

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
NM OIL CONSERVATION DIVISION
ARTESIA DISTRICT
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505
RECEIVED
JUN 26 2015

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. 30-015-41066
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 STALEY STATE
4. Well Location Unit Letter <u>I</u> : <u>2310</u> feet from the <u>South</u> line and <u>965</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		8. Well Number #25
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3597' GL		9. OGRID Number 281994
		10. Pool name or Wildcat Red Lake, Glorieta-Yeso NE (96836) Red Lake, Queen-Grayburg-San Andres (51300)

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input checked="" type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input checked="" type="checkbox"/>			
CLOSED-LOOP SYSTEM <input checked="" type="checkbox"/>			
OTHER: Recomplete to San Andres <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

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 would like to recomplete this Yeso oil well to the San Andres & DHC as follows: MIRUSU. TOH w/rods, pump, & tbg. Set a 5-1/2" CBP @ ~3250' & PT to ~3500 psi. (Existing Yeso perms are @ 3314'-4606'). Perf lower San Andres @ ~2632'-3015' w/~35 holes. Stimulate with ~1500 gal 15% HCL acid & frac w/~30,000# 100 mesh & ~325,080# 40/70 Ottawa sand in slick water.

Set a 5-1/2" CBP @ ~2600' & PT to ~3500 psi. Perf San Andres @ ~2200'-2571' w/~36 holes. Stimulate with ~1500 gal 15% HCL acid & frac w/~30,000# 100 mesh & ~311,430# 40/70 Ottawa sand in slick water.

Set a 5-1/2" CBP @ ~2100' & PT to ~3500 psi. Perf upper San Andres @ ~1740'-1963' w/~25 holes. Stimulate with ~1500 gal 15% HCL acid & frac w/~30,000# 100 mesh & ~119,700# 40/70 Ottawa sand in slick water.

CO after frac & drill out CBPs @ 2100' & 2600', & CO to CBP @ 3250'. Run 2-7/8" 6.5#J-55 production tbg & land @ ~3055'. Run pump & rods. Release workover rig. Complete as a single San Andres oil well. See the attached proposed wellbore diagram. Following a test of the San Andres alone, the CBP @ 3250' will be removed & the well DHC as per State order ART-4609-BB.

Spud Date: 8/22/13 Drilling Rig Release Date: 8/28/13

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 6/24/15

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

For State Use Only

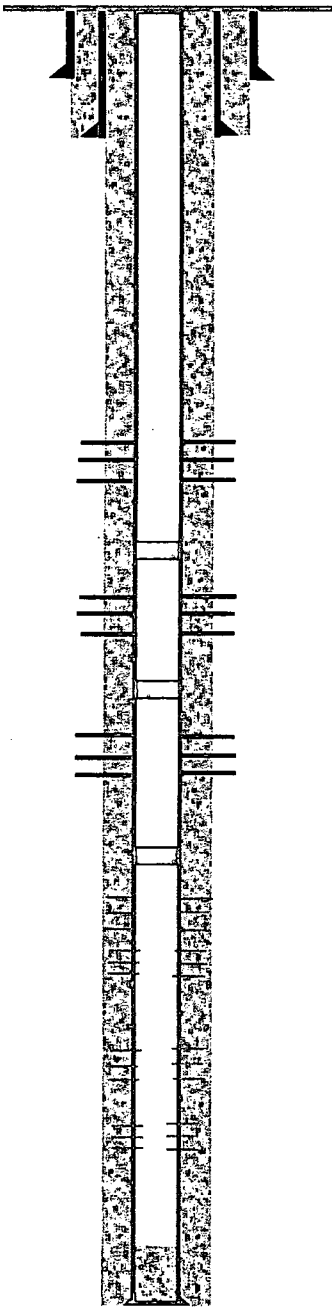
APPROVED BY: PR Dade TITLE Dist PR Supervisor DATE 7-1-15

Conditions of Approval (if any):

