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April 13, 2012

SUPPLEMENTAL DRILLING AND DIVISION ORDER TITLE OPINION

Lime Rock Resources A, L.P.
Heritage Plaza
1111 Bagby Street, Suite 4600
Houston, Texas 77002

Attention: Mr. Charles Reagan

Re: Kaiser 7 K Fee Well #3 – The ownership of the Ben F. Kaiser *et al.*, Lease, insofar as it covers the following described land situated in Eddy County, New Mexico:
Township 18 South, Range 27 East, N.M.P.M.
Section 7: E/2SW/4

containing 80.00 acres, more or less, limited to depths from 2,000 feet below the surface down to the base of the Drinkard Formation.

Ladies and Gentlemen:

Pursuant to the request of Lime Rock Resources A, L.P., this Supplemental Drilling and Division Order Title Opinion (“Opinion”) supplements our Drilling Title Opinion dated August 29, 2011 by: (1) updating the Division of Ownership for the mineral, royalty and leasehold ownership of the From 2,000 feet below the surface down to the base of the San Andres Formation and (2) discussing that certain Operating Agreement dated May 15, 1973, between Mark Production Company and certain Non-operators, covering the No. 1 Peterson Well located in the S/2 of Section 7, T 18S, R27E, Eddy County, New Mexico.

MATERIALS EXAMINED

In connection with the title to the captioned land, we have examined the following:

1. Certified Copies of Probate Proceedings dated August 30, 2011, in the Matter of the Last Will and Testament and Estate of Ambrose Daniel Weier, Deceased, Cause No. 3527, County Court of Ward County Texas, furnished by Chuck Reagan; and
2. Copy of Operating Agreement dated May 15, 1973, between Mark Production Company and certain Non-operators , covering the No. 1 Peterson Well located in the S/2 of Section 7, T 18S, R27E, Eddy County, New Mexico.

I.

Subject to our Requirement that Certified Copies of Probate Proceedings dated August 30, 2011, in the Matter of the Last Will and Testament and Estate of Ambrose Daniel Weier, Deceased, Cause No. 3527, County Court of Ward County Texas, be recorded with the County Clerk of Eddy County New Mexico, we submit the following revised Division of Ownership Interest:

DIVISION OF OWNERSHIP INTEREST

From 2,000 feet below the surface down to the base of the San Andres Formation:

ROYALTY:

Various Owners – See Below

0.12500000

<u>Name</u>	<u>WI</u>	<u>NRI</u>
Lime Rock Resources II-A, L.P. ¹	.7500000	.63984375 (NRI)
Emily Lu. Perry	.1111111	.09479166 (NRI)
Richard Raymond Brandon	.0289352	.02468534 (NRI)
Elizabeth Jean Brandon nee Norris	.0622107	.05307350 (NRI)
Louise B. Aaron	.0231481	.01974822 (NRI)
Louise B. Aaron and Henry C. Aaron, as joint tenants	.0245949	.02098253 (NRI)

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Jane Ann Hudson	--	.01093750 (ORI)
Joan Ann Hudson Grasso	--	.01093750 (ORI)
Glenn E. Kaiser, a married man dealing in his separate property	--	.01562000 (RI)
Joyce Norine Coleman	--	.00312500 (RI)
Roselle Carvell	--	.00312500 (RI)
Elaine Floy Kelly Bott	--	.00312500 (RI)
Glenn H. Grimes	--	.00078125 (RI)
Larry Glenn Grimes	--	.00078125 (RI)
Anita Marie White	--	.00078125(RI)
Joan Elaine McGraw	--	.00078125 (RI)
Glenn A. Kaiser	--	.00156250 (RI)
Rodney Kaiser	--	.00156250 (RI)
Diane Kaiser Klahn	--	.01041666 (RI)
Rosemary Grace Ebert	--	.01041666 (RI)
Michael Charles Kaiser and Sharon Ann Kaiser, Co-Trustees or their Successor Trustee of the Kaiser Family Trust created November 15, 2002, as to an undivided one-third interest as tenant in common, as the sole and separate property of Michael Charles Kaiser	--	.01041667 (RI)
John W. Gates, L.L.C	--	.01041667 (RI)
B & G Royalties, a Partnership	--	.01041667 (RI)

Robert B. Gates and Nada S. Gates, Co-Trustees of the Revocable Trust created by Trust Agreement dated June 8, 1984	--	.01041667 (RI)
Margaret Elizabeth Palone and husband, James F. Palone, as joint tenants	--	.01562500 (RI)
Mary Lou Spencer and husband, Frank Robert Spencer, as joint tenants	--	.01562500 (RI)
TOTALS	100%	100%

¹ This interest is subject to a net profits interest owned by Lime Rock Resources II-C, L.P., created by virtue of Assignment No. 14 described in our Division Order Title Opinion dated December 11, 2012, covering the referenced well.

II.

OPERATING AGREEMENT

We have been furnished with a copy of an Operating Agreement (1956 Form) dated May 15, 1973, between Mark Production Company as Operator, and Amoco Production Company, Atlantic Richfield Company, Gulf Oil Company, Curtis W. Mewbourne and Southern Union Production Company, as Non-operators, covering the drilling of the Mark Production Company # 1 Peterson Well located in the S/2 of Section 7, T 18S, R27E, Eddy County, New Mexico.

It is our opinion that the May 15, 1973 Operating Agreement covers the S/2 of Section 7 only insofar as it pertains to the drilling of the Peterson #1 Well, or other well(s) drilled to a depth sufficient to test the Morrow Sand Formation. The Operating Agreement does not state that "all depths" are covered by the Agreement, and it is our opinion that the specific references to the Morrow Well govern over a general interpretation that the Agreement applies to all depths. Accordingly, it is our opinion that the subject Operating Agreement is not applicable to depths shallower than the top of the Morrow Sand Formation.

Please contact the undersigned at (832) 255-6014 if you have any questions or comments concerning this Opinion or the comments and requirements set forth herein.

Very truly yours,

Gieger, Laborde & Laperouse, L.L.C.

By:

