

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

Form C-103
Revised July 18, 2013

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-39996
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 ENRON STATE
8. Well Number #17
9. OGRID Number 281994
10. Pool name or Wildcat Artesia, Glorieta-Yeso (96830) Artesia, Queen-Grayburg-San Andres (3230)

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 C : 230 feet from the North line and 2420 feet from the West line
Section 32 Township 17-S Range 28-E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3703' 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: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
OTHER: Recompleted to San Andres & DHC ☒

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 has recompleted this Yeso well to the San Andres & DHC as follows: On 2/22/14, MIRUSU. TOH w/rods, pump, & tbg. Set 5-1/2" CBP @ MD3320' & PT 5-1/2" csg & CBP to 3500 psi-OK. Perfed lower San Andres @ MD3000', 06', 20', 30', 44', 56', 68', 80', 93', 3100', 10', 20', 30', 40', 48', 57', 72', 80', 92', 3200', 10', 20', 30', 40', 50', 60', 70', 80', 90', 3300', 10' w/1-0.42" spf. Total 31 holes. Treated w/3028 gal 15% HCL acid & 47 perf balls. On 2/27/14, fraced lower San Andres w/79,770# 16/30 Arizona & 20,167# 16/30 siber prop and in X-linked gel.
Set 5-1/2" CBP @ MD2992'. PT csg & CBP to 3500 psi-OK. Perfed middle San Andres @ MD2650', 60', 70', 80', 90', 2700', 10', 20', 30', 40', 50', 60', 68', 80', 88', 98', 2810', 20', 30', 40', 50', 60', 70', 80', 90', 2900', 10', 20', 30', 40', 50', 58', 70' w/1-0.42" spf. Total 33 holes. Treated perfs w/3120 gal 15% HCL acid & 50 perf balls. Fraced w/84,718# 16/30 Arizona & 18,569# siber prop 16/30 sand in X-linked gel.
Set 5-1/2" CBP @ MD2610'. PT CBP & 5-1/2" csg to 3500 psi-OK. Perfed upper San Andres @ MD2268', 82', 94', 2306', 18', 30', 44', 60', 68', 82', 96', 2470', 83', 96', 2514', 26', 42', 52', 62', 74', w/1-0.42" spf. Total 20 holes. Treated perfs w/2848 gal 15% HCL acid & 39 perf balls. Fraced w/78,452# 16/30 Arizona & 19,884# 16/30 siber prop sand in X-linked gel.
Set 5-1/2" CBP @ MD2260'. PT CBP & 5-1/2" csg to 3500 psi-OK. Perfed Grayburg/upper San Andres @ MD1896', 1902', 06', 12', 16', 20', 24', 30', 2006', 10', 72', 86', 98', 2110', 20', 30', 40', 48', 56', 66', 76', 88', 98', 2212', 18', 34' w/1-0.42" spf. Total 26 holes. Treated perfs w/2000 gal 15% HCL acid & 39 perf balls. Fraced w/60,704# 16/30 Arizona & 16,460# 16/30 siber prop sand in X-linked gel.
On 2/28/14, MIRUSU. Drilled CBPs @ 2260', 2610', 2992', & 3320' & CO to 4157'. On 3/2/14, landed 2-7/8" 6.5# J-55 tbg @ MD4128'. Ran pump & rods. Released completion rig on 3/3/14. Completed the well as a DHC San Andres/Yeso oil well as per order DHC-4649.

Spud Date: 3/5/12

Drilling Rig Release Date: 3/12/12

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 3/3/14

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 Dr. H. Superschen DATE 3/11/2014
Conditions of Approval (if any):