	County	EDDY	Well Name	Staley State #25	Field:	Redlake Glorieta-Yeso NE	Well Sketch:	AFE R15030 LRE Operating, LLC
	Surface Lat:	32.8040420°N	BH Lat:	32.8040420°N	Survey:	S30-T17S-R28E Unit I	API #	30-015-41066
	Surface Long:	104.2089310°W	BH Long:	104.2089310°W		2310' FSL & 965' FEL	OGRID #	281994

Directional Data:		Tubular Data								Wellhead Data	
KOP	Vertical Well	Tubulars	Size	Weight	Grade	Thread	TVD	MD	TOC	Type:	
Max Dev.:		Conductor	20"	91.5#	B	Weld	40'	40'	SURF	WP:	
Dieg sev:		Surface	8 5/8"	24#	J-55	STC	445'	445'	SURF	Tree Cap	Flange:
Dev @ Perfs		Intermediate									Thread:
Ret to Vert:		Production	5 1/2"	17#	J-55	LTC	4909'	4909'	SURF		
		Liner								Tbg Hanger:	

Drilling / Completion Fluid		CEMENT DATA								Wellhead Data	
Drilling Fluid: 10.2 PPG Brine / Salt Gel			L/sks	Yld	Wt	T/sks	Yld	Wt	XS	8TM Flange:	
Drilling Fluid:		Surface	225	1.35	14.8	NA	NA	NA	108 sx	BPV Profile:	NA
Completion Fluid: 2% KCL		Intermediate								Elevations:	GR - RKB = 11.8'
Completion Fluid:		Liner								RKB:	3609.1
Packer Fluid: NA		Production	300	1.9	12.8	600	1.33	14.8	199 sx	GL:	3,597.3'

Wellbore Sketch 	Completion Information							
	DEPTHS (MD)	FORMATION TOPS / WELL INFO	PERFORATIONS		# of HOLES		DETAILS	
			from	to				
	0							
	40'	26" Hole						
	445'	11" Hole						
	489'	Seven Rivers						
	1054'	Queen						
	1448'	Grayburg						
	1,736'	Premier						
1,774'	San Andres							
2 7/8" tbg, TAC at 1840', SN at 3020', 4' slotted sub, 1 jt MA w BP at 3055' Tenaris Rods w T-couplings; 58-1" KD, 58- 7/8" KD, 4- 1.5" kbars, 2.5"x2"x20' RHBC-HVR Pump Lufkin 640-365-168- 50 HP, 168" SL at 8 SPM								
	San Andres	1,740'		1,963'	25	223', 1500 g 15% HCL, 4,414 bbls water		
						30,000 # 100 Mesh, 119,700 # 40/70 Ottawa		
						80 + BPM		
CBP at 2100'								
	San Andres	2,200'		2,571'	36	371', 1500 g 15% HCL, 7,514 bbls water		
						30,000 # 100 Mesh, 311,430 # 40/70 Ottawa		
						80 + BPM		
CBP at 2600'								
	San Andres	2,632'		3,015'	35	383', 1500 g 15% HCL, 7,714 bbls water		
						30,000 # 100 Mesh, 325,080 # 40/70 Ottawa		
						80 + BPM		
3,166'	Glorieta							
CBP at 3250'								
3,288'	Yeso							
	Stage 4 U. Yeso Frac	3314'		3499'	33	185' Stg 4 - See Frac Design		
	Stage 3 L. Yeso Frac	3552'		3799'	25	247' Stg 3 - See Frac Design		
	Stage 2 L. Yeso Frac	3900'		4229'	29	329' Stg 2 - See Frac Design		
	Stage 1 L. Yeso Frac	4298'		4607'	28	309' Stg1 - See Frac Design		
4706'	Tubb							
	PBTD							
4909'	PROD CSG					above 5-1/2" Float Collar		
						5-1/2" Prod Csg. Circ 199 SX Cmt to Surf		
Comments: NM OCD CLP 0213930						Plug back Depth:	4,856'	MD
						Total Well Depth:	4920'	4920' MD
						Prepared By:	Date:	
						Eric McClusky	23-Jun-15	