

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

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.)		WELL API NO. 30-015-37056
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator LRE OPERATING, LLC.		6. State Oil & Gas Lease No.
3. Address of Operator c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401		7. Lease Name or Unit Agreement Name STALEY STATE
4. Well Location Unit Letter <u>L</u> (Lot #3): <u>1960</u> feet from the <u>SOUTH</u> line and <u>990</u> feet from the <u>WEST</u> line Section <u>30</u> Township <u>17-S</u> Range <u>28-E</u> NMPM <u>Eddy</u> County		8. Well Number <u>#6</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3593' GL		9. OGRID Number <u>281994</u>
		10. Pool name or Wildcat: Red Lake, Glorieta-Yeso NE (96836) Red Lake, Queen-Grayburg-San Andres (51300)

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 ☒

SUBSEQUENT REPORT OF:

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

OTHER: Recomplete into San Andres & DHC w/existing Yeso ☒

OTHER: ☐

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 would like to recomplete into the San Andres in this Yeso oil well & DHC as follows: MIRUSU. TOH w/all production equipment. CO to PBTD ~4706'. Set a 5-1/2" CBP @ ~3100' & PT 5-1/2" csg & CBP to ~3500 psi. Perf lower San Andres @ ~2696'-2901' w/ ~25 holes. Breakdown new perfs w/ ~2500 gal 15% HCL acid & frac w/about 73,000# 16/30 sand in 20# X-linked gel. Set a 5-1/2" CBP @ ~2660' & PT 5-1/2" csg & CBP to ~3500 psi. Perf middle San Andres @ ~2421'-2621' w/ ~28 holes. Breakdown new perfs w/ ~2500 gal 15% HCL acid & frac w/about 73,000# 16/30 sand in 20# X-linked gel. Set a 5-1/2" CBP @ ~2400' & PT 5-1/2" csg & CBP to ~3500 psi. Perf upper San Andres @ ~2087'-2381' w/ ~32 holes. Breakdown new perfs w/ ~3000 gal 15% HCL acid & frac w/about 91,000# 16/30 sand in 20# X-linked gel. Drill CBPs @ 2400', 2660', & 3100' & CO to ~PBTD @ 4706'. Land 2-7/8" 6.5# J-55 tbg @ ~4685'. Run pump & rods & release workover rig. See the attached WBD. Complete as a commingled San Andres-Yeso oil well. Work will not commence until the DHC application in the Santa Fe NMOCD is approved. Any flow back will be into a closed system.

Existing Yeso perfs: 3269'-4623' w/95 holes.

Spud Date: 1/14/11

Drilling Rig Release Date: 1/28/11

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

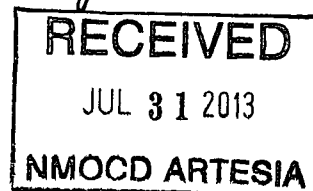
SIGNATURE Mike Pippin TITLE Petroleum Engineer - Agent DATE 7/30/13

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

For State Use Only

APPROVED BY: J.C. Shepard TITLE Geologist DATE 8/1/2013

Conditions of Approval (if any):





**LIME ROCK
RESOURCES**

1/14/11
Spud

LRE Operating, LLC
Proposed 3 Stage San Andres
Recompletion & Commingle With
Yeso
AFE # R13019

Staley State #6
Sec 30-17S-28E (Unit L)
1960' FSL, 990' FEL
Elevation – 3,593' GR
API #: 30-015-37056
Eddy County, NM
LRE Operating, LLC

2-7/8", 6.5#, J-55 Tubing, TAC @ 1987', SN @ 4650', 4' slotted sub, 1 jt
MA w BP @ 4685'

8-5/8",
23#, J-55,
ST&C
Casing @
430'. Cmt
w 375 sks.
Circulated
163 sx to
Surface.

CBP at 2400'

San Andres Perfs: Stage #3
2,087' – 2,380'
(1 SPF, 0.42" EHD – 32 holes)

CBP at 2660'

San Andres Perfs: Stage #2
2,421' – 2,620'
(1 SPF, 0.42" EHD – 25 holes)

CBP at 3100'

San Andres Perfs: Stage #1
2,696' – 2,900'
(1 SPF, 0.42" EHD – 25 holes)

Yeso Perfs:
3,269'–3,508' (1 SPF, 0.42" EHD – 51 holes)
(12/15/11)

Stim Info: 3000 gal 7.5% NEFE & 100 bio balls; Frac w/ 109,326 # 16/30 Brady & 21,768 # 16/30 Resin in 20# x-linked gel. (12/16/11)

Yeso Perfs:
3,600' – 3,890' (2 SPF, 0.42" EHD - 42 holes)
(2/19/11)

Stim Info: 4620 gal 15% NEFE; Frac w/ 161,890 # 16/30 Brady & 27,410 # Super LC RC 16/30 in 20# x-linked gel. (2/19/11)

Yeso Perfs:
3,917' – 4,228' (2 SPF, 0.42" EHD - 44 holes)
(2/19/11)

Stim Info: 3528 gal 15% NEFE; Frac w/ 130,122 # 16/30 Brady & 31,177 # Super LC RC 16/30 in 20# x-linked gel. (2/19/11)

Yeso Perfs:
4,282' – 4,623' (2 SPF, 0.42" EHD - 44 holes)
(2/17/11)

Stim Info: 2520 gal 15% NEFE; Frac w/ 112,794 # 16/30 Brady & 35,537 # Super LC RC 16/30 in 20# x-linked gel. (2/19/11)

PBTD @ 4,706'

5-1/2"; 17#; J-55; ST&C Casing @ 4,749'. 500
sks lead, 550 sks tail. Circulated 132 sx to
Surface. (1/27/2011)

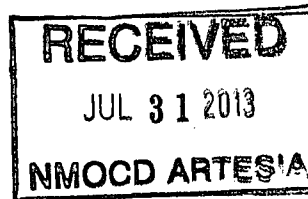
TD @ 4,766'

GEOLOGY

Zone	Top
Queen	1,010'
Grayburg	1,403'
San Andres	1,753'
Glorieta	3,151'
Yeso	3,272'
Tubb	4,628'

SURVEYS

Degrees	Depth
1/4°	939'
1/4°	1,508'
1/2°	1,986'
3/4°	2,491'
1°	2,997'
1-1/4°	4,002'
1-1/2°	4,479'
1-1/4°	4,764'



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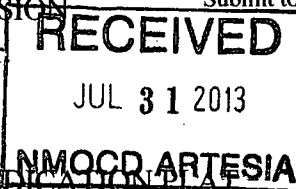
Form C-102

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 30-015-37056	² Pool Code 51300	³ Pool Name Red Lake, Queen-Grayburg-San Andres
⁴ Property Code 309874	⁵ Property Name STALEY STATE	⁶ Well Number 6
⁷ OGRID No. 281994	⁸ Operator Name LRE OPERATING, LLC.	⁹ Elevation 3593' GL

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	30	17-S	28-E	3	1960	SOUTH	990	WEST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

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 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. Signature <u>Mike Pippin</u> Date <u>7/30/13</u> Mike Pippin Printed Name
				¹⁸ SURVEYOR CERTIFICATION 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. 3/23/09 Date of Survey Signature and Seal of Professional Surveyor: Gary G. Eidson 12641 Certificate Number