

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. 30-015-35820
5. Indicate Type of Lease STATE [X] FEE []
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name KARLSBAD CORRAL 2 STATE
8. Well Number #5-H
9. OGRID Number 255333
10. Pool name or Wildcat Corral Canyon Delaware, NW (96464)

SUNDRY NOTICES AND REPORTS ON WELLS
1. Type of Well: Oil Well [X] 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 M : 65 feet from the SOUTH line and 660 feet from the WEST line
Section 2 Township 25-S Range 29-E NMPM Eddy County
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3035' 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: Run Liner in Existing Horizontal Lateral [X]
SUBSEQUENT REPORT OF:
REMEDIAL WORK [] ALTERING CASING []
COMMENCE DRILLING OPNS. [] P AND A []
CASING/CEMENT JOB []
OTHER: []

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 run a 3-1/2" liner in this well's existing horizontal lateral & stimulate as follows: TOH w/all production equipment. CO to ~MD7516'. Run 3-1/2" 9.2# N-80 liner in existing horizontal lateral from ~MD7480'to ~MD5287' with 9 csg pkrs & 10 frac ports. Frac the Delaware sand in ~10 stages consisting of about 1000 gal 15% NEFE HCL & about 60,000# 16/30 sand in X-linked gel per stage. Rerun production equipment & return well to production as a pumping oil well in the Corral Canyon Delaware. See attached wellbore diagram.

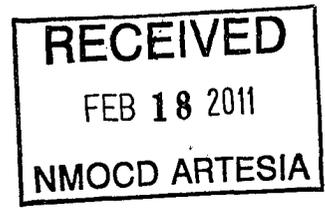
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE [Signature] TITLE Petroleum Engineer - Agent DATE 2/17/11

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

APPROVED BY: [Signature] TITLE Geologist DATE 3/9/2011

Conditions of Approval (if any):



[Handwritten mark]

9-5/8", 36#, J-55, ST&C Casing
@ 771'

KOP @ 4,761'

DV Tool @ 4,801'

Install: 3-1/2"; 9.2#; N-80 Ultra Flush Joint; LT&C Liner set from 5,287' to 7,480'. Containing 1 P-Sleeve, 9 frac sleeves, 9 isolation packers and 1 liner top packer.

5-1/2"; 17#; P-110; LT&C Casing @ 7,693'

Existing Cherry Canyon Perfs: 5,515'; 5,710'; 5,938'; 6,139'; 6,368'; 6,597'; 6,825'; 7,060'; 7,286' & 7,490' (48 - 0.42" ID Holes)

PBTD @ 7,516'

MTD @ 7,700'

Additional Cherry Canyon Perfs: 5,519' - 5,521'; 5,715' - 18'; 5,940' - 43'; 6,145' - 48'; 6,375' - 78'; 6,603' - 06'; 6,830' - 33'; 7,065' - 68'; 7,291' - 94' & 7,493' - 96' (6 SPF, 180 holes, 0.42" ID Holes)

Elevation: 3,024' GL	
Date Spud: 07/26/07	
Date TD'd: 09/30/07	
Date Completed: 11/09/07	
Zone	Frac
Cherry Canyon	133,140 gals x-linked gel w/ 8,069# 20/40 sand & 128,883# 16/30 Brown sand
Cherry Canyon	5,376 gals 15% NEFE acid (pre frac)
Cherry Canyon	8,125 gals 15% NEFE acid
Recompletions & Workovers	
Date	
Feb-2011	10-stage multi-zone horizontal frac.
Current Status:	Producing
Last Well Test:	

Procedure: POOH w/ tbg. Add perfs to existing zone. TIH w/ bit and scraper. RIH and set 3-1/2" frac packer system. Frac well as designed. RIH w/ CT and drill-out sleeves to PBTD. RIH w/ tbg, rods and pump and return to production.

Frac Information: 1000 gal 15% NEFE HCl, Frac w/ 30k gal of 20# x-linked fluid + 50,000# of 16/30 Brady + 10,000# of 16/30 RCS (per stage).

**Karlsbad Coral 2 State 5-H
Sec 2-25S-29E (M)
SHL: 65' FSL, 660' FWL
BHL: 2563' FSL, 660' FWL
API #: 30-015-35820
Eddy County, NM**