District 1 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District 11 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District 111 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District 1V 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462					State of New Mexico EnergyMinerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505						Form C-101 Revised July 18, 2013 AMENDED Report Permit Extension			
	PLICA	FION I	FOR	DERMI			LL, RE	-ENTEI	₹, DEE I	<u>'EN,</u>		OGRID Numbe		
		11116		ne Rock Res						-	20 0	2775		
	onerty Code		agoy J	Street, Suite 4	1600 1100		³ Property Nan	me			<u>30-0/</u>	-	70900 Well No.	
39	354	<i>ì</i>					Leavitt						#2	
-	· · · · ·					⁷ S	Surface	Locatio)n	.		17 (A) (T		
UL - Lot A	Section 14	Township 18S		Range 26E	Lo	ət Idn	Feet Fr 330		N/S Line N		Feet From 410	E/W Line E	County Eddy	
L					⁸ Pro	oposed	d Botto	m Hole	Locatio	<u>n</u> .				
UL - Lot	Section	Township		Range	Lot Idn		Feet Fr	From N/S Line		Γ	Feet From I		County	
A	, 14	18S	<u> </u>	26E	L		330	formatic	N	<u> </u>	410	E	Eddy	
Atoka; Gloricta	a-Yeso				A			ell Infor					3250	
⁹ Work			10	Well Type			¹¹ Cable/Rota R	tary	Τ	¹² Leas		13	Ground Level Elevation 3302.9	
¹⁴ Mu	iltiple			roposed Depth		<u></u>	¹⁶ Formatio	on	n ¹⁷ Contractor				18 Snud Date	
N Depth to Groun			300' M 0 Ft.	ID / 4300' TV Distan		iearest fre	Yeso esh water we	ell:	United Drilling, Inc.			nearest surfa	After 6/1/2015 ace water: 1.23 Miles	
X We will	he using a c			n in lieu of li	ined nits	<u></u>					l			
		10300 100 ₁	5,000			osed C	asing a	and Cem	ient Pro	grai	m			
Туре	Hole	Size	Cas	ing Size		asing Wei			Setting Depth		Sacks of Ce	ment	Estimated TOC	
Conductor	2	6"		20"		91.5			80		80		` Surface	
Surface	12-	1/4"	8	8-5/8"		24			425		350		Surface	
Production	. 7-7	//8"	5	5-1/2"		17			4300		850		Surface	
l				Casin	g/Cer	<u>nent F</u>	Program	m: Addi	tional C	omr	nents			
	Туре				-î,	Pressure		Prevention Program				Name Containing		
		·						Test Pressure				Manufacturer		
	XLT 11"				500)0 			2000)		N	lational Varco	
I hereby certify t		mation giv	'en abo'	ve is true and	complete	e to the be	st				SEDVATI		ISION	

of my knowledge and belief.	complied with 19.15.14.9 (A) NMAC		NSERVATION DIVISION
19.15.14.9 (B) NMAC 0, if an Signature:	pplicable. X	Approved By:	do
Printed Name: Spencer Coy	v	Title: Drst HC	Spewisn
Title: Production Engineer		Approved Date:	Expiration Date: 7/17/2016
E-mail Address: scox@lim	nerockresources.com	Permit Exter	15 ron Apporal
Date: 5/13/2015	Phone: 713-292-9528	Conditions of Approval Attac	• •

Form C-102 District I 1625 N. French Dr., Hobbs, NM 88240 State of New Mexico Phone: (575) 393-6161 Fax: (575) 393-0720 Revised August 1, 2011 Energy, Minerals & Natural Resources Department District II Submit one copy to appropriate \$11 S. First St., Artesia, NM 88210 OIL CONSERVATION DIVISION Phone: (575) 748-1283 Fax: (575) 748-9720 District Office District III 1220 South St. Francis Dr. 1000 Rio Brazos Road, Aztec. NM \$7410 Phone: (505) 334-6178 Fax: (505) 334-6170 AMENDED REPORT Santa Fe, NM 87505 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 WELL LOCATION AND ACREAGE DEDICATION PLAT Pool Code ⁹ Pool Name 3250 ³ Property Name ⁶ Well Number LEAVITT "14" A 2 Elevation 8 Operator Name RID 277558 LIME ROCK RESOURCES II A, L.P. 3302.9 " Surface Location Lot Idn Feet from the North/South-line Feet from the East/West line County UL or lot no. Section Township Range NORTH EAST EDDY 26 E 330 410 18 S А 14 "Bottom Hole Location If Different From Surface Feet from the North/South line Feet from the East/West line County UL or lot no. Section Township Range Lot Idn ⁺ Consolidation Code 15 Order No. ¹² Dedicated Acres ¹³ Joint or Infill

