

DATE IN 7.22.11	SUSPENSE	ENGINEER DB.	LOGGED IN 7.22.11	TYPE NSL	APP NO 1120340178
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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 255333
RECEIVED OOD

ADMINISTRATIVE APPLICATION CHECKLIST

2011 JUL 20 P 1:15
Eagle 33 OFed #19

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 _____

? is This a Devon
Well? 30-015-36051

[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.

David Catanach
Print or Type Name

Signature

Date

Agent for Lime Rock Resources A, L.P.
Title

drcatanach@netscape.com
E-Mail Address

7/20/11

July 20, 2011

Hand Delivered

New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

Attention: Ms. Jami Bailey, CPG
Division Director

Re: Application for Unorthodox Well Location
Eagle 33 O Federal Well No. 19
API No. (N/A)
290' FSL & 2210' FEL (Unit O)
Section 33, T-17 South, R-27 East, NMPM,
Eddy County, New Mexico

Dear Ms. Bailey:

Pursuant to Division Rule 19.15.15.13, Lime Rock Resources A, L.P. ("Lime Rock") respectfully requests administrative approval of an unorthodox oil well location for its proposed Eagle 33 O Federal Well No. 19. This well will be drilled as a development oil well in the Red Lake Glorieta-Yeso Pool (51120) at an unorthodox well location 290 feet from the South line and 2210 feet from the East line (Unit O) of Section 33, Township 17 South, Range 27 East, NMPM, Eddy County, New Mexico. The well will be dedicated to an existing 40-acre oil spacing and proration unit in the Red Lake Glorieta-Yeso Pool comprising the SW/4 SE/4 of Section 33. This unit is currently dedicated to Lime Rock's Eagle 33 O Federal Well No. 20 (30-015-33832) located 990 feet from the South line and 1750 feet from the East line.

The Red Lake Glorieta-Yeso Pool is currently governed by Division Rule 19.19.15.9 which requires standard 40-acre oil spacing and proration units with wells to be located no closer than 330 feet to the outer boundary of the spacing unit.

The proposed Eagle 33 O Federal Well No. 19 was initially staked at a standard location 330 feet from the South line and 2210 feet from the East line of Section 33, however, due to surface drainage issues within this 40-acre tract, the United States Bureau of Land Management directed Lime Rock to move the well location 40 feet to the south (see attached vicinity map).

The affected offset acreage comprises the NW/4 NE/4 of Section 4, Township 18 South, Range 27 East. This affected 40-acre tract is currently undeveloped in the Glorieta-Yeso formation. Due to uncommon ownership between the SW/4 SE/4 of

Section 33 and the NW/4 NE/4 of Section 4, Lime Rock is providing notice of this application to the working interest owners in affected offset 40-acre tract. These working interest owners include Occidental Permian, Ltd. and ZPZ Delaware II, LLC.

Attached is a Form C-102, vicinity map, offset letter and notice list.

In summary, approval of the application will provide Lime Rock the opportunity to recover additional oil and gas reserves from the Red Lake Glorieta-Yeso Pool underlying the SW/4 SE/4 of Section 33 that may otherwise not be recovered, thereby preventing waste, and will not violate correlative rights.

If you should have any questions, please call me at (505) 690-9453.

Sincerely,



David Catanach, Agent
Lime Rock Resources A, L.P.
1111 Bagby Street
Suite 4600
Houston, Texas 77002

Xc: OCD-Artesia

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 July 16, 2010
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number N/A		Pool Code 51120	Pool Name Red Lake Glorieta-Yeso
Property Code	Property Name Eagle 33 O Federal		Well Number 019
OGRID No. 255333	Operator Name Lime Rock Resources A, L.P.		Elevation 3522

Surface Location

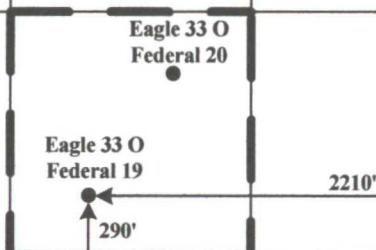
UL or lot no. O	Section 33	Township 17 South	Range 27 East	Lot Idn	Feet from the 290'	North/South line South	Feet from the 2210'	East/West line East	County Eddy
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Bottom Hole Location If Different From Surface

