

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

WELL API NO. 30-015-41065
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name STALEY STATE
8. Well Number #24
9. OGRID Number 281994
10. Pool name or Wildcat Red Lake, Glorieta-Yeso NE (96836)

**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 ☒ Gas Well ☐ Other ☐

2. Name of Operator  
**LRE OPERATING, LLC**

3. Address of Operator  
c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401

4. Well Location  
Unit Letter N : 990 feet from the SOUTH line and 2335 feet from the WEST line  
Section 30 Township 17-S Range 28-E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3586' GL

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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

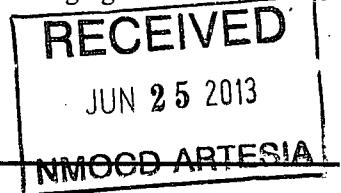
REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☒

OTHER: Spud & Casings ☒

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.

Spud well on 6/16/13. Drilled 11" hole to 440'. Landed 8-5/8" 24# J-55 csg @ 435'. Cmted w/225 sx (304 cf) "C" cmt w/2% Cacl2 & 0.125# CF. Circ 42 sx cmt to surface. On 6/17/13, PT 8-5/8" csg to 600 psi for 30 min-OK.

Drilled 7-7/8" hole from 8-5/8" csg shoe to 4900' on 6/20/13. On 6/21/13, landed 5-1/2" 17# J-55 csg @ 4893'. Cmted lead w/300 sx (573 cf) 35/65 poz "C" cmt w/5% PF-44, 6% PF-20, 0.2% PF-13, 0.125# PF-29, & 0.4# PF-46. Tailed w/600 sx (798 cf) "C" cmt w/0.5% PF-13, 0.2% PF-167, 0.2% PF-65, 0.125# PF-29, & 0.4# PF-46. Circ 165 sx cmt to pit. Released drilling rig on 6/22/13. Plan to pressure test the 5-1/2" csg before completion operations.



Spud Date: 6/16/13

Drilling Rig Release Date: 6/22/13

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 6/24/13

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

For State Use Only

APPROVED BY: RDade TITLE Asst. H. Spewer DATE 6/26/13

Conditions of Approval (if any):

*Handwritten signature*