

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

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

WELL API NO.
30-015-37694

5. Indicate Type of Lease
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
WELCH RL STATE

8. Well Number #7

9. OGRID Number 255333

10. Pool name or Wildcat: (96830)
Artesia, Glorieta-Yeso

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR RE-DRILL 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

LIME ROCK RESOURCES A, L.P.

3. Address of Operator

c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401

4. Well Location

Unit Letter B : 990 feet from the NORTH line and 2310 feet from the EAST line
Section 28 Township 17-S Range 28-E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3619' GL

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☒

OTHER: Spud & Surface & Production Casings ☒

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Spud well on 8/18/10. Drilled 12-1/4" hole to 435'. Landed 8-5/8" 24# J-55 csg @ 424'. Cmted lead w/150 sx (245 cf) "C" cmt w/10# gilsonite, 10# calseal, 1% Cacl2, & 1/8#/sx p-e-flake & 275 sx (371 cf) "C" cmt w/2% Cacl2 & 1/8# P-e flake. Tailed w/200 sx (270 cf) "C" cmt w/2% Cacl2. Circ 38 sx cmt to surface. On 8/20/10, PT 8-5/8" csg to 600 psi for 30 min - OK.

Drilled 7-7/8" hole to TD3645' on 8/26/10. Ran open hole logs. Landed 5-1/2" 17# J-55 csg @ 3632'. Cmted lead w/350 sx (655 cf) 35/65 poz C cmt w/0.125#/sx p-e-flake, 3#/sx salt, 3#/sx gilsonite, & 0.5% Halad 9. Tailed w/400 sx (532 cf) "C" cmt w/0.125#/sx p-e-flake, 0.4% Lap-1, 0.5% CFR-3, & 1/4#/sx D-air. Circ 156 sx cmt to pit. Released drilling rig on 8/27/10. Plan to pressure test the 5-1/2" csg before completion operations.

Spud Date: 8/18/10

Drilling Rig Release Date: 8/27/10

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

SIGNATURE Mike Pippin TITLE Petroleum Engineer - Agent DATE 9/14/10

Type or print name Mike Pippin E-mail address: mike@pippinllc.com PHONE: 505-327-4573

For State Use Only

APPROVED BY: David Gray TITLE Compliance officer - A DATE 9-21-10

Conditions of Approval (if any):

cat