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

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ŀ		2636.03 FT	N89'39'53"W	2636.03 FT		" OPERATOR CERTIFICATION
v	NW CORNER SEC. 14 LAT. = 32.7551232'N LONG. = 104.3606069'W	[<i>EAVITT "14" A #2</i> ELEV. = 3302.9'	LOCATION	z	I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this
SUU 12 43 E	· · ·	LAI. = 32 LONG 	.7541406'N (NAD27) 3. = 104.3447904'W 1	LAT. = 32.7550409'N LONG. = 104.3434626'W	00 [.] 17'41''W	tocation pursuant to a contract with an owner of such a mineral or working interest. or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. S - 13 - 15
2009.17 FI			· · · · · · · · · · · · · · · · · · ·		2650.54 FT	Signature Date
	<u>сомритер</u>	NOTE:	. 	COMPUTED		SCORD mercel resurres M E-mail Address
SUU 12 45		COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1927 (NAD27), AND ARE IN DECIMAL DEGREE FORMAT.			N00.12,4	*SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field potes of actual surveys made by the or under no stipenvision, and that the
43 E 2639.17	il		 		'41"W 2650.54	same is drive and convert to the best of my belief. JUNE 18, 2012 Date of Sarvey
-		S/4 CORNER LAT. = 32[74	104662'N	SE CORNER SEC. 14 LAT. = 32.7404736'N	FT	Sumaturo and Seal of Professional Slip Byor Certificate Number, FILTING St. WRAMILLO, PLS 12797 SURVEY NO, 1098
	S89'39'07"E	<u>I LONG. = 104.3</u> 2617.59 FT	N89'56'57"E	LONG. = 104.3433724'W 2662.03 FT		· .









Lime Rock Resources II-A, L.P. Drilling Plan

Leavitt 14 A #2 330' FNL 410' FEL (A) 14-18S-26E Eddy County, NM

- 1. The elevation of the unprepared ground is 3302.9 feet above sea level.
- 2. The geologic name of the surface formation is Quaternary Alluvium.
- 3. A rotary rig will be utilized to drill the well to 4300' and run casing. This equipment will be rigged down and the well will be completed with a workover rig.
- 4. Well will be drilled to a total proposed depth of 4300 MD.
- 5. Estimated tops of geologic markers:

	MD	TVD
Quaternary – Alluvium	Surface	Surface
Yates	NA	NA
7 Rivers	NA	NA
Queen	287	287
Grayburg	728	728
Premier	NA	NA
San Andres	980	980
Glorieta	2353	2353
Yeso	2500	2500
Tubb	3950	3950
TD	4300	4300

7. Proposed Casing and Cement program is as follows:

6. Estimated depths at which anticipated oil, gas, or other mineral bearing formations are expected to be encountered:

	MD	TVD
Yates	NA	NA
7 Rivers	NA	NA
Queen	287	287
Grayburg	728	728
Premier	NA	NA
San Andres	980	980
Glorieta	2353	2353
Yeso	2500	2500
Tubb	3950	3950
TD	4300	4300

Туре	Hole	Casing	- Wt	Grade	Thread	Depth	Sx	Density	Yield	Components
Conductor	26"	20"	91.5	В	Welded	80	80			Ready Mix
Surface	12-1/4"	8-5/8"	24	J-55	ST&C	425	350	14.8	1.35	CI C Cmt + 0.25 lbs/sk Cello Flake + 2% CaCl2
Intermediate										
Production	7-7/8"	5-1/2"	17	J-55	LT&C	4300	200	12.8	1.903	(35:65) Poz/CI C Cmt + 5% NaCl + 0.25 lbs/sk Cello Flake + 5 lbs/sk LCM-1 +0.2% R-3 + 6% Gel
							650	14.8	1.33	Cl H w/ 0.6% R-3, 0.125% Cello Flake, 2% Gel

8. Proposed Mud Program is as follows

Depth	0-425	425-4150	4150-4300		
Mud Type Fresh Water Mud		Brine	Brine, Salt Gel, & Starch		
Properties		·	• · · · · · · · · · · · · · · · · · · ·		
MW	8.4-9.2	9.8-10.1 ·	9.9-10.1		
pН	9.0-10.5	10.0-12.0	10.0-12.0		
WĻ	NC	NC	20-30		
Vis	28-34	28-29	32-34		
мс	NC	NC	<2		
Solids	NC	<2%	<3%		
Pump Rate	300-500 gpm	375-425 gpm	400-425 gpm		
Special		Use Poymers sticks and MF-55 Hi-Vis Sweeps as necessary	Hi Vis Sweeps, add acid and starch as req. Raise Vis to 35 for log.		

