

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

NO BLUFF STATE COM #7 30-015-34146

Bluff State Com #7

ADMINISTRATIVE APPLICATION CHECKLIST 30-015-34146

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 _____

RECEIVED OOD
 2010 JAN 19 A 11:47

[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		Petroleum Engineer	January 13, 2010
Print or Type Name	Signature	Title	Date

mike@pippinllc.com
 e-mail Address

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

January 13, 2010

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

RE: C-107A TO COMMINGLE TWO POOLS
No Bluff State Com #7 – API#: 30-015-34146
Unit Letter "E" Section 36 T17S R27E
Eddy County, New Mexico

Dear Mr. Jones:

The referenced oil well has produced since 12/21/05 from the Red Lake, Glorieta-Yeso NE (96836). Lime Rock would like to open an upper pool, the Red Lake, Queen-Grayburg-San Andres (51300) and commingle the two pools. A sundry notice has been submitted to open the upper interval.

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 about two months of commingled production from the current production of 2 BOPD, 15 MCF/D, & 11 BWPD. We plan to submit these calculations and the resulting pool allocations 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
1425 N. French Drive, Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, 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

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

Lease NO BLUFF STATE COM #7 Well No. _____ E SEC. 36 T17S R27E Unit Letter-Section-Township-Range _____ Eddy County

OGRID No. 255333 Property Code _____ API No. 30-015-34146 Lease Type: Federal State Fee

DHC-4252

DATA ELEMENT	UPPER ZONE ✓	INTERMEDIATE ZONE	LOWER ZONE ✓
Pool Name	RED LAKE; Queen-Grayburg-San Andres		RED LAKE; Glorieta-Yesone
Pool Code	51300		96836
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	~2010'-2911'		3031'-3479'
Method of Production (Flowing or Artificial Lift)	Pumping		Pumping
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)	741 PSI		851 PSI
Oil Gravity or Gas BTU (Degree API or Gas BTU)	34.8		38.32
Producing, Shut-In or New Zone	New Zone		Producing
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: RATES:	Date: Rates:	Date: December 2009 Rates: 2 BOPD 15 MCF/D 11 BWPD
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 January 13, 2010

