

Submit To Appropriate District Office Two Copies <b>District I</b> 1625 N. French Dr., Hobbs, NM 88240 <b>District II</b> 1301 W Grand Avenue, Artesia, NM 88210 <b>District III</b> 1000 Rio Brazos Rd., Aztec, NM 87410 <b>District IV</b> 1220 S. St Francis Dr., Santa Fe, NM 87505		<b>State of New Mexico</b> <b>Energy, Minerals and Natural Resources</b>  <b>Oil Conservation Division</b> <b>1220 South St. Francis Dr.</b> <b>Santa Fe, NM 87505</b>				<b>Form C-105</b> July 17, 2008					
								1. WELL API NO. 30-015-40026			
								2. Type of Lease <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/> FED/INDIAN			
								3. State Oil & Gas Lease No.			
<b>WELL COMPLETION OR RECOMPLETION REPORT AND LOG</b>											
4. Reason for filing: <input checked="" type="checkbox"/> <b>COMPLETION REPORT</b> (Fill in boxes #1 through #31 for State and Fee wells only)  <input type="checkbox"/> <b>C-144 CLOSURE ATTACHMENT</b> (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 <b>STALEY STATE</b>					
						6. Well Number: <b>#17</b>					
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											
8. Name of Operator: <b>LRE OPERATING, LLC</b>						9. OGRID: 281994					
10. Address of Operator: c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401						11. Pool name or Wildcat: Red Lake, Glorieta-Yeso NE (96836)					
12. Location	Unit Ltr	Section	Township	Range	Lot	Feet from the	N/S Line	Feet from the	E/W Line	County	
<b>Surface:</b>	N	30	17-S	28-E		330	South	2410	West	Eddy	
<b>BH:</b>	N	30	17-S	28-E		340	South	2290	West	Eddy	
13. Date Spudded 3/15/12	14. Date T D Reached 3/22/12		15. Date Drilling Rig Released 3/23/12		16. Date Completed (Ready to Produce) 4/4/12			17. Elevations (DF and RKB, RT, GR, etc.): 3880' GR			
18. Total Measured Depth of Well 5108'			19. Plug Back Measured Depth 5052'			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 MD3318'-3574'-Upper Yeso, MD3634'-3928'- Upper Yeso, MD4013'-4280' - Middle Yeso, MD4345'-4680' - Lower Yeso											
<b>23. CASING RECORD (Report all strings set in well)</b>											
CASING SIZE		WEIGHT LB./FT.		DEPTH SET		HOLE SIZE		CEMENTING RECORD		AMOUNT PULLED	
8-5/8"		24# J-55		438'		12-1/4"		280 sx CI C		0'	
5-1/2"		17# J-55		5100'		7-7/8"		330 sx 35/65 Poz/C		0'	
								+ 580 sx C			
<b>24. LINER RECORD</b>						<b>25. TUBING RECORD</b>					
SIZE	TOP	BOTTOM	SACKS CEMENT		SCREEN	SIZE	DEPTH SET		PACKER SET		
						2-7/8"	4724'				
26. Perforation record (interval, size, and number) Upper Yeso: 3318'-3574', 45 holes Upper Yeso: 3634'-3928', 40 holes Middle Yeso: 4013'-4280', 40 holes Lower Yeso: 4345'-4680', 44 holes						27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.					
<div style="border: 2px solid black; padding: 5px; transform: rotate(-2deg); display: inline-block;"> <b>RECEIVED</b>  <b>APR 5 2012</b>  <b>ARTEIA</b> </div>						DEPTH INTERVAL		AMOUNT AND KIND MATERIAL USED			
						3318'-3574'		2500 gals 7.5% HCL; fraced w/67,366# 16/30 sand in X-linked gel			
						3634'-3928'		2500 gals 7.5% HCL; fraced w/73,0152# 16/30 & 13,331# 16/30 Siber prop sand in X-linked gel			
						4013'-4380'		2500 gals 7.5% HCL; fraced w/74,958# 16/30 & 19,560# 16/30 Siber prop sand in X-linked gel			
28. <b>PRODUCTION</b>						4345'-4680'					
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 <i>Mike Pippin</i>			Printed Name Mike Pippin		Title: Petroleum Engineer			Date: 4/4/12			
E-mail Address: mike@pippinllc.com											

**STALEY STATE #17 -- 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. 2, from.....to.....feet.....

From	To	Thickness In Feet	Lithology
			- On File -