9. Pressure Control Equipment: See Attached Description and diagram of Pressure Control Equipment.

10. Testing, Logging and Coring Program

Coring Program: No full or sidewall cores are anticipated.

Testing Program: No drill stem tests are anticipated **Electric Logging Program:** SGR-DLL-CDL-CNL Quad Combo from 4300 to surf. Csg. SGR-CNL to Surf.

11. Potential Hazards:

No abnormal temperatures or pressures are expected. There is no known presence of H2S in this area. If H2S is encountered the operator will comply with the provisions of Onshore Oil and Gas Order No. 6. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Estimated BHP 1892 psi based on 0.44 x TD. The estimated BHT is 125 degrees F.

12. Duration of Operations:

Anticipated spud date will be soon after approval and as soon as a rig will be available. Move in operations and drilling is expected to take 10 days. An additional 14 days will be needed it complete the well and to construct surface facilities.

Hydrogen Sulfide Drilling Plan Summary

A. All personnel shall receive proper H2S training in accordance with Onshore Order 6 III.C.3.a.

B. Briefing Area: two perpendicular areas will be designated by signs and readily accessible.

C. Required Emergency Equipment:

Well control equipment

a. Flare line 150' from wellhead to be ignited by flare gun.

b. Choke manifold with a remotely operated choke.

c. Mud/gas separator

Protective equipment for essential personnel.

Breathing apparatus:

a. Rescue Packs (SCBA) — 1 unit shall be placed at each breathing area, 2 shall be stored in the safety trailer.

b. Work/Escape packs —4 packs shall be stored on the rig floor and contain sufficiently long air hoses as to not to restrict work activity.

c. Emergency Escape Packs -4 packs shall be stored in the doghouse for emergency evacuation.

Auxiliary Rescue Equipment:

a. Stretcher

b. Two OSHA full body harness

c. 100 ft 5/8 inch OSHA approved rope

d. 1-20# class ABC fire extinguisher

H2S detection and monitoring equipment:

The stationary detector with three sensors will be placed in the upper dog house if equipped, set to visually alarm @ 10 ppm and audible @ 14 ppm. Calibrate a minimum of every 30 days or as needed. The sensors will be placed in the following places: Rig floor / Bell nipple / End of flow line or where well bore fluid is being discharged.

(Gas sample tubes will be stored in the safety trailer)

Visual warning systems:

a. One color code condition sign will be placed at the entrance to the site reflecting the possible conditions at the site.

b. A colored condition flag will be on display, reflecting the current condition at the site at the time.c. Two wind socks will be placed in strategic locations, visible from all angles.

Mud program:

The mud program has been designed to minimize the volume of H2S circulated to surface. The operator will have the necessary mud products to minimize hazards while drilling in H2S bearing zones.

Metallurgy:

a. All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H2S service.

b. All elastomers used for packing and seals shall be H2S trim.

Communication:

Communication will be via two way radio in emergency and company vehicles. Cell phones and land lines where available.

H2S CONTINGENCY DRILLING PLAN EMERGENCY CONTACTS

Company Offices - Lime Rock Houston Office Answering Service (After Hours) Artesia, NM Office Roswell, NM 713-292-9510 713-292-9555 575-748-9724 575-623-8424

KEY PERSONNEL

Name	Title	Location	Office #	Cell #	Home #
Mike Loudermilk	Operations Manager	Houston	713-292-9526	832-331-7367	Same as Cell
Spencer Cox	Operations Engineer	Houston	713-292-9528	432-254-5140	Same as Cell
Eric McClusky	Operations Engineer	Houston	713-360-5714	405-821-0534	832-491-3079
Jerry Smith	Assistant Production Supervisor	Artesia	575-748-9724	505-918-0556	575-746-2478
Michael Barrett	Production Supervisor	Roswell	575-623-8424	505-353-2644	575-623-4707
Gary McCelland	Well Site Supervisor	Rotates on Site	NA	903-503-8997	NA
Dave Williamson	Well Site Supervisor	Rotates on Site	NA	575-308-9980	NA

