

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  
**NM OIL CONSERVATION**  
 ARTESIA DISTRICT  
**OIL CONSERVATION DIVISION**  
 JUN 12 2015  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505  
**RECEIVED**

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.) 1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		WELL API NO. 30-015-42725 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <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> 8. Well Number #28
3. Address of Operator c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401		9. OGRID Number 281994 10. Pool name or Wildcat Red Lake, Glorieta-Yeso NE (96836)
4. Well Location Unit Letter <u>Q</u> : <u>685</u> feet from the <u>South</u> line and <u>1630</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		
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3637' GL		

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

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

Drilled 7-7/8" hole to TD5125' on 5/22/15. Landed 5-1/2" 17# J-55 csg @ 5120'. Cmted lead w/330 sx (611 cf) 35/65 poz C cmt w/3.48% gel, 4% NACL, 0.25# floseal, 0.17% retarder, 0.52% fluid loss, & 0.25# defoamer. Tailed w/625 sx (831 cf) "C" cmt w/0.25# floseal, 0.24% retarder, 0.56% fluid loss, & 0.25# defoamer. Circ 450 sx cmt to pit. Ran cased hole logs. Released drilling rig on 5/23/15. We plan to pressure test the 5-1/2" csg before completion operations.

Spud Date: 5/17/15 Drilling Rig Release Date: 5/23/15

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 6/11/15

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

APPROVED BY: [Signature] TITLE District Supervisor DATE 6/16/15  
 Conditions of Approval (if any):