OCD-ARTESIA

Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OMB No 1004-0137 Expires July 31, 2010

FORM APPROVED

5. Lease Serial No NM-0557370

6 If Indian, Allottee or Tribe Name

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an

abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit of CA/Agreement, Name and/or No SUBMIT IN TRIPLICATE - Other instructions on page 2 1 Type of Well 8 Well Name and No Eagle 26 P Federal #5 Oil Well Gas Well □ Other 2 Name of Operator Lime Rock Resources II-A, L.P. 9. API Well No. 30-015-39452 3a. Address 3b Phone No. (include area code) 10. Field and Pool or Exploratory Area 1111 Bagby Street, Suite 4600 Houston, Texas 77002 Red Lake; Glorieta-Yeso NE (96836) 713-292-9526 4. Location of Well (Footage, Sec., T, R., M., or Survey Description) 11 Country or Parish, State Eddy County, New Mexico 990' FSL & 730' FEL Unit P, S26-T17S-R27E 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Deepen Acıdize Production (Start/Resume) Water Shut-Off ✓ Notice of Intent Alter Casing Fracture Treat Reclamation Well Integrity Other Request to run Casing Repair New Construction Recomplete Subsequent Report contingency string due Change Plans Plug and Abandon Temporarily Abandon to partial loss of returns Plug Back Final Abandonment Notice Convert to Injection Water Disposal 13 Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.) 10-19-2011 Lime Rock Resources II-A, L.P. ("LRR") spud the Eagle 26 P Federal #5 0145 hrs MST 10-19-2011 after setting 84' of conductor. At 134' MD, LRR incurred partial loss of returns (60% loss). The company mixed paper and fiber and was able to drill to 385 MD with 90% returns. LRR respectfully requests the following changes in its drilling, casing and cementing program for the well: Ream the currently drilled 12-1/4" hole to 385' with a 17-1/2" bit, B. Run 13-3/8", 48#, H40, STC casing and float equipment to 375' MD, Circulate cement to surface behind the 13-3/8" casing using 100 sx Thixotropic H, 120 sx Cl C cmt +1/4#/sk cello flake + 2% CaCl2 lead mixed @ 12.8 ppg with a 1.95 cu ft/sk yield, followed by 260 sx Cl C cmt + 2% CaCl2 mixed @ 14.8 ppg + 1.33 cu ft/sk. If the cement circulates to surface and remains at surface without "fall back", LRR will return to the remainder of the drilling program for this well using the 13-3/8" as surface. In the event the cement does not circulate to surface in one solid sheath, LRR further requests a second two additional contingencies whereby 1" is used to cement the 13-3/8" from the top of cement behind the casing to surface (a minimum of 100 sx of the tail slurry listed above) and the ability to set 8-5/8", 24#, J-55, STC casing at 385' and cement the 8-5/8" casing to surface using 210 sx of 14.8 ppg. 1.33 yield, CI C cement with 2% CaCl2. RECEIVED Accepted for record NMOCD 1857/8/201 DEC 05 2011 NMOCD ARTESIA 14 I hereby certify that the foregoing is true and correct Name (Printed/Typed) Robert S. (Sid) Ashworth Title Production Engineer Date 10/19/2011 Signature CE USE THIS SPACE FOR FEDERAL OR STATE OFF Approved by **l**itle Conditions of approval, if any, are attached Approval of this notice does not warrant or certify PETROLEUM ENGINEER that the applicant holds legal or equitable title to those rights in the subject lease which would Office entitle the applicant to conduct operations thereon

Title 18 USC Section 1001 and Title 43 USC Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false,

(Instructions on page 2)

fictitious or fraudulent statements or representations as to any matter within its jurisdiction

OCD-ARTESIA

Form 3160-5 (April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMBNo 1004-0137 Expires: March 31, 2007

