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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  
NM OIL CONSERVATION  
ARTESIA DISTRICT  
JUN 22 2015  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-103  
June 19, 2008

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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. 30-015-41064
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator <b>LRE OPERATING, LLC</b>		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 <b>STALEY STATE</b>
4. Well Location Unit Letter <u>H</u> : 1755 feet from the <u>NORTH</u> line and <u>970</u> feet from the <u>EAST</u> line Section <u>30</u> Township <u>17-S</u> Range <u>28-E</u> NMPM Eddy County		8. Well Number <b>#23</b>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3586' GL		9. OGRID Number 281994
		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:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☒  
DOWNHOLE COMMINGLE ☒

SUBSEQUENT REPORT OF:

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

OTHER: Recomplete To San Andres & DHC

OTHER: ☐

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.

LRE Operating, LLC would like to recomplete this Yeso oil well to the San Andres & DHC as follows: MIRUSU. TOH w/rods, pump, & tbg. Set a 5-1/2" CBP @ ~3250' & PT to ~3500 psi. (Existing Yeso perfs are @ 3290'-4546'). Perf lower San Andres @ ~2614'-2985' w/~33 holes. Stimulate with ~1500 gal 15% HCL acid & frac w/~30,000# 100 mesh & ~311,430# 40/70 Ottawa sand in slick water.

Set a 5-1/2" CBP @ ~2580' & PT to ~3500 psi. Perf San Andres @ ~2230'-2551' w/~34 holes. Stimulate with ~1500 gal 15% HCL acid & frac w/~30,000# 100 mesh & ~287,280# 40/70 Ottawa sand in slick water.

Set a 5-1/2" CBP @ ~2150' & PT to ~3500 psi. Perf upper San Andres @ ~1752'-1979' w/~37 holes. Stimulate with ~1500 gal 15% HCL acid & frac w/~30,000# 100 mesh & ~119,700# 40/70 Ottawa sand in slick water.

CO after frac & drill out CBPs @ 2150' & 2580', & CO to CBP @ 3250'. Run 2-7/8" 6.5#J-55 production tbg & land @ ~3025'. Run pump & rods. Release workover rig. Complete as a single San Andres oil well. See the attached proposed wellbore diagram. Following a test of the San Andres alone and the approval of the DHC application in Santa Fe, the CBP @ 3250' will be removed & the well DHC.

Spud Date: 5/31/13

Drilling Rig Release Date: 6/6/13


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 6/19/13

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

For State Use Only

APPROVED BY: Dr. Dade TITLE Dr. P. Supervisor DATE 6/23/2015  
Conditions of Approval (if any):

	County	EDDY	Well Name	Staley State #23	Field:	Redlake Glorieta-Yeso NE	Well Sketch:	AFE R15029 LRE Operating, LLC
	Surface Lat:	32.8074139°N	BH Lat:	32.8074139°N	Survey:	S30-T17S-R28E Unit H	API #	30-015-41064
	Surface Long:	104.2089134°W	BH Long:	104.2089134°W		1755' FNL & 970' FEL	OGRID #	281994

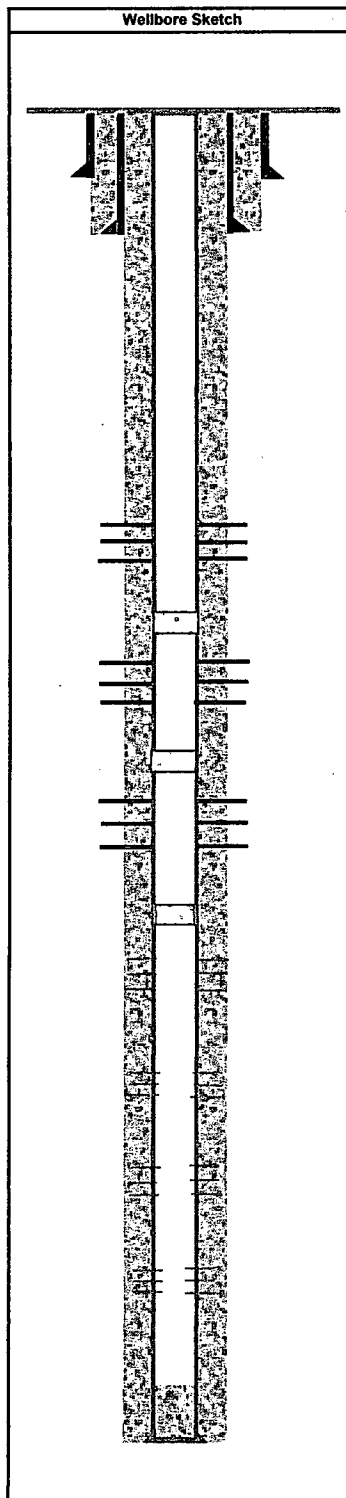
<b>Directional Data:</b>	
KOP	Vertical Well
Max Dev.:	
Dleg sev.:	
Dev @ Perfs	
Ret to Vert:	