TYPE OR PRINT NAME Mike Pippin TELEPHONE NO. (505) 327-4573

E-MAIL ADDRESS mike@pippinllc.com

NO BLUFF STATE COM #7

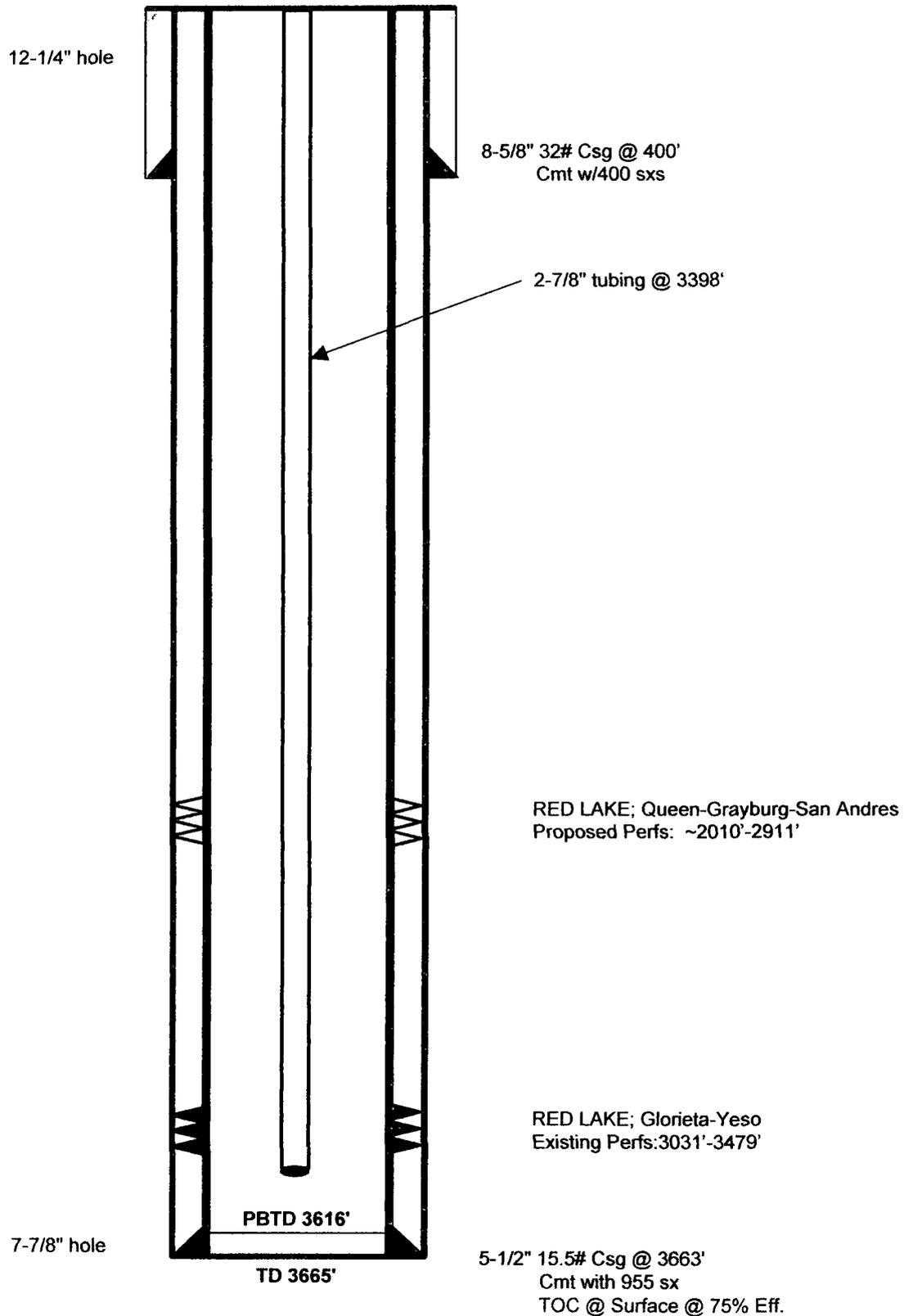
Current

RED LAKE; Glorieta-Yeso NE
RED LAKE; Queen-Grayburg-San Andres

(E) Section 36, T-17-S, R-27-E, Eddy County, NM

Today's Date: 1/13/10
Spud: 11/22/05
Completed: 12/21/05
Elevation: 3585' GL

API#: 30-015-34146



District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-34146	² Pool Code 51300	³ Pool Name Red Lake, Queen, Grayburg, San Andres
⁴ Property Code	⁵ Property Name NO BLUFF STATE COM	⁶ Well Number 7
⁷ OGRID No. 255333	⁸ Operator Name LIME ROCK RESOURCES A, L.P.	⁹ Elevation 3585' GL

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	36	17-S	27-E		1450'	NORTH	990'	WEST	EDDY

¹¹ 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

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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>¹⁷ OPERATOR CERTIFICATION 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 or has a right to drill this well at this 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>Signature: <i>Mike Pippin</i> Date: 1/13/10</p> <p>Mike Pippin Printed Name</p>
	<p>¹⁸ SURVEYOR CERTIFICATION 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>5/2/05 Date of Survey</p> <p>Signature and Seal of Professional Surveyor: Gary Eidson</p>
	<p>12641 Certificate Number</p>

District I
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1000 Rio Brazos Rd., Aztec, NM 87410

District IV
1320 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Permit 11444

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-34146	Pool Name RED LAKE; GLORIETA YESO, NORTHEAST	Pool Code 96836
Property Code 25212	Property Name NO BLUFF STATE COM	Well No. 007
OGRID No. 148111	Operator Name SOUTHWESTERN ENERGY PRODUCTION COMPANY	Elevation 3585

Surface And Bottom Hole Location

UL or Lot E	Section 36	Township 17S	Range 27E	Lot Idn E	Feet From 1450	N/S Line N	Feet From 990	E/W Line W	County Eddy
Dedicated Acres 40		Joint or h/ill		Consolidation Code		Order No.			