| SUNDRY NOTICES AND REPORTS ON WELLS Do not use this abandoned well. SUBMIT IN TRIPLICATE- Other instructions on reverse side. 1. Type of Well Oil Well Gas Well Other 2. Name of Operator Lime Rock Resources II-A, L.P. 3a Address 1111 Bagby Street, Suite 4600, Houston, Texas 77002 Address 1112 Bagby Street, Suite 4600, Houston, Texas 77002 A Location of Well (Footage, Sec., T., R., M., or Survey Description) 990' FSL and 730' FEL, Unit P, Sec. 26-T17S-R27E 5. Lease Scrial No. NM-0557370 6. If Indian, Allottee or Tribe Name 7. If Unit or CA/Agreement, Name and/o Eagle 26 P Federal #5 9. API Well No. 30-015-39452 10. Field and Pool, or Exploratory Area Red Lake; Glorieta-Yeso NE (966) 11. County or Parish, State | No. | | | | |
|--|--------|--|--|--|--|
| Do not use this abandoned well. Use Form 3160 - 3 (APD) for such proposals. SUBMIT: IN TRIPLICATE- Other instructions on reverse side. 1. Type of Well | No. | | | | |
| abandoned well. Use Form 3160 - 3 (APD) for such proposals. SUBMIT IN TRIPLICATE - Other instructions on reverse side. 1. Type of Well Gas Well Other Other 8. Well Name and No Eagle 26 P Federal #5 9. API Well No. 3a Address 1111 Bagby Street, Suite 4600, Houston, Texas 77002 3b. Phone No. (include area code) 713-292-9526 10. Field and Pool, or Exploratory Area Red Lake; Glorieta-Yeso NE (96) | No. | | | | |
| 1. Type of Well Gas Well Other 2. Name of Operator Lime Rock Resources II-A, L.P. 3a. Address 1111 Bagby Street, Suite 4600, Houston, Texas 77002 3b. Phone No. (include area code) 713-292-9526 4. Location of Well (Footage, Sec., T., R, M, or Survey Description) 8. Well Name and No Eagle 26 P Federal #5 9. API Well No. 30-015-39452 10. Field and Pool, or Exploratory Area Red Lake; Glorieta-Yeso NE (96) | • No. | | | | |
| 2. Name of Operator Lime Rock Resources II-A, L.P. 3a. Address 1111 Bagby Street, Suite 4600, Houston, Texas 77002 3b. Phone No. (include area code) 713-292-9526 4. Location of Well (Footage, Sec., T., R, M, or Survey Description) 8. Well Name and No Eagle 26 P Federal #5 9. API Well No. 30-015-39452 10. Field and Pool, or Exploratory Area Red Lake; Glorieta-Yeso NE (96) | | | | | |
| Lime Rock Resources II-A, L.P. 9. API Well No. 30-015-39452 1111 Bagby Street, Suite 4600, Houston, Texas 77002 3b. Phone No. (include area code) 713-292-9526 10. Field and Pool, or Exploratory Area Red Lake; Glorieta-Yeso NE (968) | | | | | |
| 3a Address 1111 Bagby Street, Suite 4600, Houston, Texas 77002 3b. Phone No. (include area code) 713-292-9526 10. Field and Pool, or Exploratory Area Red Lake; Glorieta-Yeso NE (968) 11 County or Parish State | | | | | |
| 4. Location of Well (Footage, Sec., T., R, M, or Survey Description) Red Lake; Glorieta-Yeso NE (968) | | | | | |
| 11 County or Parish State | 36) | | | | |
| | | | | | |
| Eddy County, New Mexico | | | | | |
| 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | | | | |
| TYPE OF SUBMISSION TYPE OF ACTION | | | | | |
| Acidize Deepen Production (Start/Resume) Water Shut-Off Notice of Intent Acidize Deepen Production (Start/Resume) Water Shut-Off Well Integrity | | | | | |
| The state of the s | | | | | |
| Subsequent Report Change Plans New Construction Recomplete Change Plans Plug and Abandon Temporarily Abandon | | | | | |
| Final Abandonment Notice Convert to Injection Plug Back Water Disposal | | | | | |
| following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.) 10-24-2011 Lime Rock Resources II-A, L.P. is currently drilling the Eagle 26 P Federal #5 well @ a depth of 3300'. Based on geologic correlation, the company now believes the top of the Tubb formation to be at 4520' MD, and that top is also the base of the Lower Yeso oil production zone expected in this wellbore. The company respectfully requests permission to drill deeper than the permitted of 4500' MD to a depth of 4600' MD. In drilling deeper, the company is also requesting permission to set 5-1/2", 17#, J-55, ST&C casing at 4600' instead of the permitted 4500'; and furthermore, the company wishes to increase the tail slurry of cement used to cement the 5-1/2" casing in place by an additional 25 sx from 550 sx to 575 sx. | | | | | |
| RECEIVE | ĒD. | | | | |
| Accepted for record DEC 0 5 20 | 11 | | | | |
| NMOCD NMOCD ARTESIA | | | | | |
| 105 18 201 NMOCD ART | ESIA | | | | |
| 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) NMOCD ART | ESIA | | | | |
| 14. I hereby certify that the foregoing is true and correct | ESIA | | | | |
| 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) | ESIA | | | | |
| 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Robert S. (Sid) Ashworth Title Production Engineer | SIA | | | | |
| 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Robert S. (Sid) Ashworth Title Production Engineer Signature THIS SPACE FOR FEDERAL OR STATE OFFICE USE Approved by Title Tit | ESIA | | | | |
| 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Robert S. (Sid) Ashworth Title Production Engineer Signature State OFFICE USE THIS SPACE FOR FEDERAL OR STATE OFFICE USE | ESIA — | | | | |

(Instructions on page 2)

Form 3160-5 (August 2007)

