1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III

1000 Rio Brazos Road, Aziec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

District 1V

Date: 8/4/2015

Phone: 713-292-9528

State of New Mexico OIL CONSERVATION EnergyMinerals and Natural Reso ARTESIA DISTRICT

6 2015

AMENDED Report

Revised July 18, 2013

Oil Conservation Division 1220 South St. Francis Dr.

Santa Fe, NM 87505

HOBBS OCD

RECEIVED

1220 S. St. Francis Dr., Santa Fe, NM 87505 MAY 03 2016 Phone: (505) 476-3460 Fax: (505) 476-3462 APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE IVFD Onerator Name and Address OGRID Number 277558 Lime Rock Resources II-A, L.P. 1111 Bagby Street, Suite 4600 Houston, Texas 77002 30 - OIS Property Code Property Name 309030 Simpson 15B new Note: **Surface Location** UL - Lot Range Feet From 188 26E 230 1660 Eddy R 15 away From **Proposed Bottom Hole Location** UL - Lo1 Section Lownship Range Lot Idn /S Line 18S 26E 230 1660 Eddy upper Eimason 15 13 1-34 9 Pool Information Produced 3250 Atoka; Glorieta-Yeso Additional Well Information Work Type Well Type Cable/Rotary Ground Level Elevation Lease Type 0 3335.5 Proposed Depth Formation Soud Date Multiple 17 Contractor 4000' MD / 4000' TVD Yeso United Drilling, Inc. After 6/1/2015 Depth to Ground Water: Distance from nearest fresh water well: Distance from nearest surface water: 0.085227273 Miles new APD-+ 560 (KS We will be using a closed-loop system in lieu of lined pits 19 Proposed Casing and Cement Program Casing Weight/ft Туре Hole Size Casing Size Setting Depth Sacks of Cement Estimated TOC Conductor 26" 20" 91.5 80 80 Surface 425 Surface 12-1/4" 8-5/8" 24 350 Surface 400Ó 7-7/8" 5-1/2" 17 Production Surface Casing/Cement Program: Additional Comments 8105K5 Proposed Blowout Prevention Program Type Working Pressure Test Pressure Manufacturer XLT 11" 5000 2000 National Varco I hereby certify that the information given above is true and complete to the best of my knowledge and belief. OIL CONSERVATION DIVISION I further certify that I have complied with 19.15.14.9 (A) NMAC 19.15.14.9 (B) NMAC 0, if applicable. Approved By: Signature: Printed Name: Spencer Cox Title: SEE ATTACHED FOR EXPLANATION Title: Production Engineer E-mail Address: scox@limerockresources.com

Conditions of Approval Attached

HOBBS GCD Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION

1220 South St. Francis PRECEIVED Santa Fe, NM 87505

Form C-102 .

Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

<u>District.1</u> 1625 N. French Dr., Bobbs, NM \$8240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II \$11 S. First St., Artesia, NM \$8210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM \$7410

Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 57505 Phone: (505) 476-3460 Fax: (505) 476-3462

	WELL	LOCATION AN	D ACKEAGE L	DEDICATION PLAT	
30 - 0/5-	43299	3250	Atoka	-6/orieta · Ves	,
Property Code	,		3 Property Name		* Well Number
309030		S	IMPSON 15B		4
¹OGRID No.			Operator Name		* Elevation
277558		LIME ROCK	RESOURCES II-	A, L.P.	3335.5
	-	. · · S	urface Location	,	

UL or lot no.	Section 15	Township 18 S	Range 26 E	l.ot ldn	Feet from the 230	North/South line NORTH	Feet from the 1660	East/West line EAST	County EDDY
			"В	ottom Ho	ole Location	If Different Fr	om Surface		
UL or let no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
									-
12 Dedicated Acre	s O Joint	or latitl = 14	Consolidation	n Code			15 Order No.		

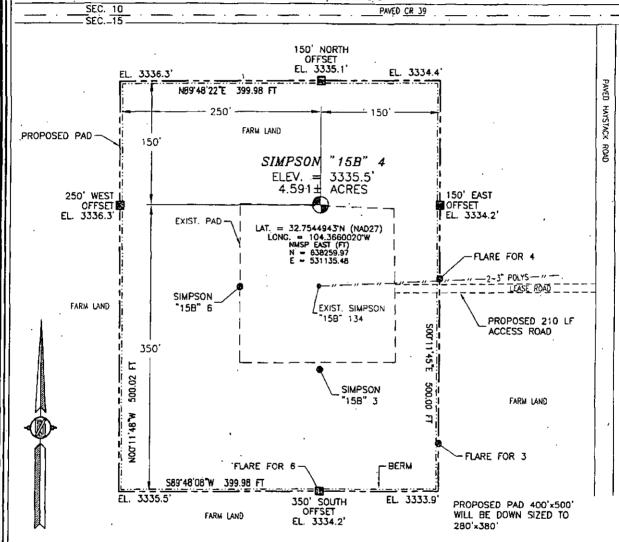
No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

