

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

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

WELL API NO.  
30-015-40027

MAR 24 2015

RECEIVED

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		6. State Oil & Gas Lease No.
2. Name of Operator <b>LRE OPERATING, LLC</b>		7. Lease Name or Unit Agreement Name <b>STALEY STATE</b>
3. Address of Operator c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401		8. Well Number #18
4. Well Location Unit Letter <u>H</u> : <u>2310</u> feet from the <u>North</u> line and <u>370</u> feet from the <u>East</u> line Section <u>30</u> Township <u>17-S</u> Range <u>28-E</u> NMPM <u>Eddy</u> County		9. OGRID Number 281994
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3602' GL		10. Pool name or Wildcat Red Lake, Glorieta-Yeso NE (96836) Red Lake, San Andres (97253)

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 oil well to the San Andres as follows: On 3/13/15, MIRUSU. TOH w/rods, pump, & tbg. Set 5-1/2" CBP @ 3240' & PT 5-1/2" csg & CBP to 4000 psi-OK. (Existing Yeso perfs are @ 3295'-4660'). Perfed lower San Andres @ 2736'-3077' w/1-0.40" spf. Total 31 holes. On 3/18/15, treated w/1500 gal 15% HCL acid & fraced lower San Andres w/30,064# 100 mesh & 281,763# 40/70 Wisconsin sand in slick water.

Set 5-1/2" CBP @ 2704'. PT csg & CBP to 4000 psi-OK. Perfed middle San Andres @ 2408'-2670' w/1-0.40" spf. Total 27 holes. Treated perfs w/1500 gal 15% HCL acid & fraced w/30,349# 100 mesh & 228,776# 40/70 Wisconsin sand in slick water.

Set 5-1/2" CBP @ 2380'. PT CBP & 5-1/2" csg to 4000 psi-OK. Perfed upper San Andres @ 2116'-2342' w/1-0.40" spf. Total 24 holes. Treated perfs w/1500 gal 15% HCL acid & fraced w/29,996# 100 mesh & 162,718# 40/70 Wisconsin sand in slick water.

Set 5-1/2" CBP @ 2050'. PT CBP & 5-1/2" csg to 4000 psi-OK. Perfed upper San Andres @ 1750'-1992' w/1-0.40" spf. Total 32 holes. Treated perfs w/1500 gal 15% HCL acid & fraced w/15,719# 100 mesh & 90,971# 40/70 Wisconsin sand in slick water.

On 3/19/15, MIRUSU. Drilled CBPs @ 2050', 2380', 2704', & CO to CBP @ 3240'. On 3/20/15, landed 2-7/8" 6.5# J-55 tbg @ 3141'. Ran pump & rods. Released completion rig on 3/21/15. Completed the well as a single San Andres oil well. Following a test on the San Andres alone, the CBP @ 3240' will be removed and the well DHC as per State order DHC-4740.

Spud Date: 4/22/12

Drilling Rig Release Date: 4/29/12

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 3/23/15  
 Type or print name Mike Pippin E-mail address: mike@pippinllc.com PHONE: 505-327-4573

For State Use Only

APPROVED BY: Dr. R. Dade TITLE Dr. R. Dade DATE 3/25/2015  
 Conditions of Approval (if any):