

DATE IN 8.17.11	SUSPENSE	ENGINEER WVJ	LOGGED IN 8.17.11	TYPE DHC 4457	APP NO 1122946196
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PTG-w

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



Lime Rock Res.  
 277558

LOGAN 35 FEDERAL #1 30-015-36081

**ADMINISTRATIVE APPLICATION CHECKLIST**

30-015-36081

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION - Check Those Which Apply for [A]**

- [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR

[D] Other: Specify \_\_\_\_\_

[2] **NOTIFICATION REQUIRED TO: - Check Those Which Apply, or  Does Not Apply**

- [A]  Working, Royalty or Overriding Royalty Interest Owners
- [B]  Offset Operators, Leaseholders or Surface Owner
- [C]  Application is One Which Requires Published Legal Notice
- [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F]  Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate and complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

Mike Pippin	<i>Mike Pippin</i>	Petroleum Engineer	August 12, 2011
Print or Type Name	Signature	Title	Date

mike@pippinllc.com  
 e-mail Address

LIME ROCK RESOURCES II-A, L.P.  
Mike Pippin  
3104 N. Sullivan Avenue  
Farmington, NM 87401  
505-327-4573 (phone) mike@pippinllc.com

August 12, 2011

NMOCD  
c/o Will Jones  
1220 South St. Francis Drive  
Santa Fe, NM 87505

**RE: C-107A TO COMMINGLE TWO POOLS**  
LOGAN 35 FEDERAL #1 – API#: 30-015-36081  
Unit Letter "I" Section 35 T17S R27E  
Eddy County, New Mexico

Dear Mr. Jones:

The referenced oil well has produced since February 2010 from the Red Lake, Queen-Grayburg- San Andres (51300). Lime Rock would like to reopen the TA lower pool, the Red Lake, Glorieta-Yeso NE (96836) and commingle the two pools. A sundry notice has been submitted to the BLM to reopen the lower interval and commingle.

Lime Rock is requesting approval to commingle the two pools upon completion of rig operations. The allocation will be calculated by subtracting the total well production after two months of commingled production from the current (San Andres) production of 12 BOPD and 60 MCF/D. We plan to submit these calculations and the resulting allocation to the district office after the well has been on line for about 2 months.

Please contact me at 505-327-4573 should you have any questions.

Very truly yours, ,



Mike Pippin

Petroleum Engineer

District I  
1625 N French Drive, Hobbs, NM 88240

District II  
1301 W Grand Avenue, Artesian, NM 88210

District III  
1000 Rio Brazos Road, Aztec, NM 87410

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised June 10, 2003

**Oil Conservation Division**  
1220 South St. Francis Dr  
Santa Fe, New Mexico 87505

APPLICATION TYPE  
 Single Well  
 Establish Pre-Approved Pools  
EXISTING WELLBORE  
 Yes  No

**APPLICATION FOR DOWNHOLE COMMINGLING**

**LIME ROCK RESOURCES II-A, L.P.** c/o Mike Pippin LLC (agent), 3104 N Sullivan, Farmington, NM 87401  
Operator Address

**DHC-4457**

**LOGAN 35 FEDERAL #1** I SEC. 35 T17S R27E Eddy  
Lease Well No Unit Letter-Section-Township-Range County

OGRID No. 277558 Property Code \_\_\_\_\_ API No. 30-015-36081 Lease Type:  Federal \_\_\_\_\_ State \_\_\_\_\_ Fee \_\_\_\_\_

DATA ELEMENT	UPPER ZONE ✓	INTERMEDIATE ZONE	LOWER ZONE ✓
Pool Name	<b>RED LAKE; Queen-Grayburg-San Andres</b>		<b>RED LAKE: Glorieta-Yesone</b>
Pool Code	51300		96836
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	2060'-2387'		3047'-3459'
Method of Production (Flowing or Artificial Lift)	Pumping		Plan to Pump
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	690 psi		851 psi
Oil Gravity or Gas BTU (Degree API or Gas BTU)	34.8		38.32
Producing, Shut-In or New Zone	Producing		TA (Below BP)
Date and Oil/Gas/Water Rates of Last Production (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 12/16/10 RATES: 12 BOPD 60 MCF/D 38 BWPD	Date: Rates:	Date: Rates:
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas	Oil Gas % %	Oil Gas