	\$89°56°45″F	2645.71 FT	S89'56'45"E 2645.71 FT		"OPERATOR CERTIFICATION
	NW CORNER SEC. 15	DNF	3330 13 2 23 13.7 11		I hereby certify that the information contained herein is true and complete to the
ı	LAT. = 32.7551324'N	I	1660'		hers of my knowledge and belief, and that this organization either owns a
	LONG. = 104.3778141'W	; ;	NE CORNER SEC		resisting interest or unleaved mineral interest in the land including the proposed
	NMSP EAST (FT) N = 638493,39	SURFACE /	LAT. = 32.75512		bottom hole location or has a right to drill this well at this location pursuant to
3	E = 527504.12	LOCATION	I NMSP EAST		a commer with an owner of such a mineral or working interest, or to a
NO0'20'25		SIMPSON 15B" 4 ! ELEV. ⊨ 3335.5'	. N = 63848	xi3.4 1 ⊆	voluntary proding agreement or a compulsory pooling order heretofore entered
25 €		LAT. = 32.7544943'N (NAD27)	£ = 53279	7.	to the division.
		LONG. = 104.3660020'\(\widehi\) NMSP !EAST (FT)	 -	- → '''	Signary Coso 8-3-15 Signary Coso
2643.24		NMSP (EAST (FT) N = 638259.97	!	265	Signatur Date
3.24		E = 5.311.35.48	!	2659.83	7
=			ļ.	1	sperier co
Ĭ			ļ		PrintedliName
	ļ	!		1	SCORD MANULOS Was Com
1	1	!			E-mail Address
1	<u>ONF </u>			ONF_	·
	,	i	ļ		"SURVEYOR CERTIFICATION
1	<u> </u>	ı		İ	I hereby certify that the well location shown on this plat was
		1		1	plotted from field notes of actual surveys made by me or under
夏		I .	!	ıκ	' ' ' ' '
NO0 20 25		ATITUDE AND LONGITUDE COORDINATES ARE		200.1	my supervision and had the dame is true and correct to the best of my lighter. MAY 17-30 July 18 RE-16
75.E	(NAD27)	USING THE NORTH AMERICAN DATUM OF I	:	12'43'E	best of my ballet.
1	<u>coordi</u>	NATES ARE GRID (NAD27). BASIS OF BEARI STANCES "DSED" ARE" NEW "MEXICO" STATE "PL	INC	— :∤ਾਂ	MAY DUN EN ME CO
2643.24		ADB3) COORDINATES MODIFIED TO THE	!	2659	
5.24	SURF HÇI	i	I	9.8.3	[[2797]]
ן ⊐	SW CORNER SEC. 15	S/4 CORNÉR SEC. 15	SE CORNER SEC		
	LAT. = 32,7406052'N LONG. = 104,3779091'W	LAT. = 32,7405229'N	LAT. = 32.74050	50'N	Joseph John J.
	NIASP EAST (FT)	LONG. = 104.3692841'W	LONG. = 104.36053	_ / _	
	N = 633208.29	NMSP EAST (FT) N = 633177,37	NMSP EAST N = :63317		Signature and Scalar totestions Surveyor
	E = 527472.72	E = 530124.75	E = 5328		Certificate Number: FILIMON E-TARAMILLO, PLS 12797
	N89 19 55 W	2652.86 FT	N89'50'40"W 2689.83 FT		SURVEY NO. 3169
					· · ·

SECTION 15, TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

- - - 4/W POWER LINE --- - -

SITE MAP note: latitude and longitude coordinates are shown using the north american datum of 1927 (nad27). Listed new medico state plane east coordinates are grid (nad27). Basis of blaring and distances used are new mexico state plane east coordinates (nad b3) modefied to the surface.



ALL MATERIAL PROPERTY PARTY PARTY = 100 DIRECTIONS TO LOCATION DIRECTIONS TO EDUCATION.

FROM STATE ROAD 229 (HALDEMAN) AND CR 39 (FOUR DINKUS) GO
WEST ON CR 39 0.25 OF A MILE, TURN LEFT ON HAYSTACK ROAD
AND GO SOUTH 335', TURN RIGHT ON LEASE ROAD AND GO WEST
210' TO THE EAST EDGE OF PROPOSED PAD FOR THIS LOCATION.

