

DATE IN <u>4.30.12</u>	SUSPENSE	ENGINEER <u>RE</u>	LOGGED IN <u>4.30.12</u>	TYPE <u>OLM</u>	APP NO. <u>1212138843</u>
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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



L.R. Resources
277558

WALDROP 13 P FEE #1

Waldrop 13 P Fee #1

ADMINISTRATIVE APPLICATION CHECKLIST

30-015-39429

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	April 26, 2012
Print or Type Name	Signature	Title	Date
		mike@pippinllc.com	
		e-mail Address	

OLM-61

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

April 26, 2012

NMOCD
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: C-107B, APPLICATION FOR OFF-LEASE STORAGE & MEASUREMENT
WALDROP 13 P FEE #1– API#: 30-015-39429
Unit Letter "P" Section 13 T18S R26E
Eddy County, New Mexico

Greetings:

LIME ROCK RESOURCES II-A, L.P. as operator of the above-referenced well, is submitting this application to permit the referenced well for Off-Lease Storage & Measurement. Its State pool is, Red Lake, Glorieta-Yeso NE (96836).

The Waldrop 13 P Fee #1 is located on a Fee lease. All working interest owners and royalty owners have been contacted.

Attached is the necessary C-107B information, schematic map of the tank battery and plat showing the private (Fee) lease boundaries and well and tank battery locations.

Should you have any questions, please contact me at 505-327-4573.

Very truly yours,



Mike Pippin

Petroleum Engineer

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., 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-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: LIME ROCK RESOURCES II-A, L.P. ✓
OPERATOR ADDRESS: c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM87401
APPLICATION TYPE:

☐ Pool Commingling ☐ Lease Commingling ☐ Pool and Lease Commingling ☒ Off-Lease Storage and Measurement (Only if not Surface Commingling)
LEASE TYPE: ☒ Fee ☐ State ☐ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☐ Yes ☐ No This is not a commingle.

(A) POOL COMMINGLING
Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
Red Lake, Glorieta-Yeso NE 96836	35.4/1.456				

- (2) Are any wells producing at top allowables? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No.
(4) Measurement type: ☐ Metering ☐ Other (Specify)
(5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING
Please attach sheets with the following information

- (1) Pool Name and Code:
(2) Is all production from same source of supply? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No
(4) Measurement type: ☐ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING
Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT
Please attached sheets with the following information

