

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources
RECORD CLEANUP
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
June 19, 2008

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. 30-015-23007
1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐		5. Indicate Type of Lease STATE ☒ FEE ☐
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 MARATHON 25 STATE
4. Well Location Unit Letter <u>F</u> : <u>2109</u> feet from the <u>NORTH</u> line and <u>1778</u> feet from the <u>WEST</u> line Section <u>25</u> Township <u>17-S</u> Range <u>28-E</u> NMPM Eddy County		8. Well Number #25
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3671' GL		9. OGRID Number 281994
		10. Pool name or Wildcat (51300) Red Lake, Queen-Grayburg-San Andres

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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

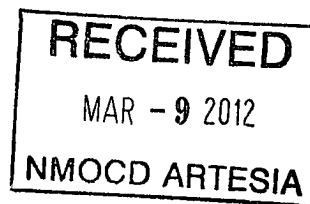
OTHER: ☐

OTHER: Recomplete to San Andres ☒

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

RECORD CLEANUP

See attached plugback & recompletion into the San Andres: 2004



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 3/8/12

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

APPROVED BY: T. C. Shapard TITLE Geologist DATE 3/9/2012
Conditions of Approval (if any):

21000-25
final

SDX Resources, Inc. - MARATHON 25 STATE #25 - Eddy Co., NM - Re-Entry

- 5/29/04 - Drove rig to location & spot @ well. Dig out cellar. Stub up 5-1/2" csg. Cmt up between 8-5/8" & 5-1/2" csg & fill cellar. Back fill cellar w/dirt & level around well. SD for weekend.
- 5/30/04 - SD for weekend.
6/1/04
- 6/2/04 - RU unit & reverse unit. NU BOP. Run magnet. TIH & wash fill & rerun magnet. PU 3-1/2" DC & 4-3/4" milltooth bit. Drill 60' surface plug. TIH w/6 - 3-1/2" DC's on 2-7/8" tbg. Tag cmt plug @ 447'. Drill cmt to 663'. Circ clean & SDON.
- 6/3/04 Drill 663' - 893'. Circ clean. TIH & tag @ 2520'. Tst csg & BOP 1000# - good. Drill 2520' - 2730'. Circ clean. Test csg & BOP 1000#. TIH & tag PBTB @ 3468'. TOH w/tbg. LD collars & released reverse unit. SDON.
- 6/4/04 - TIH w/bit & scrapper to 3468'. LD 1 jt. Roll csg w/100 bbls 2% KCL. Test csg & BOP - 1000#. Tally tbg out. RU Computalog & run CBL, CCL & GR 3435' - 1600'. Then run CNL, CCL & GR 3435' - 1600' RD Computalog & SDON.
- 6/5/04 - Perf 1 spf: 2716', 18, 20, 30, 38, 46, 77, 78, 98, 2804, 18, 24, 39, 46, 59, 68, 81, 98, 2904, 18, 24, 27, 48, 66, 74, 83, 3004, 26, 44, 56, 74, 80, 3124, 36, 42, 50 (36 holes). Had 5 mis-runs. RD Computalog. PU PPI tool & TIH. Set tool @ 2657'. Shut well in. SD for weekend.
- 6/6/04 - SD for weekend.
6/7/04
- 6/8/04 - Break down perfs 2716' - 3150' in 17 settings. Pull up to 2636'. Fish acid bar & reverse csg. Set pkr & acidize w/73 bbls 15% NEFE & 75 balls @ 5-1/2 bpm. Avg treating psi = 2724#. Good ball action & balled out 4453#. Put away remaining acid & flush to bottom perf. ISIP = 1253#, 15 min = 982#. Flow back to pit. RU swab. Pulled off swab mandrel. TIH knocking off balls. TOH w/tbg & pkr. Clear mandrel & bbls out of tbg. TIH w/tbg & set pkr @ 2636'. SI & SDON.
- 6/9/04 - 50# TP. FL @ 600'. Swab dry in 11 runs w/5% oil cut & good gas. 30 min = 60' entry w/5% oil cut & good gas. 1 hr = 130' entry w/15% oil cut & good gas. 2 hr = 200' entry w/30% oil cut & good gas. Prepared rods to be run & set pmppg unit. SDON.

6/10/04 - 50# TP. FL @ 1500'. Unset pkr & TOH. LD pkr & TIH w/tbg. ND BOP. Set TAC & land off tbg. Assemble wellhead & TIH w/pump & rods. Space out rods. Good pmp action. Pmpg to battery. SDON.
Parkersburg 114D S#P2008 w/20 hp. Westinghouse motor & Square D size 2 panel. 12 spm @ 42" st - 210 bbls x 24 hrs @ 100%.
1 - 2-7/8" MA crimped @ 3200'
1 - 2-7/8" API SN @ 3169'
16 jts - 2-7/8" tbg
1 - 2-7/8" x 5-1/2" TAC 40 K @ 2663'
84 jts - 2-7/8" tbg
1 - 1-1/4" x 1' strainer nipple
1 - 2-1/2" x 2" x 12' RWAC, PAP, SV
1 - 7/8" x 1' lift sub
72 - 3/4" rods
54 - 7/8" rods
1 - 7/8" x 8' x 6' x 4' x 2' subs
1 - 1-1/4" x 22' polish rod w/1-1/2" x 12' liner
Final Inventory: 10 its 2-7/8" tbg

6/11/04 - Well pmpg good. RD & clean location.

6/15/04 - Production for 6/13/04: 11 BO, 11 MCF, 9 BW
6/16/04 - Production for 6/14/04: 9 BO, 9 MCF, 8 BW
6/17/04 - Production for 6/15/04: 13 BO, 14 MCF, 8 BW.
98 jts to FL, 3 jts to SN
6/18/04 - Production for 6/16/04: 10 BO, 13 MCF, 8 BW.
6/19/04 - Production for 6/17/04: 10 BO, 13 MCF, 6 BW
6/20/04 - Production for 6/18/04: 9 BO, 7 MCF, 13 BW
6/21/04 - Production for 6/19/04: 8 BO, 6 MCF, 13 BW
6/22/04 - Production for 6/20/04: 9 BO, 8 MCF, 6 BW
6/23/04 - Production for 6/21/04: 7 BO, 6 MCF, 12 BW
99 jts to FL, 2 jts to SN
6/25/04 - Production for 6/23/04: 7 BO, 6 MCF, 12 BW
6/26/04 - Production for 6/24/04: No Test Available. Tester down.
6/27/04 - Production for 6/25/04: 6 BO, 6 MCF, 12 BW
6/28/04 - Production for 6/26/04: No Test Available.
6/29/04 - Production for 6/27/04: 6 BO, 6 MCF, 12 BW
6/30/04 - Production for 6/28/04: 5 BO, 4 MCF, 11 BW
7/1/04 - Production for 6/29/04: 6 BO, 5 MCF, 11 BW

FINAL REPORT