200

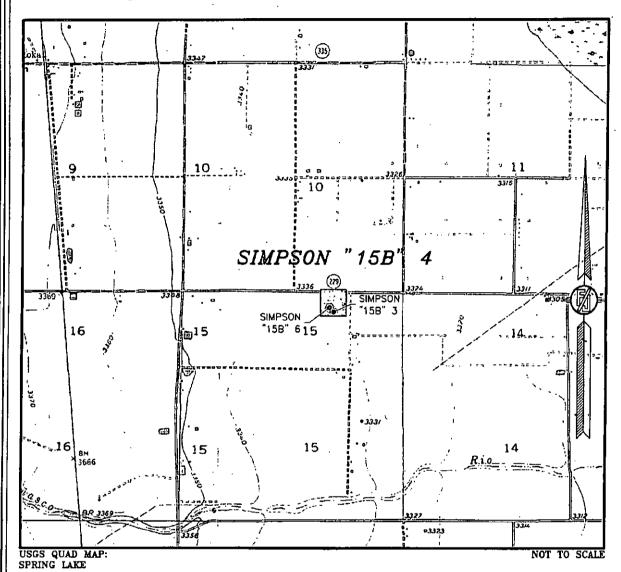
LIME ROCK RESOURCES II-A. L.P. SIMPSON "15B" 4 LOCATED 230 FT. FROM THE NORTH LINE AND 1660 FT. FROM THE EAST LINE OF SECTION 15, TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

MAY 23, 2015

SURVEY NO. 3169

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO

SECTION 15, TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO LOCATION VERIFICATION MAP



LIME ROCK RESOURCES II-A, L.P.

SIMPSON "15B" 4

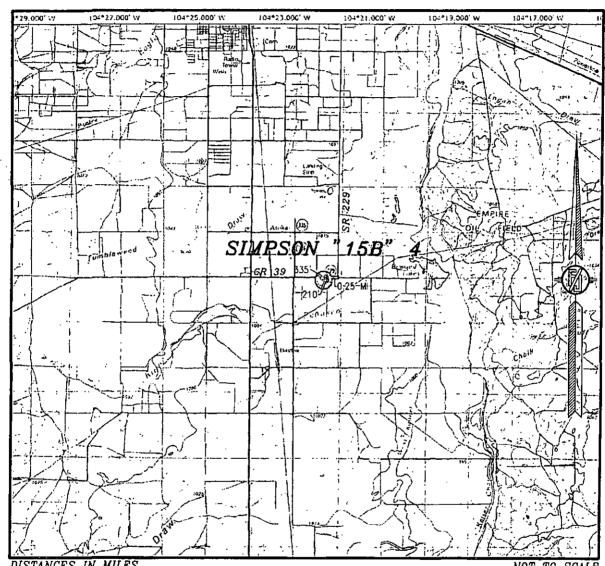
LOCATED 230 FT. FROM THE NORTH LINE AND 1660 FT. FROM THE EAST LINE OF SECTION 15, TOWNSHIP: 18 SOUTH, RANCE 26 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

MAY 23, 2015

SURVEY NO. .3169

MADRON SURVEYING, INC. 101 SOUTH CANAL CARLSBAD, NEW MEXICO

SECTION 15, TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO VICINITY MAP



DISTANCES IN MILES

DIRECTIONS TO LOCATION PROM STATE ROAD 229 (HALDEMAN) AND CR 39 (FOUR DINKUS) GO
WEST ON CR 39 0.25 OF A MILE, TURN LEFT ON HAYSTACK ROAD
AND GO SOUTH 333', TURN RIGHT ON LEASE ROAD AND GO WEST
210' TO THE EAST EDGE OF PROPOSED PAD FOR THIS LOCATION. LIME ROCK RESOURCES II-A, L.P.