QCD-ARTESIA

UNITED STATES DEPARTMENT OF THE INTERIOR RUREAU OF LAND MANAGEMENT

fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

Expires: July 5. Lease Serial No. NM-0557370

OMB No. 1004-0137 Expires: July 31, 2010

FORM APPROVED

BUREAU OF LAND MANAGEMENT
SUNDRY NOTICES AND REPORTS ON WELLS

6. If Indian, Allottee or Tribe Name

| Do not use this for abandoned well. Us | m for proposals to dri e Form 3160-3 (APD) t | ll or to re-enter an for such proposals. | | | |
|--|--|--|---|---|--|
| SUBMITIN | I TRIPLICATE - Other instruc | ctions on page 2. | 7. If Unit of CA/Ag | reement, Name and/or No. | |
| 1. Type of Well | | | | | |
| Oil Well Gas Well | Other | | 8. Well Name and N Eagle 26 P Feder | | |
| Name of Operator Lime Rock Resource | ces:II-A, L.P. | | 9. API Well No. 30-015-39452 | | |
| 3a. Address | [3b. Pl | none No. (include area code) | 10. Field and Pool | or Exploratory Area | |
| 1100 Bagby Street, Suite 4600, Hou | | 92-9526 | Red Lake; Gloriet | | |
| 4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) 990' FSL and 730' FEL, Unit P, Sec. 26-175-R27E | | | 1 * | 11. Country or Parish, State Eddy County, New Mexico | |
| | | | | | |
| | THE APPROPRIATE BOX(ES) | | · · · · · · · · · · · · · · · · · · · | THER DATA | |
| TYPE OF SUBMISSION | | | OF ACTION | <u> </u> | |
| Notice of Intent | Acidize | Deepen | Production (Start/Resume) | | |
| | Alter Casing | Fracture Treat | Reclamation | Well Integrity | |
| ✓ Subsequent Report | Casing Repair | New Construction | Recomplete | Other Loss Circulation Mitigation w/ Added | |
| Final Abandonment Notice | Change Plans Convert to Injection | Plug and Abandon Plug Back | Temporarily Abandon Water Disposal | Casing String | |
| the proposal is to deepen directionally Attach the Bond under which the work following completion of the involved testing has been completed. Final Aba determined that the site is ready for fin 10-20-2011 Lime Rock Resources II-A company received approval via email fin reamed to 17-1/2" with a rock bit to 385 of 100 sx of Thixotropic H cement mixe at 14.8 ppg and a yield of 1.34 cu ft/sk mixed and pumped at 4 BPM and displipsig, and when the float collar was che for 8 hours. After 8 hours WOC, a who 13-3/8" casing. 12-21-2011 After WOC a total of 18 hor cemented to surface with 210 sx of CI opits during displacement with fresh wat up and tested to 250 psig low pressure testing. 10-22-2011 After 19 hours, a 7-7/8" bit was tested to 1500 psig for 30 minutes. | will be performed or provide the operations. If the operation result and onment Notices must be filed that inspection.) A. L.P. spudded the Eagle 26 from Mr. Wesley Ingram of the 13-3/8", 48#, H-40, ST&C at 14.6 ppg and 149 cu ft/s, and a tail slurry of 260 sx Cl aced with fresh water @ 5.5 ficked for flow, it did not hold ble was cut in the 20" conductions, the float collar and shoes a community conduction of the float collar and shoes are at 5.5 bpm and the plug was and 2000 psig high pressure than and motor were run in the hold. The floats were drilled out a | the Bond No. on file with BLM lts in a multiple completion of only after all requirements, P Federal #5 on 10-19-20 as BLM and drilled a 12-1/4 new casing was run to 38 kk, Lead 2 slurry of 120 sx. C cement with 2% CaCl2 BPM. 136 sx of cement with 13-3/8" casing was reprise and Mr. Richard Company of 12-1/4" hole to 410' May and with a least bumped to 700 psig. The against a test plug. Terry to be to resume drilling. Before the company of the statement of the company of the compan | M/BIA. Required subsequent or recompletion in a new interior including reclamation, have be seen as a completion in a new interior recompletion in a new interior recompletion in a new interior recompletion, have be seen as circulation at 14.8 ppg and a yield as circulated to the steel pits repressured to 500 psig and preason of the BLM witness D. 8-5/8", 24#, J-55, ST&C yield of 1.34 cu ft/sk. 29 sx are float collar held. After 8 Wilson of the BLM was not one the float collar was drilled resumed. | reports must be filed within 30 days val, a Form 3160-4 must be filed once the completed and the operator has was encountered at 134' MD. The all returns, to 385' MD. The hole was nented to surface with: Lead 1 slurry 12 plus 1/4 lb/sk of cello flake mixed all of 1.34 cu ft/sk. All cement was a The plug was bumped to 1900 the pressure was held on the casing and cement top at 6' behind the casing was run to 391' MD and of cement was circulated to the steel hours of WOC, BOP's were nippled tified of the cement job and BOP | |
| 14 I hereby certify that the foregoing is true Name (Printed/Typed) | and correct | | 71000 | NIMACO (185 July 18 | |
| Robert S. (Sid) Ashworth | | Title Production | Engineer | NMOCD 169, 21/201 | |
| Signature Siellushi | soil | Date 10/24/201 | ACCEPTED | FOR RECORD | |
| | THIS SPACE FOR | FEDERAL OR STA | TE OFFICE USE | 0 0011 | |
| Approved by | | | DEC | 2 2011 | |
| Conditions of approval, if any, are attached A that the applicant holds legal or equitable title entitle the applicant to conduct operations ther Title 18 U S.C. Section 1001 and Title 43 U.S. | to those rights in the subject lease eon. | which would Office | | Date / W. INGRAM UM ENGINEER The state of the United States any false. | |