<b>Drilling / Completion Fluid</b>	
Drilling Fluid:	10.2 PPG Brine / Salt Gel
Drilling Fluid:	
Completion Fluid:	2% KCL
Completion Fluid:	
Packer Fluid:	NA

<b>Tubular Data</b>							
Tubulars	Size	Weight	Grade	Thread	TVD	MD	TOC
Conductor	20"	91.5#	B	Weld	40'	40'	SURF
Surface	8 5/8"	24#	J-55	STC	435'	435'	SURF
Intermediate							
Production	5 1/2"	17#	J-55	LTC	4904'	4904'	SURF
Liner							

<b>CEMENT DATA</b>							
	L/sks	Yld	Wt	T/sks	Yld	Wt	XS
Surface	225	1.35	14.8	NA	NA	NA	129 sx
Intermediate							
Liner							
Production	300	1.9	12.8	600	1.33	14.8	105 sx

<b>Wellhead Data</b>	
Type:	
WP:	
Tree Cap	Flange:
	Thread:
Tbg Hanger:	
8TM Flange:	
BPV Profile:	NA
Elevations:	GR - RKB = 13.4'
RKB:	3599.5
GL:	3,586.1'



Completion Information					
DEPTHS (MD)	FORMATION TOPS / WELL INFO	PERFORATIONS		# of HOLES	DETAILS
		from	to		
0					
40'	26" Hole				20" Conductor Pipe
435'	11" Hole				8-5/8" Surf Csg Circ 129 sx Cmt to surf
486'	Seven Rivers				
1047'	Queen				
1485'	Grayburg				
1,752'	Premier				
1,794'	San Andres				
2 7/8" tbg, TAC at 1652', SN at 2990', 4' slotted sub, 1 jt MA w BP at 3025'					
Tenaris Rods w T-couplings; 78-1" KD, 37- 7/8" KD, 4- 1.5" kbars, 2.5"x2"x20" RHBC-HVR Pump					
Shores Lift 640-365-168- 50 HP, 168" SL at 8 SPM					
	San Andres	1,752'	1,979'	37	227', 1500 g 15% HCL, 4,414 bbls water
					30,000 # 100 Mesh, 119,700 # 40/70 Ottawa
					80 + BPM
CBP at 2150'					
	San Andres	2,230'	2,551'	34	321', 1500 g 15% HCL, 7,214 bbls water
					30,000 # 100 Mesh, 287,280 # 40/70 Ottawa
					80 + BPM
CBP at 2580'					
	San Andres	2,614'	2,985'	33	371', 1500 g 15% HCL, 7,514 bbls water
					30,000 # 100 Mesh, 311,430 # 40/70 Ottawa
					80 + BPM
3,169'	Glorieta				
CBP at 3250'					
3,290'	Yeso				
	Stage 4 U. Yeso Frac	3290'	3536'	50	246' Stg 4 - See Frac Design
	Stage 3 L. Yeso Frac	3598'	3861'	22	263' Stg 3 - See Frac Design
	Stage 2 L. Yeso Frac	3896'	4195'	26	299' Stg 2 - See Frac Design
	Stage 1 L. Yeso Frac	4244'	4,547'	27	303' Stg1 - See Frac Design
4690'	Tubb				
	PBTD				
4904'	PROD CSG				above 5-1/2" Float Collar
					5-1/2" Prod Csg. Circ 105 SX Cmt to Surf
Comments: NM OCD CLP 0213929				Plug back Depth:	MD
				Total Well Depth:	4908' 4908' MD
				Prepared By:	Date:
				Eric McClusky	18-Jun-15