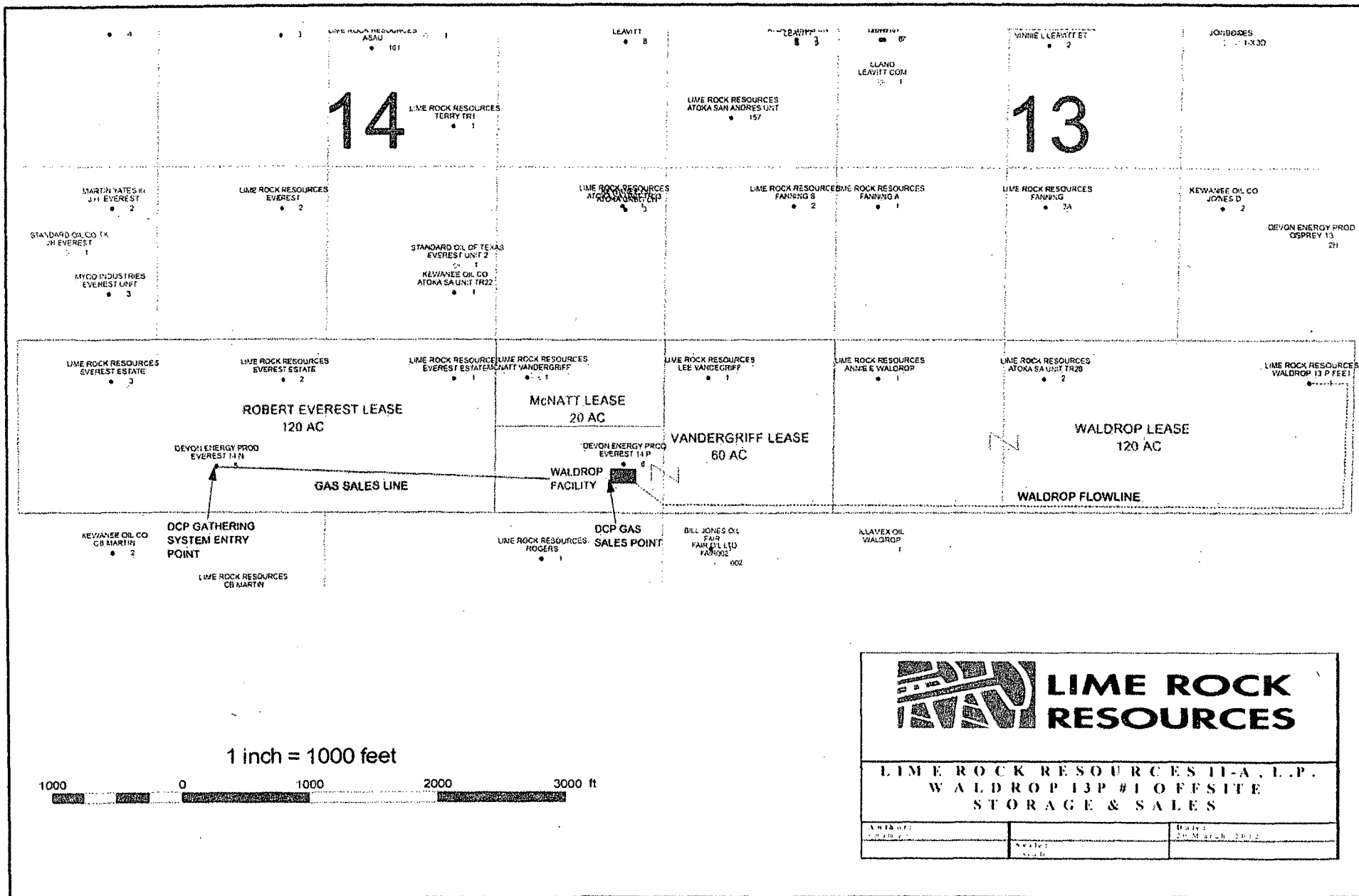
- (1) Is all production from same source of supply? ☒ Yes ☐ No
(2) Include proof of notice to all interest owners. See attached.

(E) ADDITIONAL INFORMATION (for all application types)
Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location. See Attached
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved. See Attached
(3) Lease Names, Lease and Well Numbers, and API Numbers. WALDROP 13 P FEE #1, 30-015-39429