**ADDITIONAL DATA**

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes  No \_\_\_\_\_  
 If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes \_\_\_\_\_ No \_\_\_\_\_

Are all produced fluids from all commingled zones compatible with each other? Yes  No \_\_\_\_\_

Will commingling decrease the value of production? Yes \_\_\_\_\_ No

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes  No \_\_\_\_\_

NMOC Reference Case No applicable to this well: \_\_\_\_\_

**Attachments:**

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication
- Production curve for each zone for at least one year (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases
- Any additional statements, data or documents required to support commingling

**PRE-APPROVED POOLS**

If application is to establish Pre-Approved Pools, the following additional information will be required:  
 List of other orders approving downhole commingling within the proposed Pre-Approved Pools  
 List of all operators within the proposed Pre-Approved Pools  
 Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application  
 Bottomhole pressure data

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 August 12, 2011  
 TYPE OR PRINT NAME Mike Pippin TELEPHONE NO. ( 505 ) 327-4573  
 E-MAIL ADDRESS mike@pippinllc.com

DISTRICT I  
1625 N. French Dr., Hobbs, NM 88340

DISTRICT II  
1201 W. Grand Avenue, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV  
1220 S. St. Francis Dr., Santa Fe, NM 87506

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised October 12, 2005

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 5 Copies

**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number		Pool Code 51120	Pool Name RedLake; Glorieta-Yeso
Property Code	Property Name LOGAN "35" FEDERAL		Well Number 1
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY LP		Elevation 3638'

**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	35	17 S	27 E		1520	SOUTH	1280	EAST	EDDY

**Bottom Hole Location If Different From Surface**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County				
<table border="1"> <tr> <td>Dedicated Acres 40</td> <td>Joint or Infill</td> <td>Consolidation Code</td> <td>Order No.</td> </tr> </table>										Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
Dedicated Acres 40	Joint or Infill	Consolidation Code	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**

	<p><b>OPERATOR CERTIFICATION</b></p> <p>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 released mineral interest in the land including the proposed bottom hole location 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.</p> <p><i>Norvella Adams</i> 08/08/07 Signature Date</p> <p>Norvella Adams Printed Name</p>
	<p><b>SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.</p> <p>SEPTEMBER 28 2007 Date Surveyed</p> <p><i>Gary L. Jones</i> Signature of Professional Surveyor</p> <p>Professional Surveyor No. 12618</p>
	<p>Certificate No. Gary L. Jones 7977</p>
	<p><b>BASIN SURVEYS</b></p>

DISTRICT I  
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II  
1201 W. Grand Avenue, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV  
1220 S. El Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised October 12, 2005

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-36081	Pool Code 51300	Pool Name Red Lake; Queen-Grayburg-San Andres
Property Code 23714	Property Name LOGAN "35" FEDERAL	Well Number 1
OGRID No. 6137	Operator Name DEVON ENERGY PRODUCTION COMPANY LP	Elevation 3638'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	35	17 S	27 E		1520	SOUTH	1280	EAST	EDDY

