

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. 30-015-41081
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 AID 24 STATE
8. Well Number #25
9. OGRID Number 281994
10. Pool name or Wildcat Empire, Glorieta-Yeso (96210)
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3680' 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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
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 <u>M</u> : <u>405</u> feet from the <u>SOUTH</u> line and <u>1115</u> feet from the <u>WEST</u> line Section <u>24</u> Township <u>17-S</u> Range <u>28-E</u> NMPM Eddy County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3680' GL	

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: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Spud & Casings ☒

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.

Spud well on 6/24/13. Drilled 11" hole to 490'. Landed 8-5/8" 24# J-55 csg @ 484'. Cmted w/225 sx (304 cf) "C" cmt w/2% CaCl₂, 0.005# static free, & 0.125# CF. Circ 75 sx cmt to surface. On 6/25/13, PT 8-5/8" csg to 678 psi down to 654 in 30 min.

Drilled 7-7/8" hole from 8-5/8" csg shoe to MD5414' on 6/30/13. On 6/30/13, landed 5-1/2" 17# J-55 csg @ MD5396'. Cmted lead w/350 sx (669 cf) 35/65 poz "C" cmt w/5% PF-44, 6% PF-20, 0.2% PF-13, 0.125# PF-29, 0.4# PF-46, & 3# PF-42. Tailed w/625 sx (838 cf) "C" cmt w/0.5% PF-13, 0.2% PF-167, 0.2% PF-65, 0.4# PF-46, & 0.125# PF-29. Circ 59 sx cmt to pit. Ran cased hole GRN logs. Released drilling rig on 7/2/13. Plan to pressure test the 5-1/2" csg before completion operations.

BOTTOM HOLE LOCATION: 355' FSL & 963' FWL Sec. 24 T17S R28E.

Spud Date:

Drilling Rig Release Date:

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 7/3/13

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

For State Use Only

APPROVED BY: Dr. Dade TITLE Dist. P. Supervisor DATE 7/8/13

Conditions of Approval (if any):

gd

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State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

AS DRILLED

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-41081	² Pool Code 96210	³ Pool Name Empire, Glorieta-Yeso
⁴ Property Code 309901	⁵ Property Name AID 24 STATE	⁶ Well Number 25
⁷ OGRID No. 281994	⁸ Operator Name LRE OPERATING, LLC.	⁹ Elevation 3680' GL

¹⁰ Surface Location

UL or lot no. M	Section 24	Township 17-S	Range 28-E	Lot Idn	Feet from the 405	North/South line SOUTH	Feet from the 1115	East/West line WEST	County EDDY
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no. M	Section 24	Township 17-S	Range 28-E	Lot Idn	Feet from the 355	North/South line SOUTH	Feet from the 963	East/West line WEST	County EDDY
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¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

	¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> Signature: <u>Mike Pippin</u> Date: <u>7/3/13</u> Mike Pippin Printed Name		
	¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i> 12/22/12 Date of Survey Signature and Seal of Professional Surveyor: Filmon F. Jaramillo 12797 Certificate Number		