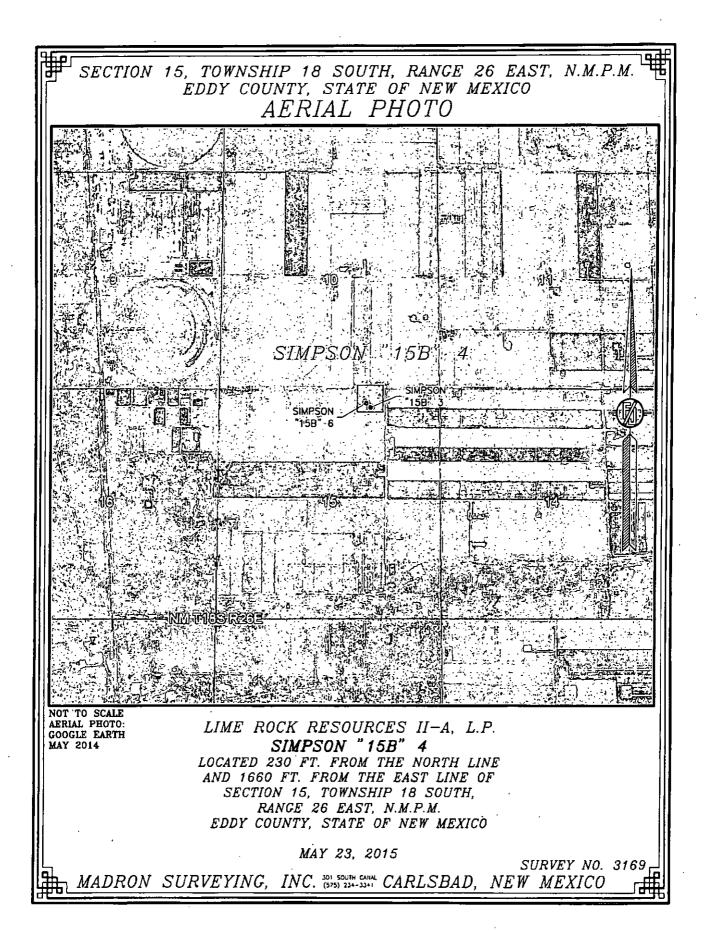
SIMPSON "15B" 4

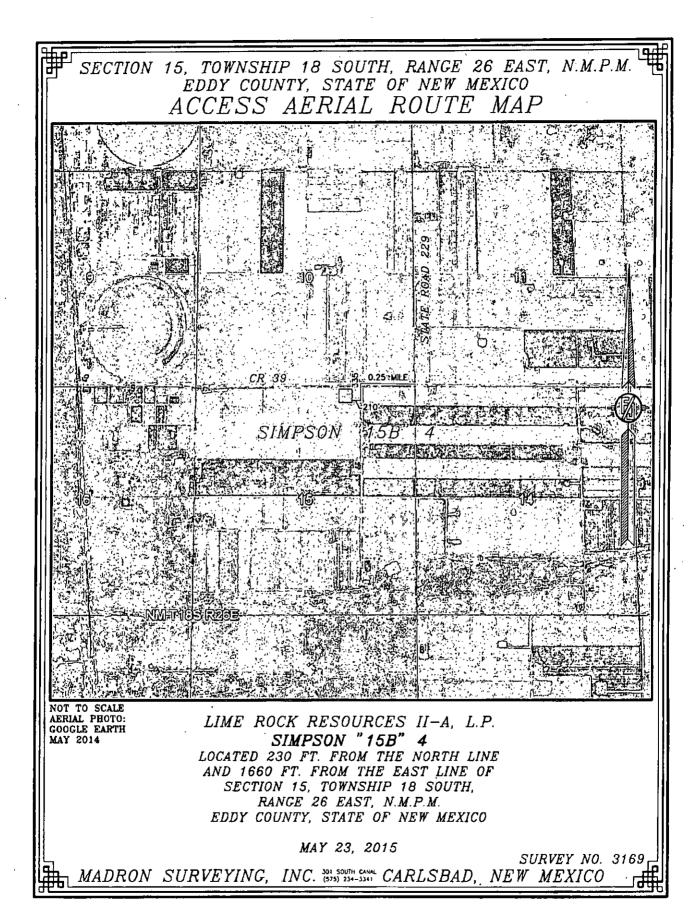
LOCATED 230 FT. FROM THE NORTH LINE AND 1660 FT. FROM THE EAST LINE OF SECTION 15, TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO

