

Submit 1 Copy To Appropriate District
Office
District I - (575) 393-6161
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, Minerals and Natural Resources

Form C-103
Revised August 1, 2011

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

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.)		WELL API NO. 30-015-30050
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 Line Rock Resources II-A, L.P.		6. State Oil & Gas Lease No.
3. Address of Operator 1111 Bagby Street Suite 4600 Houston, Tx 77002		7. Lease Name or Unit Agreement Name Kaiser
4. Well Location Unit Letter <u>A</u> : <u>890</u> feet from the <u>North</u> line and <u>625</u> feet from the <u>East</u> line Section <u>18</u> Township <u>18S</u> Range <u>27E</u> NMPM Eddy County		8. Well Number <u>#2</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3284' GL		9. OGRID Number <u>277558</u>
		10. Pool name or Wildcat Red Lake; Queen-Grayburg-SA

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"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: Flaring Gas <input checked="" type="checkbox"/>		OTHER: <input 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.

Requesting to flare gas due DCP Artesia Plant keeping the Acid Gas Compressor under maximum operating volume. Flaring will be intermitting.

Estimated Volume - 225 MCFPD

Estimated Time - 90 Days

Verbal approval has been given by Randy Dade with OCD on 04/15/13.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE [Signature] TITLE Production Supervisor DATE 04/15/2013

Type or print name Michael Barrett E-mail address: mbarrett@limerockresources.com PHONE: 575-623-8424
For State Use Only

APPROVED BY: [Signature] TITLE Dist. H. Supervisor DATE 4/15/2013
Conditions of Approval (if any):

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State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-129
Revised August 1, 2011

Submit one copy to appropriate
District Office

NFO Permit No. _____
(For Division Use Only)

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 19.15.18.12

(See Rule 19.15.18.12 NMAC and Rule 19.15.7.37 NMAC)

- A. Applicant Lime Rock Resources II-A, L.P.
whose address is 1111 Bagby Street Suite 4600 Houston, TX 77002
hereby requests an exception to Rule 19.15.18.12 for 90 days or until
_____ Yr _____, for the following described tank battery (or LACT):
Name of Lease Kaiser #2 Name of Pool Red Lake; Queen-Grayburg-SA
Location of Battery: Unit Letter A Section 18 Township 18S Range 27E
Number of wells producing into battery Kaiser Battery - 7 Wells
- B. Based upon oil production of N/A barrels per day, the estimated * volume
of gas to be flared is 225 MCF; Value N/A per day.
- C. Name and location of nearest gas gathering facility:
DCP Midstream
- D. Distance N/A Estimated cost of connection N/A
- E. This exception is requested for the following reasons:
Requesting to flare due to DCP Artesia Plant keeping Acid Gas Compressor under maximum operating volume.

OPERATOR

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature Michael Barrett

Printed Name

& Title Michael Barrett / Production Supervisor

E-mail Address mbarrett@limerockresources.com

Date 04/15/2013 Telephone No. 575-623-8424

OIL CONSERVATION DIVISION

Approved Until July 15 - 2013

By R. Wade

Title Asst. R. Supervisor

Date 4/15/2013

* Gas-Oil ratio test may be required to verify estimated gas volume.



Kaiser Battery


Kaiser #1	30-015-30681
Kaiser #2	30-015-30050
Kaiser #3	30-015-30126
Kaiser #4	30-015-30051
Kaiser 18 A #15	30-015-40796
Kaiser 18H #10	30-015-34718
Kaiser 18H #14	30-015-41070

**NEW MEXICO OIL CONSERVATION DIVISION
DISTRICT 2 OFFICE
811 SOUTH FIRST STREET
ARTESIA, NM 88210
(575)748-1283**

CONDITIONS OF APPROVAL for FLARING or VENTING GAS

1. Venting gas is absolutely not allowed.
2. Prior to flaring gas, C-129 must be filed & approved. Blanket approval cannot be given for this operation.
3. Flared volumes of gas are to be metered & reported.
4. Flares WILL be manned at all times. Brush should be cut down to 1 or 2 inches around flare stack at least a radial distance of 2 times the height of the flare stack.
5. Flares WILL NOT be left unattended.
6. No flaring operations to be conducted during red-flag days.
<http://www.gacc.nifc.gov/swcc> (go to "Predictive Services" on SWCC website) to check for red flag warnings.
7. Follow safe practices for flaring guidelines.
8. Permit may be rescinded at any time by NMOCD.
9. If well is able to be connected to a gas gathering system, it will be done so as soon as possible.
10. Flaring of gas is prohibited. The State Forester grants an exception to the prohibition on open fires for the flaring of natural gas when the following conditions are met. Unless flaring is needed for safety purposes, flaring pursuant to this exception shall not be done on days that are "red flag days" as determined by the National Weather Service or on days when the sustained wind is in excess of 25 miles per hour in the area.
11. 1. The day is not a "red flag day" as determined by the National Weather Service and the sustained wind is not in excess of 25 miles per hour in the area.

- 12.2. The local fire department and county dispatch are notified at least 24 hours in advance of anticipated releases that will result in flaring. If flaring is done by an automated system then the schedule of flaring shall be provided to the local fire department and county dispatch. The area is mowed and maintained at a length not to exceed 4 inches and all other flammable products or debris shall be cleared in the area for a distance of one and one half times the height of the stack.
- 13.3. At least one adult is on site with communications equipment adequate to reach county dispatch and the local fire department in the event of a fire. The individual should also be equipped with a shovel and a water backpack pump or other equipment to deliver water to suppress a fire.
- 14.4. If flaring is to take place at an unmanned facility, then the area around the flare stack is mowed and maintained at a length not to exceed 4 inches and all other flammable products or debris shall be cleared in the area for a distance of three times the height of the stack.

Your initials here 

4/15/2013