Surveying Company:		Childress Directional				Proposed Azimuth:		248.08°
Survey No.	M.D.	INCL.	AZM.	TVD	N / -S	E / -W	V. SECT.	DLS / 100'
Tie-In								
1	501.00	0.70	239.30	500.99	-1.56'	-2.63'	3.02'	0.14°
2	563.00	0.80	217.00	562.98'	-2.10'	-3.22'	3.77'	0.49°
3	627.00	0.80	220.70	626.98'	-2.80'	-3.78'	4.55'	0.08°
4	691.00	4.70	245.50	690.89'	-4.22'	-6.46'	7.57'	6.23°
5	755.00	6.00	247.80	754.61'	-6.57'	-11.94'	13.53'	2.06°
6	819.00	7.20	249.50	818.19'	-9.24'	-18.79'	20.89'	1.90°
7	883.00	9.60	253.60	881.50'	-12.16'	-27.67'	30.21'	3.86°
8	948.00	10.50	251.60	945.50'	-15.56'	-38.49'	41.51'	1.48°
9	1012.00	10.80	252.00	1,008.39'	-19.25'	-49.73'	53.32'	0.48°
10	1076.00	11.50	248.30	1,071.19'	-23.46'	-61.36'	65.68'	1.56°
11	1140.00	11.30	244.40	1,133.93'	-28.53'	-72.94'	78.32'	1.24°
12	1204.00	10.50	243.90	1,196.77'	-33.80'	-83.83'	90.39'	1.26°
13	1268.00	9.60	241.30	1,259.79'	-38.93'	-93.75'	101.51'	1.57°
14	1333.00	9.00	237.70	1,323.93'	-44.25'	-102.80'	111.89'	1.29°
15	1397.00	10.10	242.50	1,387.05'	-49.52'	-112.01'	122.40'	2.12°
16	1461	10	243.7	1,450.07'	-54.57'	-121.97'	133.52'	0.36°
17	1525	9.6	243.4	1,513.13'	-59.42'	-131.72'	144.38'	0.63°
18	1589	8.4	245.1	1,576.34'	-63.78'	-140.74'	154.37'	1.92°
19	1653	7.4	256	1,639.74'	-66.75'	-148.98'	163.12'	2.81°
20	1717	6.5	260.6	1,703.27'	-68.34'	-156.55'	170.74'	1.65°
21	1781	2.4	252.5	1,767.06'	-69.33'	-161.40'	175.62'	6.47°
22	1845	1.7	302.1	1,831.02'	-69.23'	-163.48'	177.51'	2.86°
23	1910	1	18.2	1,896.01'	-68.18'	-164.12'	177.71'	2.70°
24	1974	1.2	42.6	1,960.00'	-67.15'	-163.50'	176.75'	0.79°
25	2038	1.1	32.6	2,023.99'	-66.14'	-162.71'	175.64'	0.35°
26	2102	1.3	34.9	2,087.97'	-65.03'	-161.97'	174.53'	0.32°
27	2166	1.2	26.3	2,151.96'	-63.83'	-161.25'	173.43'	0.33°
28	2230	1.3	38.8	2,215.94'	-62.67'	-160.50'	172.29'	0.45°
29	2358	1.3	23.8	2,343.91'	-60.21'	-159.01'	169.99'	0.27°
30	2487	1.6	92.4	2,472.88'	-58.94'	-156.62'	167.30'	1.28°
31	2615	1.7	94.8	2,600.82'	-59.18'	-152.94'	163.97'	0.09°
32	2743	1.7	79.2	2,728.77'	-58.98'	-149.18'	160.41'	0.36°
33	2872	1.5	74.3	2,857.72'	-58.16'	-145.68'	156.86'	0.19°
34	3000	0.5	94.7	2,985.70'	-57.76'	-143.51'	154.69'	0.82°
35	3128	0.2	102.6	3,113.69'	-57.85'	-142.73'	154.01'	0.24°
36	3256	0.4	29.3	3,241.69'	-57.51'	-142.30'	153.48'	0.31°
37	3385	0.4	19.6	3,370.69'	-56.69'	-141.92'	152.83'	0.05°
38	3513	0.9	236	3,498.68'	-56.84'	-142.61'	153.51'	0.97°
39	3641	0.9	262.4	3,626.67'	-57.53'	-144.44'	155.47'	0.32°
40	3769	0.8	288.9	3,754.66'	-57.37'	-146.28'	157.12'	0.31°
41	3897	0.6	264.3	3,882.65'	-57.15'	-147.79'	158.44'	0.28°
42	4026	0.7	274.1	4,011.64'	-57.16'	-149.25'	159.80'	0.12°
43	4154	0.9	289.3	4,139.63'	-56.77'	-150.98'	161.26'	0.23°
44	4287	0.7	292.1	4,272.61'	-56.12'	-152.72'	162.63'	0.15°
45	4415	0.8	309.6	4,400.60'	-55.26'	-154.13'	163.62'	0.19°
46	4543	1.1	304.7	4,528.58'	-53.99'	-155.83'	164.72'	0.24°
47	4670	0.5	107.8	4,655.58'	-53.47'	-156.30'	164.96'	1.25°
48	4797	0.4	77.8	4,782.57'	-53.54'	-155.34'	164.10'	0.20°
49	4924	0.4	5.9	4,909.57'	-53.01'	-154.86'	163.46'	0.37°
50	5051	0.4	72.9	5,036.57'	-52.43'	-154.39'	162.81'	0.35°
51	5177	0.6	30	5,162.57'	-51.73'	-153.64'	161.85'	0.33°
52	5304	0.8	47.6	5,289.56'	-50.56'	-152.66'	160.50'	0.23°
53	5370	0.4	44.4	5,355.55'	-50.09'	-152.16'	159.85'	0.61°
bit	5414	0.4	44.4	5,399.55'	-49.87'	-151.94'	159.57'	0.00°