

|                    |             |                   |                    |          |                        |
|--------------------|-------------|-------------------|--------------------|----------|------------------------|
| DATE IN 02/25/2013 | SUSPENSE NA | ENGINEER 02/26/13 | LOGGED IN 02/26/13 | TYPE NSL | APP NO. PPRG1305747392 |
|--------------------|-------------|-------------------|--------------------|----------|------------------------|

ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

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



Fed  
Eagle 34 G #67  
Lime Rock Resources

### ADMINISTRATIVE APPLICATION CHECKLIST

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

#### Application Acronyms:

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

No API #  
at the time  
of Log in

#### [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.

David Catanach  
Print or Type Name

David Catanach  
Signature

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

2/25/13  
Date

drcatanach@netscape.com  
E-Mail Address

February 25, 2013

**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 34 G Federal Well No. 67  
API No. (N/A)  
2345' FNL & 1750' FEL (Unit G)  
Section 34, 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 II-A, L.P. ("Lime Rock") respectfully requests administrative approval of an unorthodox oil well location for its proposed Eagle 34 G Federal Well No. 67. This well will be drilled as a development oil well in the Northeast Red Lake Glorieta-Yeso Pool (96836) at an unorthodox well location 2345 feet from the North line and 1750 feet from the East line (Unit G) of Section 34, 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 Northeast Red Lake Glorieta-Yeso Pool comprising the SW/4 NE/4 of Section 34. This unit is currently dedicated to Lime Rock's existing: i) Eagle 34 G Federal Well No. 41 (API No. 30-015-33182) located at a standard well location 2260 feet from the North line and 2270 feet from the East line; and ii) Eagle 34 G Federal No. 54 (API No. 30-015-33261) located at a standard well location 1650 feet from the North and East lines.

The Northeast 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 unorthodox location is necessary due to several surface obstructions within the drill tract, including numerous surface flowlines.

The affected offset acreage is the NW/4 SE/4 of Section 34, Township 17 South, Range 27 East. This affected 40-acre tract is currently developed in the Northeast Red Lake Glorieta-Yeso Pool by several wells operated by Lime Rock. Please be advised that

the working interest ownership between the SW/4 NE/4 and the NW/4 SE/4 is common. Consequently, notice of this application is not required to be provided to any party.

Attached is a Form C-102 showing the proposed well, spacing unit, other existing wells in the spacing unit and the affected offset acreage. Also attached is a vicinity map.

In summary, approval of the application will provide Lime Rock the opportunity to recover additional oil and gas reserves from the Northeast Red Lake Glorieta-Yeso Pool underlying the SW/4 NE/4 of Section 34 that may otherwise not be recovered by the existing wells, 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 II-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<br><b>N/A</b>       | Pool Code<br><b>96836</b>                              | Pool Name<br><b>Northeast Red Lake Glorieta-Yeso</b> |
| Property Code<br><b>308953</b> | Property Name<br><b>Eagle 34 G Federal</b>             | Well Number<br><b>67</b>                             |
| OGRID No.<br><b>277558</b>     | Operator Name<br><b>Lime Rock Resources II-A, L.P.</b> | Elevation<br><b>3569.4</b>                           |

**Surface Location**

| UL or lot no. | Section   | Township        | Range          | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County      |
|---------------|-----------|-----------------|----------------|---------|---------------|------------------|---------------|----------------|-------------|
| <b>G</b>      | <b>34</b> | <b>17 South</b> | <b>27 East</b> |         | <b>2345</b>   | <b>North</b>     | <b>1750</b>   | <b>East</b>    | <b>Eddy</b> |