<input checked="" type="checkbox"/>			

OPERATOR CERTIFICATION

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

Electronically Signed By: Terry Jasso

Title: Engineer Tech

Date: 05/23/2005

SURVEYOR CERTIFICATION

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.

Surveyed By: Gary Eidson

Date of Survey: 05/02/2005

Certificate Number: 12641

Submit 3 Copies To Appropriate District Office
 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

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 June 19, 2008

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

WELL API NO. 30-015-34146
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name NO BLUFF STATE COM
8. Well Number #7
9. OGRID Number 255333
10. Pool name or Wildcat Red Lake, Glorieta-Yeso NE (96836) Red Lake, Queen, Grayburg, San Andres (53100)
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3585' GL

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG 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 E : 1450 feet from the NORTH line and 990 feet from the WEST line
 Section 36 Township 17-S Range 27-E NMPM Eddy County

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

<p>NOTICE OF INTENTION TO:</p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/></p> <p>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/></p> <p>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/></p> <p>DOWNHOLE COMMINGLE <input checked="" type="checkbox"/></p> <p>OTHER: Recomplete to San Andres & Commingle w/Yeso <input checked="" type="checkbox"/></p>	<p>SUBSEQUENT REPORT OF:</p> <p>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/></p> <p>COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/></p> <p>CASING/CEMENT JOB <input type="checkbox"/></p> <p>OTHER: <input type="checkbox"/></p>
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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.

Lime Rock would like to recomplete to the San Andres & commingle with the existing Yeso as follows:
 MIRUSU. TOH w/pump, rods, & tbg. Set 5-1/2" CBP @ about 2975' to cover existing Yeso perfs (3031'-3479'). PT 5-1/2" csg to 4500 psi. Perf lower SA @ about 2484'-2911'. Breakdown new perfs w/ about 5000 gal 15% NEFE acid & frac w/ about 113,000# 16/30 & 42,000# 12/20 sand in 25# X-linked gel. Set 5-1/2" CBP @ about 2440'. PT 5-1/2" csg to 4500 psi. Perf middle SA @ about 2010'-2372'. Breakdown new perfs w/ about 5000 gal 15% NEFE acid & frac w/about 97,000# 16/30 & 38,000# 12/20 sand in 25# X-linked gel. CO after frac & drill out CBPs @ 2440' & 2975' & CO to about 3618'. Land tbg @ about 3510'. Run pump & rods & complete as a commingled Yeso - San Andres oil well. Initial production of this commingled well is pending the C-107A commingle application in Santa Fe.

Spud Date: 11/22/05 Drilling Rig Release Date: 12/9/05

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 1/13/10

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

For State Use Only
 APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):

COPY

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

January 13, 2010

New Mexico Commissioner of Public Lands
c/o Jeff Albers
310 Old Santa Fe Trail
PO Box 1148
Santa Fe, NM 87504-1148

RE: Notification of Downhole Commingling
NO BLUFF STATE COM #7 – API#: 30-015-34146
Unit Letter "E" Section 36 T17S R27E
Eddy County, New Mexico

Dear Mr. Albers:

Lime Rock Resources would like to commingle the existing Red Lake, Glorieta-Yeso interval with the proposed Red Lake, Queen-Grayburg-San Andres interval in the referenced well. The designated acreage for the proposed commingle will be the southwest quarter of the northwest quarter of section 36. The referenced well is communitized.

This letter is to notify you that we have submitted the necessary application and supporting data to the New Mexico Oil Conservation Division.

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

Very truly yours,



Mike Pippin
Petroleum Engineer

NO BLUFF STATE COM 0007
RED LAKE - CHALK BLUFF FIELD
Category: 1PDP

