

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

Form C-103
June 19, 2008

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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. 30-015-36253
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 STALEY STATE
4. Well Location Unit Letter <u>I</u> : <u>1750</u> feet from the <u>SOUTH</u> line and <u>990</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 <u>#7</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3604' GL		9. OGRID Number <u>281994</u>
		10. Pool name or Wildcat Red Lake, Glorieta-Yeso NE (96836)

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
DOWNHOLE COMMINGLE ☐			
OTHER: ☐		OTHER: Payadd Completion ☒	

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.
CO to PBTD4684'. On 8/14/12, PT 5-1/2" & 4" csg to 1020 psi for 30 min-OK. Perfed lower Yeso @ 4330', 35', 40', 45', 50', 55', 66', 70', 78', 83', 90', 93', 96', 4410', 16', 20', 26', 29', 56', 62', 68', 73', 4500', 38', 40', 44', 48', 52', 58', 60', 64', 82', 86', 90', 94', 4614', 26', 31', 35', 40', 44', 48', 54', 58', 67' w/1-0.37" spf. Total 45 holes. Set 5-1/2" pkr @ 3253' on 3-1/2" 9.3# L-80 frac string. Treated perfs w/2000 gal 15% HCL acid & 69 perf balls. On 8/16/12, fraced lower Yeso w/58,316# 16/30 Brady & 8,922# 16/30 siber prop sand in X-linked gel. TOH w/frac string & pkr.
Set 4" CBP @ 4300'. W/pkr @ 3322', PT csg & CBP to 3500 psi for 15 min-OK. TOH. Perfed middle Yeso @ 3985', 91', 94', 4000', 10', 24', 28', 34', 44', 60', 64', 74', 80', 90', 4100', 06', 12', 18', 24', 40', 44', 50', 60', 70', 73', 76', 82', 88', 4203', 06', 10', 16', 24', 28', 32', 35', 40', 44', 48', 51', 59', 64', 68' w/1-0.37" spf. Total 43 holes. Set 4" pkr @ 3291' on 3-1/2" 9.3# L-80 frac string. Treated perfs w/2000 gal 15% HCL acid & 60 perf balls. TOH. Set 5-1/2" pkr on frac string @ 3253'. On 8/23/12, fraced w/61,616# 16/30 Brady & 10,611# 16/30 siber prop sand in X-linked gel. TOH w/frac string & pkr.
Set 4" CBP @ 3950'. Perfed upper Yeso @ 3310', 12', 15', 20', 25', 30', 35', 40', 45', 50', 55', 60', 65', 70', 75', 80', 85', 90', 95', 3400', 05', 10', 15', 20', 25', 30', 35', 40', 45', 50', 55', 60', 65', 70', 75', 80', 85', 90', 95', 3500', 05', 10', 15', 20', 25', 94', 98', 3604', 10', 14', 20', 27', 31', 36', 44', 48', 54', 56', 63', 74', 85', 98', 3702', 06', 10', 20', 30', 42', 50', 64', 68', 78', 86', 90', 96', 3800', 16', 20', 24', 50', 55', 60', 65', 70', 75', 80', 85', 90', 95', 3901', 13' w/1-0.37" spf. Total 91 holes. Set 5-1/2" pkr on frac string @ 3253'. Treated perfs w/4915 gal 7.5% HCL acid. On 8/26/12, fraced w/112,874# 16/30 Brady & 45,668# 16/30 siber prop sand in X-linked gel.
On 8/27/12, MIRUSU. TOH w/frac string & pkr. Drilled CBPs @ 3950' & 4300' & CO to PBTD4684'. On 9/5/12, landed 1053' 2-1/16" L-80 tbg & 3248' 2-7/8" 6.5# J-55 tbg. Tbg set @ 4312'. Ran pump & rods. Released completion rig on 9/6/12.

Spud Date: 6/9/08

Drilling Rig Release Date: 6/19/08

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 8/29/12
Type or print name Mike Pippin E-mail address: mike@pippinllc.com PHONE: 505-327-4573
For State Use Only

APPROVED BY: SRDade TITLE Dist B Supervisor DATE 9/26/12
Conditions of Approval (if any):