

HOBBS OCD
JUN 18 2014

Submit One Copy To Appropriate District Office
NM OIL CONSERVATION
District I ARTESIA DISTRICT
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., 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

Form C-103
Revised November 3, 2011

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

RECEIVED

JUN 16 2014

RECEIVED

WELL API NO. 30-025-12583
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name SCHENCK ATP
8. Well Number #1
9. OGRID Number 281994 (96838)
10. Pool name or Wildcat Townsend Permo Upper Penn (59847)
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3988' 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 D : 660 feet from the NORTH line and 608 feet from the WEST line
Section 11 Township 16-S Range 35-E NMPM Lea County NM

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

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input checked="" type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> 12-18-13
OTHER: <input type="checkbox"/>	<input checked="" type="checkbox"/> Location is ready for OCD inspection after P&A

- All pits have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan.
- Rat hole and cellar have been filled and leveled. Cathodic protection holes have been properly abandoned.
- A steel marker at least 4" in diameter and at least 4' above ground level has been set in concrete. It shows the

OPERATOR NAME, LEASE NAME, WELL NUMBER, API NUMBER, QUARTER/QUARTER LOCATION OR UNIT LETTER, SECTION, TOWNSHIP, AND RANGE. ALL INFORMATION HAS BEEN WELDED OR PERMANENTLY STAMPED ON THE MARKER'S SURFACE.

- The location has been leveled as nearly as possible to original ground contour and has been cleared of all junk, trash, flow lines and other production equipment.
- Anchors, dead men, tie downs and risers have been cut off at least two feet below ground level.
- If this is a one-well lease or last remaining well on lease, the battery and pit location(s) have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan. All flow lines, production equipment and junk have been removed from lease and well location.
- All metal bolts and other materials have been removed. Portable bases have been removed. (Poured onsite concrete bases do not have to be removed.)
- All other environmental concerns have been addressed as per OCD rules.
- Pipelines and flow lines have been abandoned in accordance with 19.15.35.10 NMAC. All fluids have been removed from non-retrieved flow lines and pipelines.
- If this is a one-well lease or last remaining well on lease: all electrical service poles and lines have been removed from lease and well location, except for utility's distribution infrastructure.

When all work has been completed, return this form to the appropriate District office to schedule an inspection.

SIGNATURE Mike Pippin TITLE Petroleum Engineer DATE 6/13/14

TYPE OR PRINT NAME Mike Pippin E-MAIL: mike@pippinllc.com PHONE: 505-327-4573

APPROVED BY: Mark Whitaker TITLE Compliance Officer DATE 9/22/2014
Conditions of Approval (if any):

SEP 22 2014

Whitaker, Mark A, EMNRD

From: Mike <mike@pippinllc.com>
Sent: Wednesday, July 02, 2014 4:20 PM
To: jcartwright@lcecnet.com
Cc: Steven J. Hunter; Eric McClusky; Michael Barrett; Eddie Elliot; Whitaker, Mark A, EMNRD
Subject: REQUEST TO REMOVE POWER POLES FROM SCHENCK ATP #1 P&A WELL PAD

Lea County Electric Company

John Cartwright,

LRE OPERATING, LLC recently P&Aed our Schenck APT #1 (D Sec 11, T16N R35E). The State has demanded that we remove a secondary power pole from the well pad along with the transformers on the primary pole. However, we should not do that since they are your poles & transformers. Please remove the pole & the transformers, so the State can complete their inspection of the P&Aed well pad. We believe the secondary pole is L.C.E.C. 047272.

Schenck APT #1: 660' FNL 608' FWL Section 11, T16S R35E

Whitaker, Mark A, EMNRD

From: Patricia Mealand <pmealand@limerockresources.com>
Sent: Thursday, September 18, 2014 2:24 PM
To: Whitaker, Mark A, EMNRD
Cc: Eddie Elliott; Steven Hunter; Michael Barrett; Mary Bailey
Subject: Locations ready for Inspections after P&A
Attachments: Schenck ATP #1_C103 P&A Inspection_9-18-14.pdf; Yates State #1_C103 P&A Inspection_9-18-14.pdf

Importance: High

Mark,

Attached are C-103's for the Schenck ATP #1 (30-025-12583) and the Yates State #1 (30-025-25126) correcting the reasoning of "Do Not Release" from your previous inspection.

** NOTE*

**The power poles have been removed as well as the gas meters. As for the caliche on the Schenck well, per land owner's request it has left.

I will send originals via FedEx today.

Please let me know if you need further.

Thank You,

Trish Mealand

**Production Analyst &
Administrative Assistant**

Lime Rock Resources

t 575-623-8424

c 575-513-0559

f 575-623-8810

e pmealand@limerockresources.com

