

Submit to Appropriate District Office Two Copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W Grand Avenue, 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 Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505		Form C-105 July 17, 2008														
		1. WELL API NO. 30-015-39635																
		2. Type of Lease <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/> FED/INDIAN																
		3. State Oil & Gas Lease No.																
WELL COMPLETION OR RECOMPLETION REPORT AND LOG																		
4. Reason for filing: <input checked="" type="checkbox"/> COMPLETION REPORT (Fill in boxes #1 through #31 for State and Fee wells only) <input type="checkbox"/> C-144 CLOSURE ATTACHMENT (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC)				5. Lease Name or Unit Agreement Name ARCO STATE 6. Well Number: #1														
7. Type of Completion: <input checked="" type="checkbox"/> NEW WELL <input type="checkbox"/> WORKOVER <input type="checkbox"/> DEEPENING <input type="checkbox"/> PLUGBACK <input type="checkbox"/> DIFFERENT RESERVOIR <input type="checkbox"/> OTHER				<div style="border: 2px solid black; padding: 10px; width: fit-content; margin: auto;"> RECEIVED FEB 15 2012 NMOCD ARTESIA </div>														
8. Name of Operator: LRE OPERATING, LLC																		
10. Address of Operator: c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401				9. OGRID: 281994														
11. Pool name or Wildcat: Empire, Glorieta-Yeso (96210)																		
12. Location	Unit Ltr	Section	Township	Range	Lot	Feet from the	N/S Line	Feet from the	E/W Line	County								
Surface:	L	24	17-S	28-E		1650	South	530	West	Eddy								
BH:	L	24	17-S	28-E		1671'	South	348'	West	Eddy								
13. Date Spudded 1/3/12	14. Date T.D. Reached 1/10/12	15. Date Drilling Rig Released 1/12/12		16. Date Completed (Ready to Produce) 2/2/12		17. Elevations (DF and RKB, RT, GR, etc.). 3705' GR												
18. Total Measured Depth of Well MD5264'		19. Plug Back Measured Depth MD5203'		20. Was Directional Survey Made? Yes		21. Type Electric and Other Logs Run Induction, Density/Neutron												
22. Producing Interval(s), of this completion - Top, Bottom, Name MD4064'-4459' - Upper Yeso, MD4513'-4869' - Middle Yeso, MD4912'-5105' - Lower Yeso																		
23. CASING RECORD (Report all strings set in well)																		
CASING SIZE		WEIGHT LB./FT		DEPTH SET		HOLE SIZE		CEMENTING RECORD		AMOUNT PULLED								
										0'								
8-5/8"		24# J-55		520'		12-1/4"		970 sx CI C		0'								
5-1/2"		17# J-55		MD5248'		7-7/8"		435 sx 35/65 Poz/C		0'								
								+ 590 sx C										
24. LINER RECORD																		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN														
						2-7/8"		MD3976'										
26. Perforation record (interval, size, and number) <u>Upper Yeso: MD4064'-4459', 49 holes</u> <u>Middle Yeso: MD4513'-4869', 47 holes</u> <u>Lower Yeso: MD4912'-5105', 40 holes</u>						27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th>DEPTH INTERVAL</th> <th>AMOUNT AND KIND MATERIAL USED</th> </tr> <tr> <td>MD4064'-4459'</td> <td>1772 gals 7.5% HCL; fraced w/54,387# 16/30 & 13,670# - 16/30 Siber prop sand in X-linked gel</td> </tr> <tr> <td>MD4513'-4869'</td> <td>3415 gals 7.5% HCL; fraced w/78,490# 16/30 & 16,475# 16/30 Siber prop sand in X-linked gel</td> </tr> <tr> <td>MD4912'-5105'</td> <td>3000 gals 7.5% HCL; fraced w/41,602# 16/30 & 14,871# 16/30 Siber prop sand in X-linked gel</td> </tr> </table>					DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	MD4064'-4459'	1772 gals 7.5% HCL; fraced w/54,387# 16/30 & 13,670# - 16/30 Siber prop sand in X-linked gel	MD4513'-4869'	3415 gals 7.5% HCL; fraced w/78,490# 16/30 & 16,475# 16/30 Siber prop sand in X-linked gel	MD4912'-5105'	3000 gals 7.5% HCL; fraced w/41,602# 16/30 & 14,871# 16/30 Siber prop sand in X-linked gel
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28. PRODUCTION																		
Date First Production READY		Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping				Well Status (Prod. or Shut-in) Pumping												
Date of Test Within 30 days	Hours Tested	Choke Size	Prod'n For Test Period:	Oil - Bbl	Gas - MCF	Water - Bbl.	Gas - Oil Ratio											
Flow Tubing Press	Casing Pressure	Calculated 24- Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)												
29. Disposition of Gas (Sold, used for fuel, vented, etc.) To Be Sold							30. Test Witnessed By: Jerry Smith											
31. List Attachments																		
32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit.																		
33. If an on-site burial was used at the well, report the exact location of the on-site burial:																		
Latitude Longitude NAD 1927 1983																		
I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief																		
Signature		Printed Name		Title: Petroleum Engineer		Date: 2/13/12												
E-mail Address: mike@pippinllc.com																		

ARCO STATE #1 -- New Well

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

OIL OR GAS SANDS OR ZONES

No. 3, from.....to.....
No. 4, from.....to.....

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....
No. 2, from.....to.....feet.....

From	To	Thickness In Feet	Lithology
			- On File -