Submit To Api opriate District Office State of New Mexico Form C-105 Two Copies District 1 1625 N. French Dr., Hobbs, NM 88240 July 17, 2008 Energy, Minerals and Natural Resources 1. WELL API NO. District II 30-015-41371 1301 W. Grand Avenue, Artesia, NM 88210 Oil Conservation Division District III 2. Type of Lease 1220 South St. Francis Dr. 1000 Rio Brazos Rd., Aztec, NM 87410 ⊠ STATE ☐ FEE ☐ FED/INDIAN District IV 3. State Oil & Gas Lease No. Santa Fe, NM 87505 1220 S. St. Francis Dr., Santa Fe, NM 87505 WELL COMPLETION OR RECOMPLETION REPORT AND LOG 4. Reason for filing: 5. Lease Name or Unit Agreement Name **ARCO STATE** ☑ COMPLETION REPORT (Fill in boxes #1 through #31 for State and Fee wells only) 6. Well Number: #3 NM OIL CONSERVATION C-144 CLOSURE ATTACHMENT (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or ARTESIA DISTRICT #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC) 7. Type of Completion: JUL 2 2 2014 □ NEW WELL ⋈ WORKOVER □ DEEPENING □ PLUGBACK □ DIFFERENT RESERVOIR ⋈ OTHER Payadd Workover 9. OGRID: 281994 8. Name of Operator: LRE OPERATING, LLC RECEIVED 10. Address of Operator: c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401 11. Pool name or Wildcat: Empire, Glorieta Yeso (96210) Unit Ltr Section Township Feet from the N/S Line Feet from the E/W Line County 12.Location Range Lot Surface: 24 17-S 28-E 2310 South 330 West Eddv RH: 13. Date Spudded 14. Date T.D. Reached 15. Date Drilling Rig Released 16. Date Completed (Ready to Produce 17. Elevations (DF and RKB, 5/12/14 5/13/14 WO 7/19/14 RT, GR, etc.):3702' GR 5/6/14 21. Type Electric and Other Logs Run 18. Total Measured Depth of Well 19. Plug Back Measured Depth 20. Was Directional Survey Made? 5720 5694' (RBP @ 5384') Yes Casing Hole Neutron 22. Producing Interval(s), of this completion - Top, Bottom, Name 5119'-5379'- Yeso **CASING RECORD** (Report all strings set in well) 23 **CASING SIZE** WEIGHT LB./FT DEPTH SET HOLE SIZE CEMENTING RECORD AMOUNT PULLED 8-5/8" 24# J-55 499 11" 400 sx Cl C 0 5-1/2" 17# J-55 5704 7-7/8" 350 sx 35/65 Poz/C 0, + 725 sx C LINER RECORD **TUBING RECORD** 24. 25. SACKS CEMENT SIZE TOP **BOTTOM SCREEN** SIZE DEPTH SET PACKER SET 2-7/8" 5035 Perforation record (interval, size, and number) 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC Upper Yeso: 5119'-5379', 32-0.41" holes DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 1518 gals 15% HCL; fraced w/31,598# 100 mesh & 5119'-5379' 247,845# 40/70 Wisconsin sand in slick water Existing Yeso Perfs: 5394'-5690', 31-0.43" holes 1841 gals 15% HCL; fraced w/29,632# 100 mesh & 5394'-5690 246,523# 40/70 Wisconsin sand in slick water. **PRODUCTION Date First Production** Production Method (Flowing, gas lift, pumping - Size and type pump) Well Status (Prod. or Shut-in) READY Pumping Pumping Date of Test Hours Tested Choke Size Prod'n For Oil - Bbl Gas - MCF Water - Bbl. Gas - Oil Ratio Within 30 days Test Period: Flow Tubing Casing Pressure Calculated 24-Oil - Bbl. Gas - MCF Oil Gravity - API - (Corr.) Water - Bbl. Hour Rate Press. 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 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 Printed Signature Name Mike Pippin Title: Petroleum Engineer E-mail Address: mike@pippinllc.com

INSTRUCTIONS

ARCO STATE#3 - Yeso Payadd Workover

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well and not later than 60 days after completion of closure. When submitted as a completion report, this shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 11, 12 and 26-31 shall be reported for each zone.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southea	stern New Mexico	Northy	Northwestern New Mexico			
T. Anhy	T. Canyon_	T. Ojo Alamo	T. Penn A"			
T. Salt	T. Strawn_	T. Kirtland	T. Penn. "B"			
B. Salt	T. Atoka	T. Fruitland	T. Penn. "C"			
T. Yates	T. Miss	T. Pictured Cliffs	T. Penn. "D"			
T. 7 Rivers	T. Devonian_	T. Cliff House	T. Leadville			
T. Queen	T. Silurian	T. Menefee	T. Madison			
T. Grayburg	T. Montoya	T. Point Lookout	T. Elbert			
M. San Andres 2558'	T. Simpson	T. Mancos	T. McCracken			
T. Glorieta 3635'	T. McKee	T. Gallup	T. Ignacio Otzte			
T. Yeso 3729'	T. Ellenburger	Base Greenhorn	T.Granite			
T. Blinebry	T. Gr. Wash	T. Dakota				
T.Tubb <u>5210'</u>	T. Delaware Sand	T. Morrison				
T. Drinkard	T. Bone Springs	T.Todilto				
T. Abo	Т.	T. Entrada				
T. Wolfcamp	T.	T. Wingate				
T. Penn	T.	T. Chinle				
T. Cisco (Bough C)	T	T. Permian				
			OIL OR GAS			

			SANDS U	/K ZUNE
No. 1, from	to	No. 3, from	to	
	to			
		TANT WATER SANDS		
Include data on rate of	water inflow and elevation to whi	ich water rose in hole.		
No. 1, from	to	feet		
	to			
		ORD (Attach additional sheet		

From	То	Thickness In Feet	Lithology		From	То	Thickness In Feet	Lithology
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