

Submit 1 Copy To Appropriate 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

NEW MEXICO OIL CONSERVATION DIVISION
 Energy, Minerals and Natural Resources
 OCT 16 2014
RECEIVED
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

Form C-103
 Revised July 18, 2013

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. 30-015-42163
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 KERSEY STATE
4. Well Location Unit Letter <u>J</u> : <u>1650</u> feet from the <u>South</u> line and <u>330</u> feet from the <u>East</u> line Section <u>32</u> Township <u>17-S</u> Range <u>28-E</u> NMPM <u>Eddy</u> County		8. Well Number # <u>8</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3674' GL		9. OGRID Number <u>281994</u>
		10. Pool name or Wildcat Artesia, Glorieta-Yeso (96830)

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: 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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Spud well on 9/23/14. Drilled 11" hole to 465'. Landed 8-5/8" 24# J-55 csg @ 459'. Cmted w/250 sx (338 cf) "C" cmt w/2% CaCl2, & 1/4#/sx cello-flake. Circ 125 sx cmt to surface. On 9/24/14. PT 8-5/8" csg to 600 psi for 30 min - OK.

Drilled 7-7/8" hole to TD5100' on 9/29/14. Landed 5-1/2" 17# J-55 csg @ 5090'. Cmted lead w/300 sx (571 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. Tailed w/650 sx (865 cf) "C" cmt w/0.3% PF-13, 0.2% PF-65, 0.3% PF-606, 0.125# PF-29, & 0.4# PF-46. Circ 168 sx cmt to pit. Ran cased hole logs. Released drilling rig on 9/30/14. Plan to pressure test the 5-1/2" csg before completion operations.

Spud Date: 9/23/14

Drilling Rig Release Date: 9/30/14

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 10/15/14

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

APPROVED BY: [Signature] TITLE Dist. H. Spewison DATE 10/24/14
 Conditions of Approval (if any):