

Office

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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, Environment and Natural Resources
NM OIL CONSERVATION
ARTESIA DISTRICT
OIL CONSERVATION DIVISION
JUN 12 2015
1220 South St. Francis Dr.
Santa Fe, NM 87505
RECEIVED

WELL API NO.

30-015-37560

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

AID 24 STATE

8. Well Number #8

9. OGRID Number 281994

10. Pool name or Wildcat

Empire, Glorieta-Yeso (96210)

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 K : 2310 feet from the South line and 2210 feet from the West lineSection 24Township 17-S Range 28-E

NMPM Eddy County

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

3697' 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 ☐CLOSED-LOOP SYSTEM ☒OTHER: Payadd Workover ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☐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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

LRE Operating, LLC would like to perform a payadd workover on this Yeso oil well as follows: MIRUSU. TOH w/rods, pump, & tbq. Set a 5-1/2" CBP @ ~4050' & PT to ~3500 psi. (Existing Yeso perfs are @ 4062'-5129'). Perf upper Yeso @ ~3768'-4026' w/~51 holes. Stimulate with ~1500 gal 15% HCL acid & frac w/~30,000# 100 mesh & ~362,880# 40/70 Ottawa sand in slick water.

CO after frac & drill out CBP @ 4050' & CO to PBTD @ 5203'. Land 2-7/8" 6.5#J-55 production tbq @ ~4795'. Run pump & rods. Release workover rig. Complete as a single Yeso oil well. See the attached proposed wellbore diagram.

Spud Date: 10/19/10

Drilling Rig Release Date: 11/5/10

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 6/11/15Type or print name Mike Pippin E-mail address: mike@pippinllc.com PHONE: 505-327-4573

For State Use Only

APPROVED BY: Dr. J. Spewer TITLE Dr. J. Spewer DATE 6/16/15

Conditions of Approval (if any):

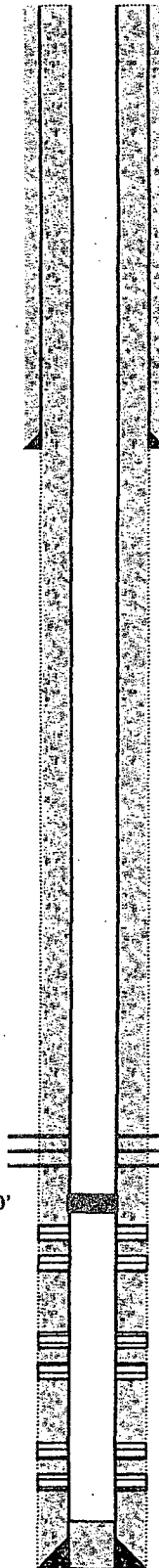


**LIME ROCK
RESOURCES**

**Upper Yeso Pay Add
LRE Operating, LLC
AFE #W15013**

**AID 24 State #8
Sec 24-T17S-R28E (NE of K)
2310' FSL, 2210' FWL
Elevation - 3,697'
API # 30-015-37560
Eddy County, NM**

Spud
10/18/10



8-5/8", 24#, J-55, ST&C Casing @ 385'. Circ 149 sx to Surface.

Lufkin 640-365-168 Pumping Unit with 50 HP motor

2-7/8"; 6.5#, J-55 Tubing, TAC at 3668', SN at 4760', 4' slotted sub, 1 jt MA w BP at 4795'

40 - 1" KD, 62- 7/8" EL, 84- 3/4" EL, 4- 1.5" kbars
2.5"x2"x20' RHBC-HVR pump

147" SL at 8 SPM

Upper Yeso Perfs: 3768'-4026'
(1 SPF -51 holes)

Stim Info: 258', 1500 g 15% HCL,
30,000 # 100 Mesh, 362,880 # 40/70,
8114 bbls water, 80 + BPM

CBP at 4050'

Perfs: 4,062' - 4,376' (1 SPF - 44 holes)

Stim Info: 2940 gal 15% NEFE; Frac w/ 151,557# 16/30
Brady & 70,597# 20/40 SLC in 149k gal of 20# x-linked
gel. (12/22/10)

Perfs: 4,459' - 4,751' (1 SPF - 46 holes)

Stim Info: 3500 gal 15% NEFE; Frac w/ 159,326# 16/30
Brady & 51,827# 20/40 SLC in 148k gal of 25# x-linked gel.
(12/21/10)

Perfs: 4,802' - 5,129' (1 SPF - 46 holes)

Stim Info: 4158 gal 15% NEFE; Frac w/ 153,484# 16/30
Brady & 46,053# 20/40 SLC in 147k gal of 25# x-linked gel.
(11/20/10)

PBSD @ 5,203'

5-1/2"; 17#, J-55; ST&C Casing @ 5,247'. Circ 181 sx to Surface. (11/5/2010)

TD @ 5,265'

GEOLOGY

Zone	Top
Yates	750'
7 Rivers	979'
Queen	1,548'
Grayburg	1,948'
San Andres	2,260'
Glorieta	3,654'
Yeso	3,746'
Tubb	5,150'

SURVEYS

Degrees	Depth
1/4°	385'
1/4°	1,004'
1/2°	1,509'
3/4°	2,019'
3/4°	2,494'
3/4°	2,993'
1-1/4°	3,534'
1°	4,002'
1-1/2°	4,481'
1-1/4°	5,044'