Bottom Hole Location If Different From Surface

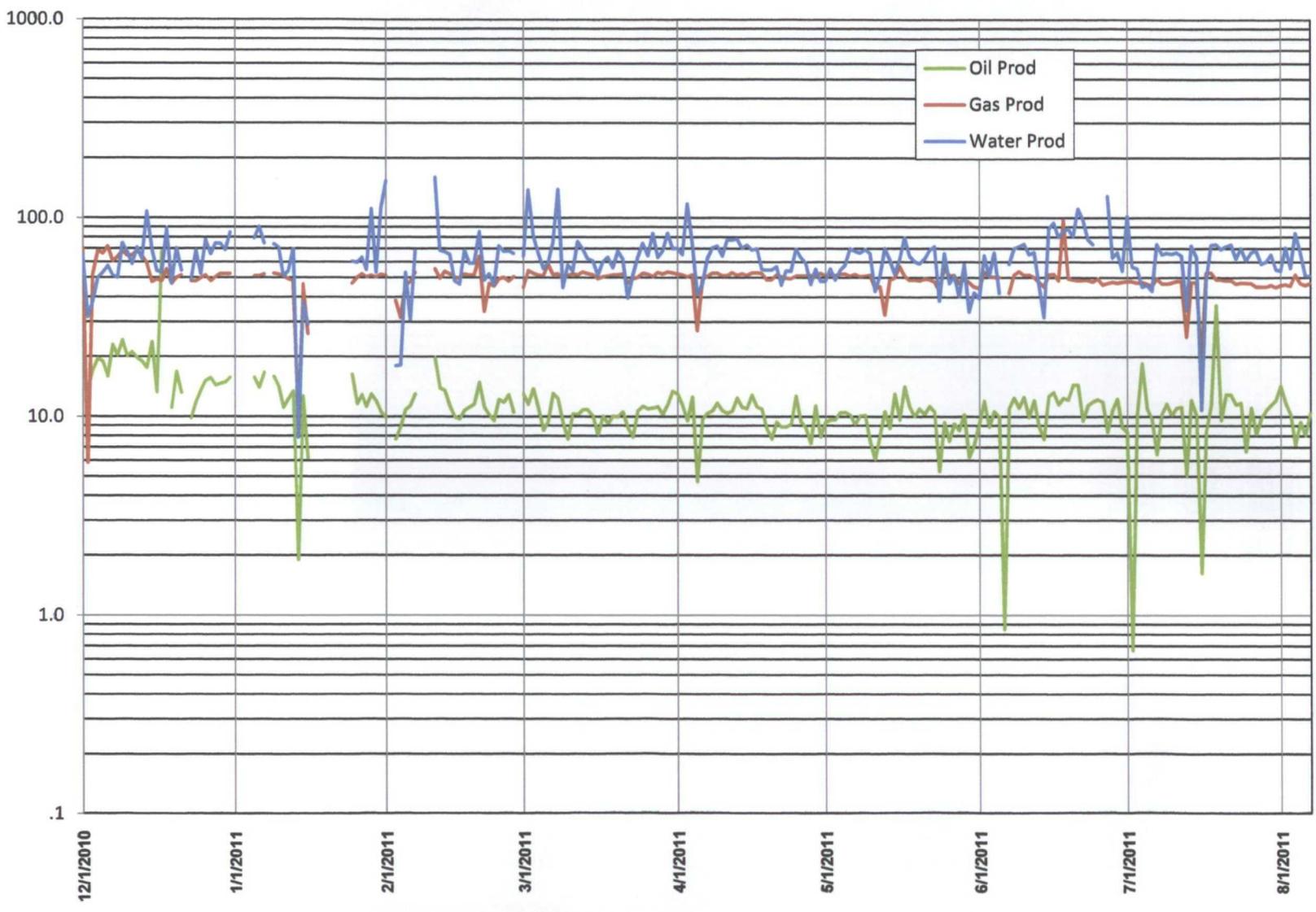
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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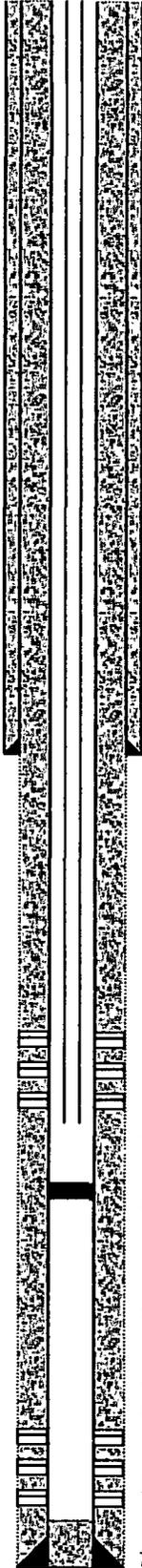
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>Lat - N32°47'15.54" Long - W104°14'41.92" SPC- N.: 650271.861 E.: 568490.914 (NAD-83)</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p>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 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.</p> <p><i>Norvella Adams</i> 10/08/07 Signature Date</p> <p>Norvella Adams Printed Name</p>
	<p><b>SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.</p> <p>SEPTEMBER 20 2007 Date Surveyed</p> <p><i>Gary L. Jones</i> Signature Professional Surveyor 16618</p> <p>Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>