**Bottom Hole Location If Different From Surface**

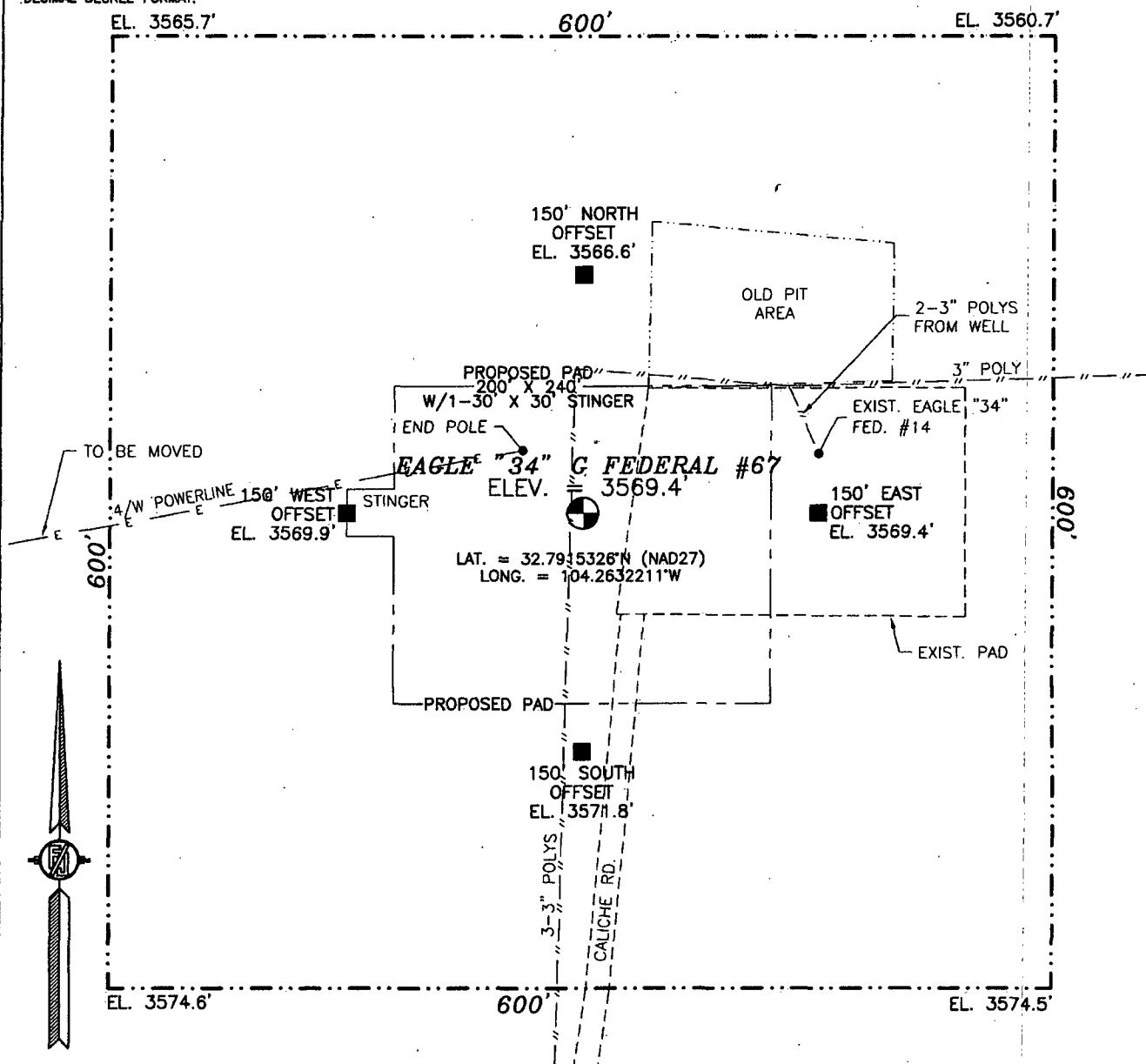
| UL or lot no.                | Section         | Township         | Range     | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|------------------------------|-----------------|------------------|-----------|---------|---------------|------------------|---------------|----------------|--------|
|                              |                 |                  |           |         |               |                  |               |                |        |
| Dedicated Acres<br><b>40</b> | 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

|   |  |  |  |   |  |
|---|--|--|--|---|--|
| <p>Affected Offset Acreage<br/>Operator: Lime Rock<br/>Resources II-A, L.P.<br/>W1 common w/Drill Tract</p> |  |  |  | <p align="center"><b>OPERATOR CERTIFICATION</b></p> <p><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 heretofor entered by the Division.</i></p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p> |  |
|   |  |  |  | <p align="center"><b>SURVEYOR CERTIFICATION</b></p> <p><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></p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor: _____</p> <p>Certificate Number _____</p>   |  |
|   |  |  |  |   |  |

**SECTION 34, TOWNSHIP 17 SOUTH, RANGE 27 EAST, N.M.P.M.  
EDDY COUNTY, STATE OF NEW MEXICO**

NOTE: THE LATITUDE AND LONGITUDE COORDINATES ARE SHOWN  
USING THE NORTH AMERICAN DATUM OF 1927 (NAD27), AND ARE IN  
DECIMAL DEGREE FORMAT.



0 10 50 100 200

SCALE 1" = 100'

**DIRECTIONS TO LOCATION**

FROM CR 225 AND CR 228 GO NORTH ON CR 225 200 FT, TURN  
LEFT ON CALICHE ROAD AND GO NORTHWEST 0.25 MILES, BEND LEFT  
AND GO WEST 0.55 MILES, TURN RIGHT AND GO NORTH 350 FT,  
TURN LEFT AND GO WEST 0.5 MILES, TURN RIGHT AND GO NORTH 0.1  
MILE AND LOCATION IS 74 FT NORTHWEST.

**LIME ROCK RESOURCES II-A, L.P.  
EAGLE "34" G FEDERAL #67  
LOCATED 2345 FT. FROM THE NORTH LINE  
AND 1750 FT. FROM THE EAST LINE OF  
SECTION 34, TOWNSHIP 17 SOUTH,  
RANGE 27 EAST, N.M.P.M.  
EDDY COUNTY, STATE OF NEW MEXICO**

APRIL 30, 2012

**SURVEY NO. 829**

**MADRON SURVEYING, INC.** 301 SOUTH CANAL (575) 234-3341 **CARLSBAD, NEW MEXICO**