

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

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

WELL API NO. 30-015-42602
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 JEFFERS 36 STATE
8. Well Number #5
9. OGRID Number 281994
10. Pool name or Wildcat Red Lake, Glorieta-Yeso NE (96836)
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3620' GL

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 B : 330 feet from the North line and 2210 feet from the East line
 Section 36 Township 17-S Range 27-E NMPM Eddy County

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input checked="" type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input checked="" type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input checked="" type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: Spud & Casings <input checked="" type="checkbox"/>	

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Spud well on 11/30/14. Drilled 11" hole to 425'. Landed 8-5/8" 24# J-55 csg @ 408'. Cmted w/250 sx (338 cf) "C" cmt w/2% CaCl2, & 1/4#/sx cello-flake. Circ 105 sx cmt to surface. On 12/2/14, PT 8-5/8" csg to 600 psi for 30 min - OK.

Drilled 7-7/8" hole to TD3600' on 12/4/14. Landed 5-1/2" 17# J-55 csg @ 3585'. Cmted lead w/300 sx (573 cf) 35/65 poz C cmt w/6% PF-20, 0.2% PF-13, 0.125# PF-29, 0.4# PF-45, & 3# PF-42. Tail w/375 sx "C" cmt w/0.3% PF-13, 0.2% PF-65, 0.3% PF-606, 0.125# PF-29, & 0.4# PF-45. Circ 146 sx cmt to pit. Ran cased hole logs. Released drilling rig on 12/7/14. Plan to pressure test the 5-1/2" csg before completion operations.

NM OIL CONSERVATION
 ARTESIA DISTRICT

DEC 10 2014

Spud Date: 11/30/14

Drilling Rig Release Date: 12/7/14

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

RECEIVED

SIGNATURE Mike Pippin TITLE Petroleum Engineer - Agent DATE 12/8/14

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

For State Use Only

APPROVED BY: [Signature] TITLE Dist #5 Supervisor DATE 12/11/2014

Conditions of Approval (if any):