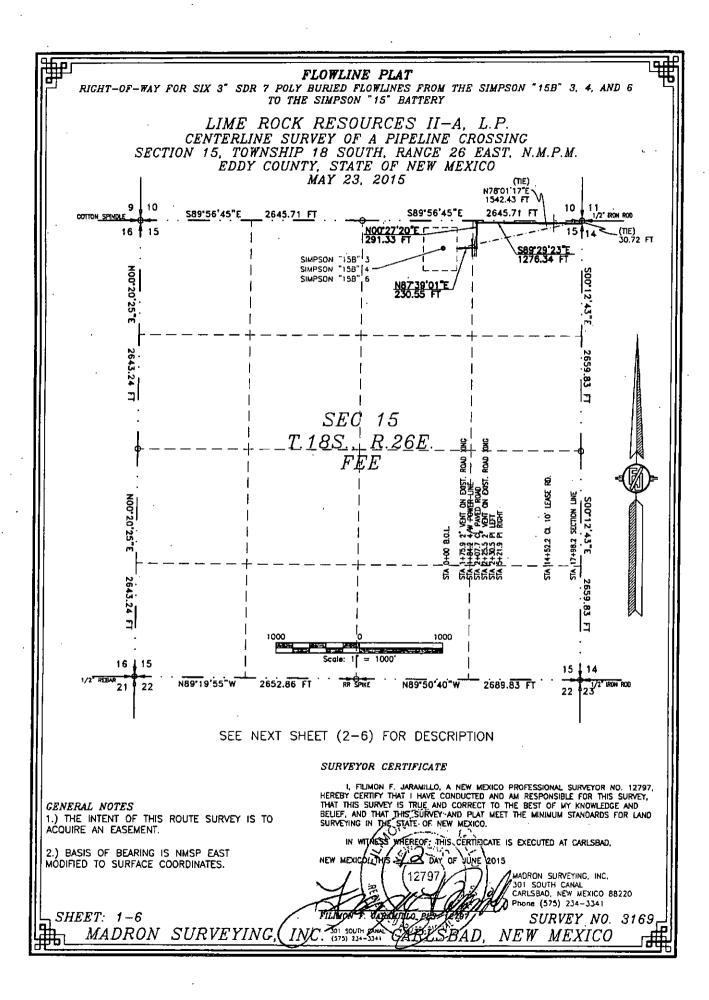
MAY 23, 2015

SURVEY NO. 3169

MADRON SURVEYING, INC. 301 SOUTH CAPALSBAD, NEW MEXICO







FLOWLINE PLAT

RIGHT-OF-WAY FOR SIX 3" SDR 7 POLY BURIED FLOWLINES FROM THE SIMPSON "15B" 3, 4, AND 6 TO THE SIMPSON "15" BATTERY

LIME ROCK RESOURCES II-A, L.P. CENTERLINE SURVEY OF A PIPELINE CROSSING SECTION 15, TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO MAY 23, 2015

DESCRIPTION

A STRIP OF LAND 30 FEET WIDE CROSSING FEE LAND IN SECTION 15, TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M., EDDY COUNTY, STATE OF NEW MEXICO AND BEING 15 FEET EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY:

BEGINNING AT A POINT WITHIN THE NW/4 NE/4 OF SAID SECTION 15, TOWNSHIP 18 SOUTH, RANGE 28 EAST, N.M.P.M., WHENCE THE NORTHEAST CORNER OF SAID SECTION 15. TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M. BEARS N78'01'17'E, A DISTANCE OF

THENCE N87-39'01'E A DISTANCE OF 230.55 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;
THENCE N00'27'20'E A DISTANCE OF 291.33 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;
THENCE S89'29'23'E A DISTANCE OF 1276.34 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE NORTHEAST CORNER OF SAID SECTION 15, TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M. BEARS NOO 12 43 W. A DISTANCE OF 30.72 FEET;

SAID STRIP OF LAND BEING 1798.22 FEET OR 108.98 RODS IN LENGTH, CONTAINING 1.238 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

NW/4 NE/4 186.00 L.F. 11.27 RODS 0.128 ACRES NE/4 NE/4 1612.22 L.F. 97.71 RODS 1.110 ACRES

SURVEYOR CERTIFICATE

GENERAL NOTES 1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.

2.) BASIS OF BEARING IS NMSP EAST . MÓDIFIED TO SURFACE COORDINATES.

I, FILIMON F, JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN THE STATE OF NEW MEXICO.

WHEREOE THIS CERTIFICATE IS EXECUTED AT CARLSBAD.

OF JUNE 2015 NEW MEXICÓ

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO 88220 Phone (575) 234-3341