	Agency Call List					
City	Agency or Office	Telephone #				
Artesia	Ambulance	911				
Artesia	State Police	575-746-2703				
Artesia	Sherriff's Office	575-746-9888				
Artesia	City Police	575-746-2703				
Artesia	Fire Department	575-746-2701				
Artesia	Local Emergency Planning Committee	575-746-2122				
Artesia	New Mexico OCD District II	575-748-1283				
Carlsbad	Ambulance	911				
Carlsbad	State Police	575-885-3137				
Carlsbad	Sherriff's Office	575-887-7551				
Carlsbad	City Police	575-885-2111				
Carlsbad	Fire Department	575-885-2111				
Carlsbad	Local Emergency Planning Committee	575-887-3798				
Carlsbad	US DOI Bureau of Land Management	575-887-6544				
State Wide	New Mexico Emergency Response Commisssion ("NMERC")	505-476-9600				
State Wide	NMERC 24 Hour Number	505-827-9126				
State Wide	New Mexico State Emergency Operations Center	505-476-9635				
National	National Emergency Response Center (Washington D.C.)	800-424-8802				

Emergency Services								
Name	Service	Location	Telephone Number	Alternate Number				
Boots & Coots International Well Control	Well Control	Houston / Odessa	1-800-256-9688	281-931-8884				
Cudd Pressure Control	Well Control/Pumping	Odessa	915-699-0139	915-563-3356				
Baker Hughes Inc.	Pumping Services	Artesia, Hobbs & Odessa	575-746-2757	Same				
Total Safety	Safety Equipment & Personnel	Artesia	575-746-2847	Same				
Cutter Oilfirld Services	Drilling Systems Equipment	Midland	432-488-6707	Same				
Safety Dog	Safety Equipment & Personnel	Artesia	575-748-5847	575-441-1370				
Fighting for Life	Emergency Helicopter Evacuation	Lubbock	806-743-9911	Same				
Aerocare	Emergency Helicopter Evacuation	Lubbock	806-747-8923	Same				
Med Flight Air Ambulance	Emergency Helicopter Evacuation	Alburquerque	505-842-4433	Same				
Artesia General Hospital	Emergency Medical Care	Artesia	575-748-3333	702 North 13th Street				

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Pressure Control Equipment

The blowout preventer equipment (BOP) will consist of a 5000 psi rated, "XLT" type, National VARCO double ram preventer that will be tested to a maximum pressure of 2000 psi. The unit will be hydraulically operated and the ram type preventer will be equipped with blind rams on top and drill pipe rams on bottom. The 2M BOP will be installed on the 8 5/8" surface casing and utilized continuously until total depth is reached. All casing strings will be tested as per Onshore Order #2. This also includes a thirty day (30) test, should the rig still be operating on the same well in thirty days.

Pipe rams will be operated and checked each 24 hour period and each time the drill pipe is out of the hole. These functional tests will be documented on the daily drilling logs.

The BOP equipment will consist of the following:

- Double ram with blind rams (top) and pipe rams (bottom),
- Drilling spool, or blowout preventer with 2 side outlets (choke side shall be a 2" minimum diameter, kill side will be at least 2 inch diameter),
- Kill line (2 inch minimum),
- A minimum of 2 choke line valves (2 inch minimum),
- 2 inch diameter choke line,
- 2 kill valves, one of which will be a check valve (2 inch minimum),
- 2 chokes, one of which will be capable of remote operation,
- Pressure gauge on choke manifold,
- Upper Kelly cock valve with handle available,
- Safety valve and subs to fit all drill string connections in use,
- All BOPE connections subjected to well pressure will be flanged, welded, or clamped,
- A Fill-up line above the uppermost preventer.

2M BOP SCHEMATIC



Lime Rock Resources II-A, L.P.

Leavitt 14 A #2

Unit A, S14-T18S-R26E, Eddy County, NM

Design: Closed Loop System with roll-off steel bins (pits)

CRI/HOBBS will supply (2) bins (100 bbl) volume, rails and transportation relating to the Close Loop System. Specification of the Closed Loop System is attached.

Contacts: Gary Wallace (432) 638-4076 Cell (575) 393-1079 Office

Scomi Oil Tool: Supervisor – Armando Soto (432) 553-7979 Hobbs, NM

Monitoring 24 Hour service Equipment:

Centrifuges – Derrick Brand Rig Shakers – Brandt Brand D-watering Unit Air pumps on location for immediate remediation process Layout of Close Loop System with bins, centrifuges and shakers attached.

Cuttings and associated liquids will be hauled to a State regulated third party disposal site (CRI or Controlled Recovery, Inc.). The disposal site permit is DFP = #R9166.

2- (250 bbl) tanks to hold fluid2-CRI bins with track system2-500 bbl frac tanks with fresh water2-500 bbl frac tanks for brine water

Operations:

Closed Loop System equipment will be inspected daily by each tour and any necessary maintenance performed. leak in system will be repaired and/or contained immediately. OCD will be notified within 48 hours of any spill. Remediation process will start immediately.

<u>Closure:</u>

During drilling operations all liquids, drilling fluids and cuttings will be hauled off via CRI equipment to DFP #R9166.

