30 Siber prop sand in X-linked gel</td> </tr> <tr> <td>3598'-3860'</td> <td>3000 gals 15% HCL; fraced w/69,102# 16/30 & 17,715# 16/30 Siber prop sand in X-linked gel</td> </tr> <tr> <td>3896'-4194'</td> <td>3000 gals 15% HCL; fraced w/64,429# 16/30 & 17,892# 16/30 Siber prop sand in X-linked gel</td> </tr> </table>					DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	3290'-3535'	3000 gals 15% HCL; fraced w/72,386# 16/30 & 19,772# 16/30 Siber prop sand in X-linked gel	3598'-3860'	3000 gals 15% HCL; fraced w/69,102# 16/30 & 17,715# 16/30 Siber prop sand in X-linked gel	3896'-4194'	3000 gals 15% HCL; fraced w/64,429# 16/30 & 17,892# 16/30 Siber prop sand in X-linked gel																				
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28. PRODUCTION					4244'-4546'																																
Date First Production READY		Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping			3360 gals 15% HCL, fraced w/59,144# 16/30 Brady & 11,004# 16/30 siber prop sand in X-linked gel																																
Date of Test Within 30 days		Hours Tested		Choke Size		Prod'n For Test Period:		Oil - Bbl																													
								Gas - MCF																													
								Water - Bbl.																													
								Gas - Oil Ratio																													
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 <i>Mike Pippin</i>		Printed Name Mike Pippin		Title: Petroleum Engineer		Date: 6/18/13		<i>aw</i>																													
E-mail Address: mike@pippinllc.com																																					

STALEY STATE #23 -- New Well

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.

No. 2, from.....to.....feet.....

From	To	Thickness In Feet	Lithology
			- On File -