

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. 30-015-40338
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 #16
9. OGRID Number 281994
10. Pool name or Wildcat Red Lake, Glorieta-Yeso NE (96836) Red Lake, Queen-Grayburg-San Andres Ext. (51300)
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3626' 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 ☒ 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 O : 890 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.)  
3626' 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: 2<sup>ND</sup> Part of WO to Recomplete to SA & 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 OPERATING, LLC has now completed the second part of its workover to recomplete to SA & DHC. On 12/11/14, MIRUSU. TOH w/tbg & ESP pump. Set 5-1/2" CBP @ 2250' & PT 5-1/2" csg & CBP to 3500 psi-OK. Perfed upper SA @ 1732', 40', 50', 60', 70', 80', 90', 1804', 15', 26', 35', 50', 64', 77', 86', 1900', 08', 17', 29', 38', 50', 63', 76', 84', 92', 2002', 12', 20', 33', 44', 53', 70', 80', 87', 2100', 13', 25', 35' w/1-0.41" spf. Total 38 holes. On 12/23/14, treated perms w/1500 gal 15% HCL acid & fraced w/33,520# 100 mesh & 189,880# 40/70 Wisconsin sand in slick water. CO after frac, drilled CBPs @ 2250' & 3200' & CO to PBTD @ 4768'. On 12/30/14, landed 2-7/8" 6.5# J-55 tbg @ 4727'. Ran pump & rods. Released completion rig on 1/5/15.

Completed well as a DHC SA/Yeso oil well with SA perms 1732'-3120' & Yeso perms 3290'-4624' as per State order ART-4609-S,

Spud Date: 7/17/12

Drilling Rig Release Date: 7/23/12

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

SIGNATURE

Type or print name Mike Pippin

For State Use Only

TITLE Petroleum Engineer - Agent

E-mail address: mike@pippinllc.com

DATE 1/5/15

PHONE: 505-327-4573

APPROVED BY:

Conditions of Approval (if any):

TITLE

DATE

NM OIL CONSERVATION  
ARTESIA DISTRICT

JAN 07 2015

RECEIVED