# LOGAN 35 FEDERAL #1 SAN ANDRES PRODUCTION PLOT



**Logan 35 Fed 1  
Sec 35-17S-27E  
1,520' FSL, 1,280' FEL  
Elevation – 3,638'  
API #: 30-015-36081  
Eddy County, NM**



11", 24#, Casing @ 1,180'. 420 "C" TOC @ surface.

**Stim Info:**  
Acidize perfs with 3000 Gal 15% HCL.

**Stim Info:**  
Frac treated Perfs w 217,896Gal Viking 1200, 116,809# 20/40 Brown Sand,  
22,976# 16/30 Siber Prop.

**Perfs:** 2,056' – 2,345' (51 0.38 Holes )

**2-7/8"; Tubing @ 2,361'**

**PBTD @ 2,614'. (BP)**

**Stim Info:**  
Acidize perfs with 3000 Gal 15% HCL.

**Stim Info:**  
Frac treated Perfs w 129,890 Gal 10# Brine, 15,500# 100% Lite 14/30 Prop  
125, 20,500# 100% 16/30 Siber Prop.

**Perfs:** 3,041' – 3,453' (46 0.40 Holes )

7-7/8", 15.5#, CASING @ 3,585'. 597 "C". TOC @ surface.

**TD @ 3,585'**

GEOLOGY	
<u>Zone</u>	<u>Top</u>
San Andres	1,696'
Glorieta	3,060'
Yeso	3,164'

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No 1004-0135  
Expires July 31, 1996

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well

Oil Well     Gas Well     Other

2. Name of Operator

LIME ROCK RESOURCES A, L.P.

3a. Address

3104 N. Sullivan, Farmington, NM 87401

3b. Phone No. (include area code)

505-327-4573

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1520' FSL & 1280' FEL Unit 1  
Sec. 35, T17S, R27E

5. Lease Serial No.

LC-057798

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

LOGAN 35 FEDERAL #1

9. API Well No.

30-015-36081

10. Field and Pool, or Exploratory Area

Red Lake, Glorieta-Yeso NE (96836)  
Red Lake, Qn-Grayburg-San Andres (51300)  
AND  
Eddy County, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other DHC APPLICATION
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once Testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

LIME ROCK requests administrative approval to downhole commingle the existing (TA) Red Lake, Glorieta-Yeso NE (96830) and the existing producing Red Lake, Queen-Grayburg-San Andres (51300).

Both intervals have common ownership, & we have not experienced any significant cross flows, & all the fluids are compatible.

Downhole commingling will improve recovery of liquids & gas, eliminate redundant surface equipment, & maximize productivity. Notice has been filed concurrently on form C-107A with the State.

Lime Rock plans to commingle by drilling out the BP, which is set above the Yeso perms. Lime Rock is requesting approval to commingle the two pools upon completion of rig operations. The production allocation will be calculated by subtracting the total well production after two months of commingled production from the current (San Andres) production of 12 BOPD and 60 MCF/D. We plan to submit these calculations and the resulting allocation to your office after the well has been on line for about 2 months.

Permit

Name (Printed/Typed)

Mike Pippin

Title

Petr. Engr. (Agent)

Signature

*Mike Pippin*

Date

August 12, 2011

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.