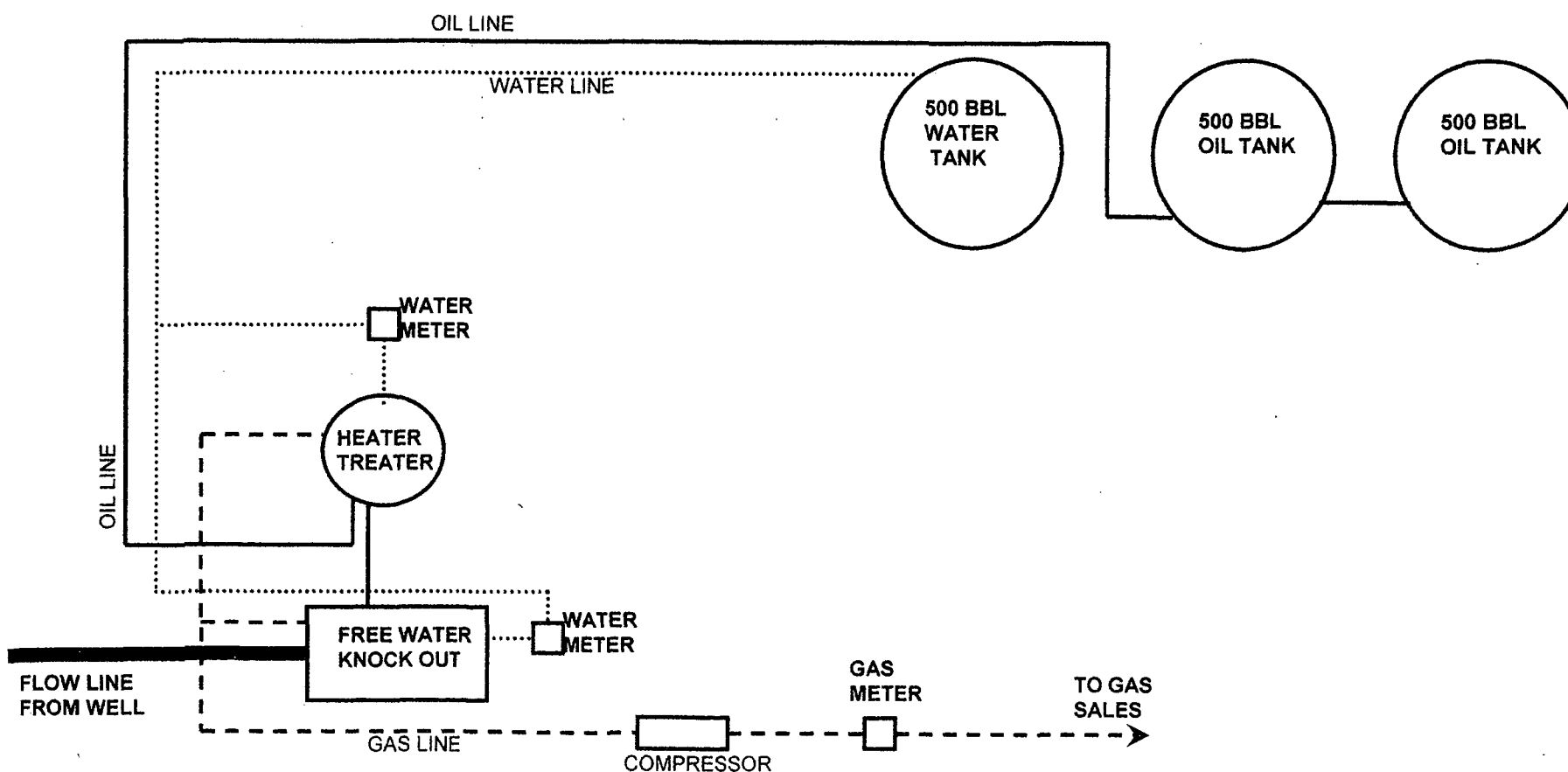
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Mike Pippin TITLE: Petroleum Engineer DATE: April 26, 2012
TYPE OR PRINT NAME Mike Pippin TELEPHONE NO.: 505-347-4573
E-MAIL ADDRESS: mike@pippinllc.com



LIME ROCK RESOURCES II-A, L.P.
WALDROP 13 P FEE #1 – P 13 T18S R26E
OFF LEASE TANK BATTERY
330' FSL & 890' FEL Sec.14 T18W R26E
EDDIE COUNTY, NM

3/18/12 P.M. PIPPIN



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

11885 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, New Mexico 87505

Form C-102

Revised July 16, 2010

Submit to Appropriate

District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-39429	Pool Code 96836	Pool Name Red Lake; Glorieta-Yeso NE
Property Code 38840	Property Name WALDROP 13P FEE	Well Number I
OGRID No. 277558	Operator Name II LIME ROCK RESOURCES A, L.P.	Elevation 3291'

Surface Location

UL or lot No	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	13	18-S	26-E		990'	SOUTH	330'	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.						

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>GEODETIC COORDINATES NAD 27 NME</p> <p>SURFACE LOCATION Y=634071.3' N X=501819.7' E</p> <p>LAT.=32.743156° N LONG.=104.327415° W</p> <p>RECEIVED SEP 21 2011 NMOCD ARTESIA</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>George R. Smith</i> 8/20/11 Signature Date</p> <p>George R. Smith, POA agent Printed Name</p> <p>gr.smith1@hotmail.com E-mail Address</p>
	<p>SURVEYOR CERTIFICATION</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>AUGUST 16, 2011</p> <p>Date of Survey</p> <p>Signature & Seal of Professional Surveyor:</p> <p><i>Ronald J. Eidson</i> 8/31/2011</p> <p>Certificate Number Gary G. Eidson 12641 Ronald J. Eidson 3239</p> <p>CMH JWSC W O 11 11.1622</p>
	<p>Diagram showing well location with dimensions: 330' and 990'.</p>