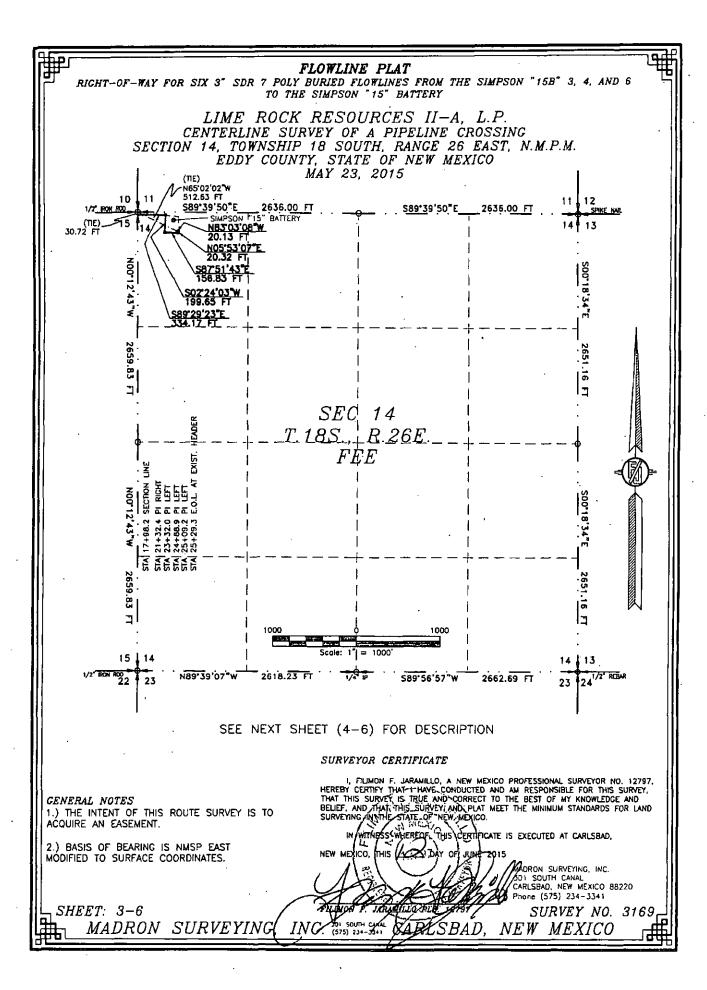
SURVEY NO. 3169

INC.

SBAD*NEW MEXICO*

SHEET: 2-6

MADRON SURVEYING,



FLOWLINE PLAT

RIGHT-OF-WAY FOR SIX 3" SDR 7 POLY BURIED FLOWLINES FROM THE SIMPSON "15B" 3, 4, AND 6 TO THE SIMPSON "15" BATTERY

LIME ROCK RESOURCES II-A. L.P. CENTERLINE SURVEY OF A PIPELINE CROSSING SECTION 14, TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M. EDDY COUNTY, STATE OF NEW MEXICO MAY 23, 2015

DESCRIPTION

A STRIP OF LAND 30 FEET WIDE CROSSING FEE LAND IN SECTION 14, TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M., EDDY COUNTY, STATE OF NEW MEXICO AND BEING 15 FEET EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY:

BEGINNING AT A POINT WITHIN THE NW/4 NW/4 OF SAID SECTION 14, TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M., WHENCE THE NORTHWEST CORNER OF SAID SECTION 14, TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M. BEARS NOO 12'43'W, A DISTANCE OF

THENCE S89'29'23"E A DISTANCE OF 334.17 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED; THENCE S02'24'03"W A DISTANCE OF 199.65 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED; THENCE \$87.51.43 E A DISTANCE OF 156.83 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED: THENCE NOS'53'07"E A DISTANCE OF 20.32 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;
THENCE NOS'53'07"B A DISTANCE OF 20.32 FEET TO AN ANGLE POINT OF THE LINE HEREIN DESCRIBED;
THENCE NOS'53'07"B A DISTANCE OF 20.13 FEET THE TERMINUS OF THIS CENTERLINE SURVEY, WHENCE THE NORTHWEST CORNER OF SAID SECTION 14, TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M. BEARS N65'02'02"W, A DISTANCE OF 512.63 FEET;

SAID STRIP OF LAND BEING 731.10 FEET OR 44.31 RODS IN LENGTH, CONTAINING 0.504 ACRES MORE OR LESS AND BEING ALLOCATED BY FORTIES AS FOLLOWS:

NW/4 NW/4 731.10 LF. 44.31 RODS 0.504 ACRES

SURVEYOR CERTIFICATE

CENERAL NOTES 1.) THE INTENT OF THIS ROUTE SURVEY IS TO ACQUIRE AN EASEMENT.

2.) BASIS OF BEARING IS NMSP EAST MÓDIFIED TO SURFACE COORDINATES.

I, FILMON F. JARAMILLO, A NEW MEXICO PROFESSIONAL SURVEYOR NO. 12797, HEREBY CERTIFY THAT I HAVE CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR LAND SURVEYING IN THE STATE OF NEW MEXICO.

IN WITNESS WHEREOF THIS CERTIFICATE IS EXECUTED AT CARLSBAD,

NEW MEXICO.

