

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
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-103
Revised July 18, 2013

WELL API NO. 30-015-36977
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 STALEY STATE
8. Well Number #8
9. OGRID Number 281994
10. Pool name or Wildcat Red Lake, Glorieta-Yeso NE (96836) Red Lake, Queen-Grayburg-San Andres (51300)

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"/>	RECEIVED
2. Name of Operator LRE OPERATING, LLC	OCT 04 2013
3. Address of Operator c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401	NMOC D ARTESIA
4. Well Location Unit Letter J : 1980 feet from the South line and 2310 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.) 3601' 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 ☒
CLOSED-LOOP SYSTEM ☒
OTHER: Recomplete to San Andres & DHC ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

LRE would like to recomplate into the San Andres & DHC with the existing Yeso as follows: MIRUSU. TOH w/rods, pump, & tbq. Set a CBP @ 3200 (above existing Yeso perfs @ 3226'-4619'). PT 5-1/2" csg & CBP to 3500 psi. Perf lower San Andres @ ~2712'-3025' w/ ~37 holes. Stimulate with ~3200 gal 15% HCL acid & frac w/ ~91,000# 16/30 sand in 25# X-linked gel.
Set a 5-1/2" CBP @ ~2660' & PT csg & CBP to ~3500 psi. Perf middle San Andres @ ~2376'-2609' w/ ~31 holes. Stimulate with ~2400 gal 15% HCL acid & frac w/ ~73,000# 16/30 sand in 20# X-linked gel.
Set a 5-1/2" CBP @ ~2340' & PT csg & CBP to ~3500; psi. Perf upper San Andres @ ~2082'-2305' w/ ~28 holes. Stimulate with ~2300 gal 15% HCL acid & frac w/ ~73,000# 16/30 sand in 20# X-linked gel.
Set a 5-1/2" CBP @ ~2040' & PT csg & CBP to ~3500; psi. Perf upper San Andres @ ~1738'-1987' w/ ~29 holes. Stimulate with ~1500 gal 15% HCL acid & frac w/ ~54,000# 16/30 sand in 20# X-linked gel.
CO after frac & drill out CBPs @ 2040', 2340', 2660', & 3200' & CO to ~PBTD @ 4805'. Land 2-7/8" production tbq @ ~4715'. Run pump & rods & release workover rig. Complete as a commingled Yeso / San Andres oil well. These two oil pools have a blanket DHC order (19.15.12.11E). See the attached wellbore diagram.

Spud Date: 8/15/13

Drilling Rig Release Date: 8/21/13

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 10/3/13

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

For State Use Only

APPROVED BY: SR Deade TITLE Dist #1 Supervisor DATE 10/9/13

Conditions of Approval (if any):

DHC ART-4609-M

10/15/13
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