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

April 26, 2012

RE: C-107B Application for Off Lease Measurement & Storage
WALDROP 13 P FEE #1 – API#: 30-015-39429
990' FSL 330' FEL, "P" Section 13 T18S R26E
Eddy County, New Mexico

VIA CERTIFIED MAIL
To all Interest Owners:

In accordance with the New Mexico Oil Conservation Division Rule 19.15.23.9 governing off lease measurement & storage, you are hereby notified that LIME ROCK RESOURCES II-A, L.P. as operator of the above-referenced well, has submitted an application for off lease measurement and storage.

This oil well will be producing from the Red Lake, Glorieta-Yeso NE pool (96836) from perfs at about 3050'-4226'. Lime Rock believes that operating expenses would be lower, and the well would produce more efficiently with the proposed off lease measurement and storage.

Interested parties must file objections or a request for hearing with the NMOCD, 1220 South St. Frances Drive, Santa Fe, NM 87505 within 20 days.

Should you have any questions or concerns, please contact me at 505-327-4573 and/or the NMOCD at 505-476-3467.

Sincerely,
LIME ROCK RESOURCES II-A, L.P.



Mike Pippin PE
Petroleum Engineer

Enclosures

WORKING INTEREST SUMMARY
For Chaparral 10 #1 SWD
April 26, 2012

Norwood Oil Co.
Attn: Betty7 R. Norwood
503 E. Royall Blvd.
Malakoff, TX 75148

Fidelity Exp & Prod Co.
Attn: Ben Woodruff
1700 Lincoln Street, Suite #2800
Denver, CO 80203-4535

Energen Resources Corp.
Attn: Barbara Roberts
605 Richard Arrington Jr. Blvd N
Birmingham, AL 35203

April 24, 2012

T-18-S, R-26-E, N.M.P.M.
Section 13: S/2 SE/4 & SE/4 SW/4
Eddy County, New Mexico
Containing 120 Acres, more or less

MINERAL OWNERSHIP

Prospect: Waldrop 13 P Fee #1

<u>Name of Mineral Owner</u>	<u>Interest</u>	<u>Net Acres</u>	<u>Leasehold and Expiration Date</u>
<u>The S/2 SE/4 & SE/4 SW/4 – 120 Acres</u>			
Michael Harrison Moore, Trustee of the Michael Harrison Moore 2006 Trust under the Third Amendment and Restatement of the Moore Revocable Trust Agreement dated December 15, 1998 P.O. Box 51570 Midland, Texas 79710-1570	0.15625	18.7500	HBP 1/8 Royalty Ref: 93/514 Ref: 59/491
Richard Lyons Moore, Trustee of the Richard Lyons Moore 2006 Trust under the Third Amendment and Restatement of the Moore Revocable Trust Agreement dated December 15, 1998 1150 North Carroll Avenue Southlake, Texas 76092	0.15625	18.7500	HBP 1/8 Royalty Ref: 93/514 Ref: 59/491
Kathleen Waldrop 1830 Iris Ave Boulder, Colorado 80304	0.07292	8.7504	HBP 1/8 Royalty Ref: 93/514 Ref: 59/491
Andrea Lerfald 2349 Paramount Ct. Louisville, Colorado 80027	0.07292	8.7504	HBP 1/8 Royalty Ref: 93/514 Ref: 59/491
Jo Etta Kruger 2314 Coventry Drive Columbus, Georgia 31940	0.08333	9.9996	HBP 1/8 Royalty Ref: 93/514 Ref: 59/491
Charles B. Read P.O. Box 1822 Roswell, New Mexico	0.06250	7.5000	HBP 1/8 Royalty Ref: 93/514 Ref: 59/491
First Century Oil, Inc. P.O.Box 1822 Roswell, New Mexico	0.12500	15.0000	HBP 1/8 Royalty Ref: 93/514 Ref: 59/491
Lawrence C. Harris P.O. Box 6657 Roswell, New Mexico	0.25000	30.0000	HBP 1/8 Royalty Ref: 93/514 Ref: 59/491