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO 8822D Phone (575) 234-3341

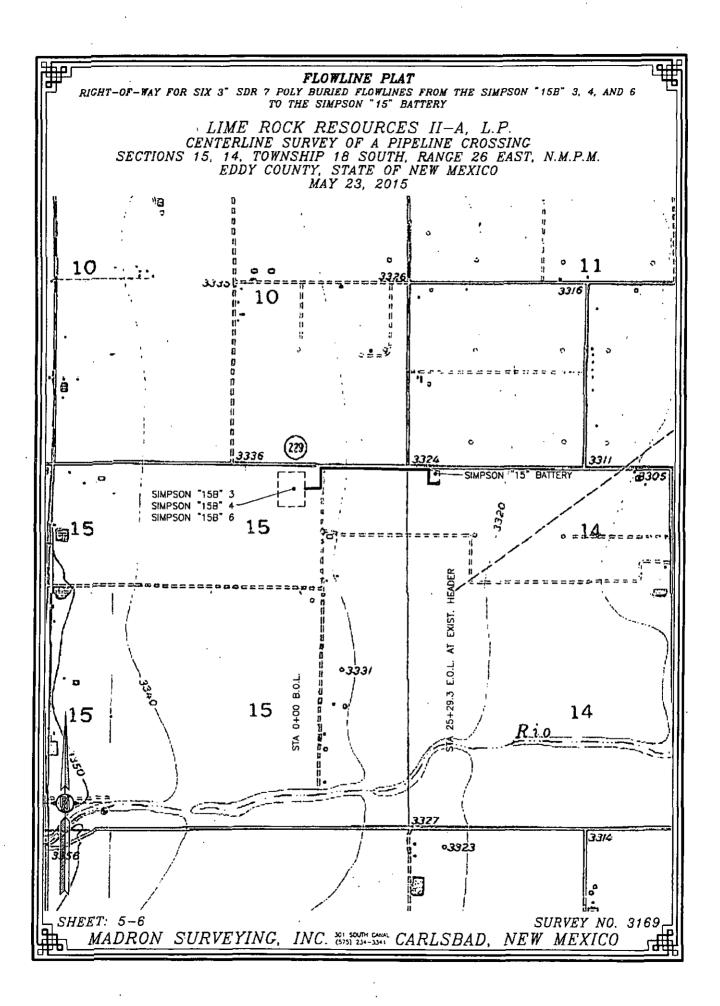
SURVEY NO. 3169

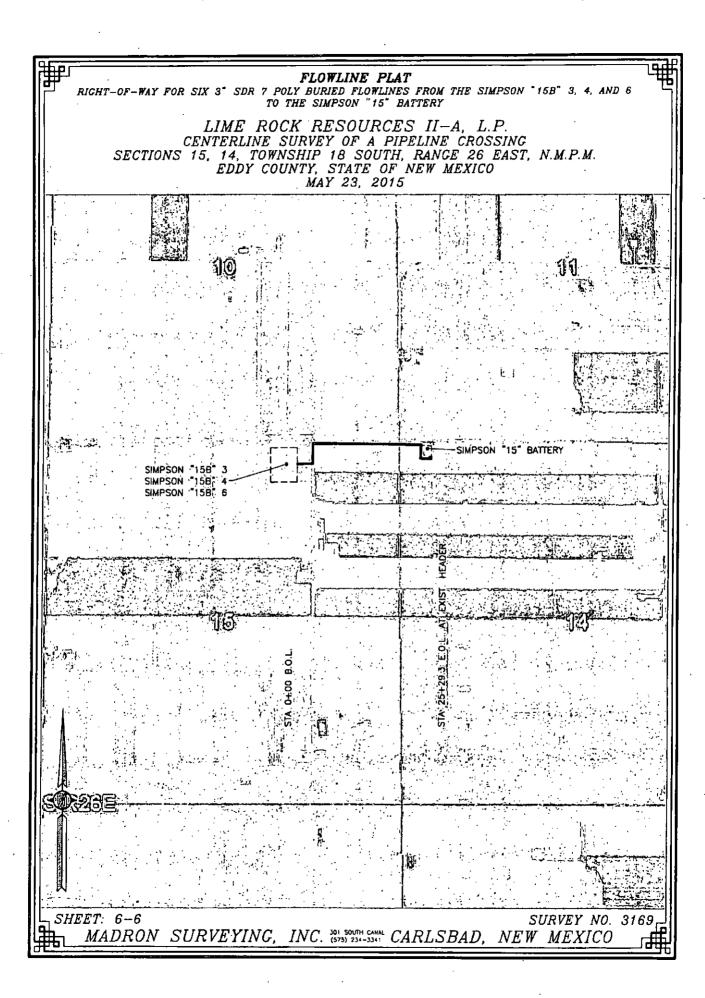
SHEET: 4-6

MADRON SURVEYING,

INC. (875) 234

NEW MEXICO





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

HOBBS OCD

MAY 0 3 2016

RECEIVED

Simpson 15B #4 230' FNL 1660' FEL (B) 15-18S-26E Eddy County, NM

- 1. The elevation of the unprepared ground is 3335.5 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 4000' 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 4000' MD.
- 5. Estimated tops of geologic markers:

