Susana Martinez Governor

David Martin Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary

April 4, 2014

Randall Cate RSC Resources, L.P 6824 Island Circle Midland, Texas 79707 Jami Bailey, Division Director Oil Conservation Division



Re: Request for extension to Finish the Recompletion Operations of RSC Resources, L.P Guitar 10 Well No. 1 (API No. 30-015-23099), Pursuant to Division Order No. R-13667

Dear Mr. Cate:

The Oil Conservation Division (OCD) received your letter dated March 25, 2014, regarding the referenced subject. You had previously requested and received an extension of time to April 1, 2014, to comply with Ordering Paragraph (5) of Order No. R-13667, which requires that the well be drilled and completed within 120 days of commencement.

It is our understanding that RSC Resources, L.P. must build production facilities, must have pipeline tie-in, and fracture stimulate zones in order to effect optimum completion. The OCD has reviewed your request and hereby extends the date to complete the recompletion operations to September 1, 2014.

If you have any question, please contact Richard Ezeanyim at (505)-476-3467

Sincerely;

Jami Bailey Director

JB/re

Cc: Oil Conservation Division District II - Artesia

RSC Resources, L.P. 6824 Island Cir. Midland, Tx 79707 Guardian Operating Corp. Guardian_op@yahoo.com 432-553-1849

March 25, 2014

New Mexico Oil Conservation Division Attn: Examiner Richard I. Ezeanyim 1220 South St. Francis Dr. Santa Fe, NM 87505

> RE: Request for Extended Time to Finish Completing the well under NMOCD Pooling Order No. 13667 Guitar 10 No.1 660' FNL & 2310' FEL Sec 10-24S-28E: N2 Spacing Unit Eddy County, NM

Gentlemen,

On December 17, 2012, the NMOCD entered Order No. R-13667 pooling the uncommitted interests on the above referenced well. RSC Resources, L.P. had requested and received an extension of time to comply with paragraph (5), which requires the well be drilled *and completed* within 120 days of commencement. RSC requests a final extension to September 1, 2014 to finish completion operations due to further delays on tie-in to gas pipeline.

The Guitar 10 No. 1 was successfully re-entered and the Wolfcamp perforated and acidized. The well flowed gas and has been shut in waiting on gas pipeline tie-in since 8/2/2013. In order to effect an optimum completion, Guardian Operating still plans to fracture stimulate the existing perforated zone, perforate and fracture stimulate another Wolfcamp interval, and build production facilities. The well must have a pipeline tie-in before proceeding with the rest of the completion. Guardian believes it should have the tie-in by July 1, 2014 and can finish completion operations by September 1, 2014. At that time Guardian would submit the itemized schedule of actual costs as required by paragraph (9) of the Order.

Please contact the undersigned with any questions.

Best Regards,

Randall Cate President

Cc: Mr. James Bruce