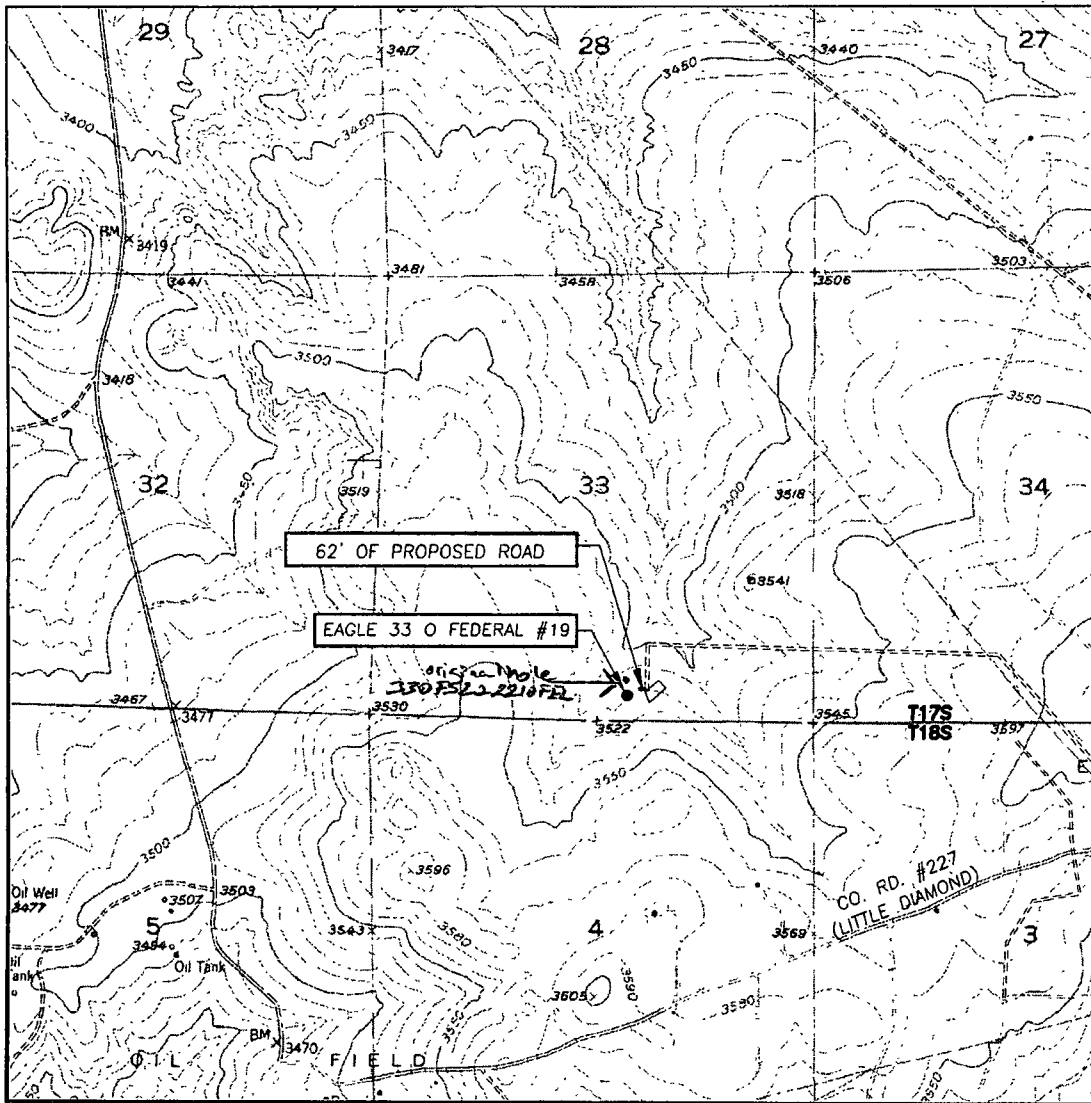
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill		Consolidate Code		Order No.				