Dorothy Waldrop Evans
3530 Binkley
Dallas, Texas 75205

0.02083

2.4996

HBP
1/8 Royalty
Ref: 93/514
Ref: 59/491

TOTAL**1.00000****120.0000 Acres**

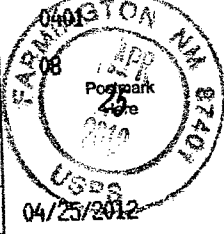
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Restricted Delivery Fee (Endorsement Required)		\$0.00
Total Postage & Fees	\$	\$3.40



Sent To *Dorothy Waldrop Evans*
 Street, Apt. No., or PO Box No. *3530 Binkley*
 City, State, ZIP+4 *Dallas TX 75205*

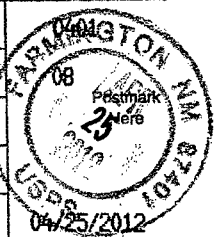
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Total Postage & Fees	\$	\$3.40



Sent To *First Century Oil Inc.*
 Street, Apt. No., or PO Box No. *PO Box 1822*
 City, State, ZIP+4 *Roswell NM 88202-1822*

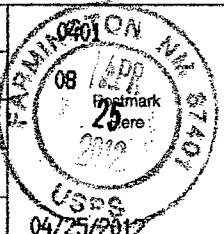
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Restricted Delivery Fee (Endorsement Required)		\$0.00
Total Postage & Fees	\$	\$3.40



Sent To *Lawrence C. Harris*
 Street, Apt. No., or PO Box No. *PO Box 6657*
 City, State, ZIP+4 *Roswell NM 88202-6657*

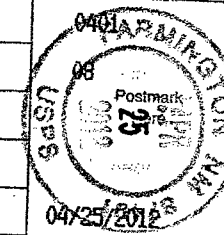
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Total Postage & Fees	\$	\$3.40



Sent To *Charles B. Read*
 Street, Apt. No., or PO Box No. *PO Box 1822*
 City, State, ZIP+4 *Roswell NM 88202-1822*

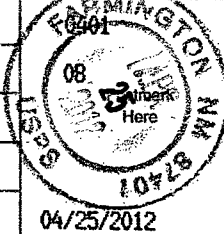
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Sent To *Michael Harrison Moore, Trustee*
 Street, Apt. No., or PO Box No. *PO Box 51570*
 City, State, ZIP+4 *Midland TX 79710-1570*

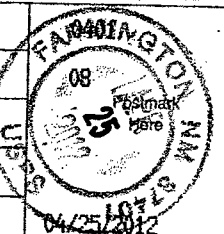
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Restricted Delivery Fee (Endorsement Required)		\$0.00
Total Postage & Fees	\$	\$3.40



Sent To *Kathleen Waldrop*
 Street, Apt. No., or PO Box No. *1830 Iris Ave*
 City, State, ZIP+4 *Boulder CO 80304*

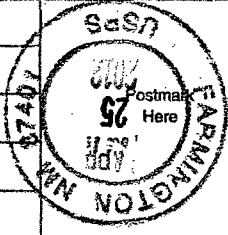
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Restricted Delivery Fee (Endorsement Required)	0
Total Postage & Fees	\$ 3.40

Sent To *Andrea Lenfeld*
 Street, Apt. No., or PO Box No. *2349 Paramount Ct*
 City, State, ZIP+4 *Louisville CO 80027*

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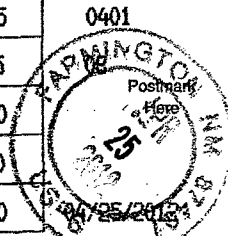


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Return Receipt Fee (Endorsement Required)	\$0.00
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total Postage & Fees	\$ 3.40

Sent To *Joetta Kruger*
 Street, Apt. No., or PO Box No. *2314 Coventry Dr*
 City, State, ZIP+4 *Columbus GA 31904*

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Certified Fee	\$2.95
Return Receipt Fee (Endorsement Required)	\$2.35
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total Postage & Fees	\$ 5.75

Sent To *Richard Lyons Moore, Trustee*
 Street, Apt. No., or PO Box No. *1150 N. Carroll Ave*
 City, State, ZIP+4 *Southlake, TX 76092*

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