	MD	TVD
Quaternary – Alluvium	Surface	Surface
Yates	NA	NA
7 Rivers	NA	NA
Queen	260	260
Grayburg	637	637
Premier	906	906
San Andres	946	946
Glorieta	2305	2305
Yeso	2395	2395
Tubb	3808	3808
TD	4000	4000

 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 ·	260	260
Grayburg	637	637
Premier	906	906
San Andres	946	.946
Glorieta	2305	2305
Yeso	2395	2395
Tubb	3808	3808
TD	4000	4000

7. Proposed Casing and Cement program is as follows:

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	Ct C Cmt + 0.25 lbs/sk Cello Flake + 2% CaCl2
Intermediate		,								
			•							
Production	7-7/8"	5-1/2"	17	J-55	LT&C	4000	200	12.8	1.903	(35 65) Poz/Cl C Cmt + 5% NaCl + 0.25 lbs/sk Cello Flake + 5 lbs/sk LCM-1 +0 2% R-3 + 6% Gel
							600	14.8	1.33	Cl H w/ 0.6% R-3, 0.125% Cello Flake, 2% Gel 4

8. Proposed Mud Program is as follows

Depth	0-425	425-3850	3850-4000
Mud Type .	Fresh Water Mud	Brine	Brine, Salt Gel, & Starch
Properties			
MW	8.4-9.2	9.8-10.1	9.9-10.1
рН	9.0-10.5	10.0-12.0.	10.0-12.0
WL	NC	NC .	20-30
Vis	28-34	28-29	32-34
MC	NC · .	NC	<2
Solids	NC	<2%	<3%
Pump Rate	300-500 gpm	375-425 gpm	400-425 gpm
Special	7-10-10-10-10-10-10-10-10-10-10-10-10-10-	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

Testing Program: No drill stem tests are anticipated

Electric Logging Program: SGR-DLL-CDL-CNL Quad Combo from 4000 to surf. Csg. SGR-CNL to Surf.

Coring Program: No full or sidewall cores are anticipated.

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 1760 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

713-292-9555 575-748-9724 575-623-8424

.713-292-9510

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	
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

	Emerge	ency Services	<u></u>	
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.

NOTE: All lines, valves and chokes are shown at the minimum size allowed, but may be larger

2M BOP SCHEMATIC

Lime Rock Resources II-A, L.P. Simpson 15B #4

Unit B, S15-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 fluid 2-CRI bins with track system

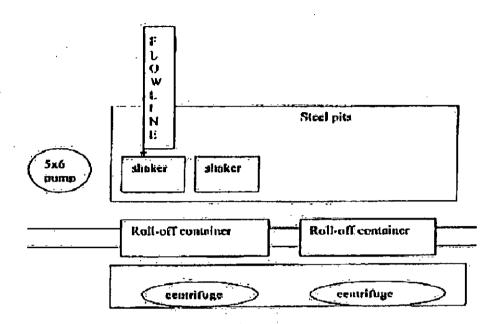
2-500 bbl frac tanks with fresh water 2-500 bbl frac tanks for brine water

Operations:

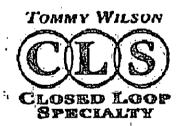
Closed Loop System equipment will be inspected daily by each tour and any necessary maintenance performed leak in system will be repaired and/or contained immediately. OCD will be notified within 48 hours of any spill. Remediation process will start immediately.

Closure:

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



This will be maintained by 24 hour solids control personnel that stay on location.



Office: 919.746.1689

Call: \$79.748.6367

Permit Conditions of Approval

API:

30-0/5- 73299

OCD Reviewer	Condition
<i>S</i>	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string.

PLEASE NOTE THE FOLLOWING

Until Emergency Order 42 has been addressed, only three string casing programs will be permitted. Surface casing should be set at 450 feet with intermediate set between 750 - 1300 feet, dependent on first occurrence of oil. Hole size must be two inches greater than the outer diameter of the coupling.