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

				OPERATOR CERTIFICATION <i>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 bottomhole 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.</i>	
				Signature _____ Date _____ Printed Name _____ E-mail Address _____	
				SURVEYOR CERTIFICATION <i>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.</i>	
				Date of Survey _____ Signature and Seal of Professional Surveyor: _____	
				Certificate Number _____	



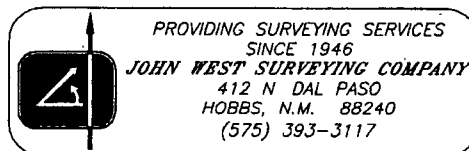
**Affected Offset
Acreage:
NW/4 NE/4 of
Section 4-18S-27E**



CONTOUR INTERVAL:
SPRING LAKE, N.M. - 10'

U.S.G.S. TOPOGRAPHIC MAP
SPRING LAKE, N.M.

Novel 40' S. Sardinia issues
By BLM field inspector John Fast.



July 20, 2011

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: Offset Operators/Working Interest Owners (See Attached List)

Re: Lime Rock Resources A, L.P.
Application for Unorthodox Well Location
Eagle 33 O Federal Well No. 19
290' FSL & 2210' FEL (Unit O)
Section 33, T-17 South, R-27 East, NMPM,
Red Lake Glorieta-Yeso Pool (51120)
Eddy County, New Mexico

Ladies and Gentlemen:

Enclosed please find a copy of the application filed by Lime Rock Resources A, L.P. with the New Mexico Oil Conservation Division for authorization to drill its Eagle 33 O Federal Well No. 19 at an unorthodox oil well location 290 feet from the South line and 2210 feet from the East line (Unit O) of Section 33, Township 17 South, Range 27 East, NMPM, Eddy County, New Mexico, to test the Red Lake Glorieta-Yeso Pool. The subject well will be dedicated to an existing 40-acre spacing and proration unit in the Red Lake Glorieta-Yeso Pool comprising the SW/4 SE/4 of Section 33. This unit is currently dedicated to Lime Rock Resources A, L.P.'s Eagle 33 O Federal Well No. 20 located 990 feet from the South line and 1750 feet from the East line. The proposed unorthodox location is necessary due to topographical restrictions within this 40-acre tract.

As the owner of an interest that may be affected by the proposed unorthodox location, you are being provided notice as per Division rules and regulations. Objections must be filed in writing at the Division's Santa Fe office within 20 days from the date this notice was sent to you. If no objection is received within twenty days after the filing of this application and proof of notice with the Division, the application may be approved.

If you should have any questions, please call me at (505) 690-9453.

Sincerely,



David Catanach-Agent
Lime Rock Resources A, L.P.
1111 Bagby Street
Suite 4600
Houston, Texas 77002

Enclosure

Lime Rock Resources A, L.P.
Application for Unorthodox Location
Eagle 33 O Federal No. 19
Notification List

Working Interest Owners: NW/4 NE/4 of Section 4, T-18S, R-27E

Surface to 2,250'

Lime Rock Resources "II-A", L.P.
1111 Bagby Street, Suite 4600
Houston, Texas 77381

Below 2,250'

Occidental Permian Ltd.
P.O. Box 4294
Houston, Texas 77210

ZPZ Delaware II, LLC
2000 Post Oak Blvd., Suite 100
Houston, Texas 77056

7010 1670 0000 7167 9569

U.S. Postal Service
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Restricted Delivery Fee (Endorsement Required)	\$0.00
Total Postage & Fees	\$ 6.23

0501
 02
 Postmark
 Here
JUL 20 2011
 CORONADO STATION

Sent To
Occidental Permian Ltd.
 Street, Apt. No., or PO Box No. **P.O. Box 4294**
 City, State, ZIP+4 **Houston, Texas 77210**

PS Form 3800, August 2006 See Reverse for Instructions

7010 1670 0000 7167 9576

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Restricted Delivery Fee (Endorsement Required)	\$0.00
Total Postage & Fees	\$ 6.23

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JUL 20 2011
 CORONADO STATION

Sent To
ZPZ Delaware II, LLC
 Street, Apt. No., or PO Box No. **2000 Post Oak Blvd., Suite 100**
 City, State, ZIP+4 **Houston, Texas 77056**

PS Form 3800, August 2006 See Reverse for Instructions