

Oil Conservation
District I - (575) 208-1000
1025 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, Santa Fe, NM 87505

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

WELL API NO. 30-015-42725
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 #28
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 O : 685 feet from the South line and 1630 feet from the East line
Section 30 Township 17-S Range 28-E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3637' GL

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"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
DOWNHOLE COMMINGLE <input type="checkbox"/>	P AND A <input type="checkbox"/>
CLOSED-LOOP SYSTEM <input checked="" type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>
OTHER: <input type="checkbox"/>	OTHER: Completion <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.

On 5/26/15, PT 5-1/2" csg to 5000 psi for 10 min-OK. Perfed lower Yeso @ 4690'-5002' w/30 holes. On 5/29/15, treated new perms w/1096 gal 15% HCL acid & fraced lower Yeso w/30,200# 100 mesh & 290,000# 40/70 Wisconsin sand in slick water. On 5/29/15, MIRUSU.

Set 5-1/2" CBP @ 4630' & PT CBP & 5-1/2" csg-OK. Perfed middle Yeso @ 4273'-4555' w/29 holes. On 6/5/15, treated perms w/1000 gal 15% HCL acid & fraced w/30,100# 100 mesh & 255,838# 40/70 Wisconsin sand in slick water.

Set 5-1/2" CBP @ 4250' & PT CBP & 5-1/2" csg to 3500 psi-OK. Perfed upper Yeso @ 3956'-4218' w/27 holes. Treated perms w/2004 gal 15% HCL acid & fraced w/30,090# 100 mesh & 255,648# 40/70 Wisconsin sand in slick water.

Set 5-1/2" CBP @ 3800' & PT CBP & 5-1/2" csg to 3500 psi-OK. Perfed upper Yeso @ 3380'-3684' w/36 holes. Treated perms w/3948 gal 15% HCL acid & fraced w/29,550# 100 mesh & 289,394# 40/70 Wisconsin sand in slick water.

Drilled CBPs @ 3800', 4250', & 4630' & CO to PBTD5077'. On 6/9/15, landed ESP on 2-7/8" 6.5# J-55 tbg @ 3201'. Released completion rig on 6/9/15.

Spud Date: 5/17/15 Drilling Rig Release Date: 5/23/15

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 6/12/15

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 # Supervisor DATE 6/17/15
Conditions of Approval (if any):