

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Tony Delfin
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



August 10, 2016

Surface Commingling Order PLC-451
Administrative Application Reference No. pMAM1606235553

LIME ROCK RESOURCES II-A, L.P.
Attention: Mr. Mike Pippin

Pursuant to your application received on July 20, 2016, Lime Rock Resources II-A, L.P. (OGRID 277558) is hereby authorized to surface commingle oil and gas production from the following pools located in Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico;

RED LAKE; QUEEN-GRAYBURG-SA (51300)
RED LAKE; GLORIETA-YESO (51120)

and from the following diversely owned federal wells and leases in said Section, Township, and Range in Eddy County, New Mexico.

Lease: Federal Lease NMNM-89156
Description: NW/4 SE/4 and SE/4 SW/4 of Section 8, Township 18 South, Range 27 East
Well: Hawk 8 N Federal Well No. 21
Hawk 8 J Federal Well No. 47
Hawk 8 N Federal Well No. 50
Pool: Red Lake; Queen-Grayburg-SA and Red Lake; Glorieta-Yeso

Lease: Federal Lease NMLC-070678-A
Description: NW/4 NW/4 and N/2 SW/4 of Section 8, Township 18 South, Range 27 East
Well: Hawk 8 K Federal Well No. 13
Hawk 8 K Federal Well No. 14
Hawk 8 L Federal Well No. 15
Hawk 8 D Federal Well No. 46
Pool: Red Lake; Queen-Grayburg-SA and Red Lake; Glorieta-Yeso

Lease: Federal Lease NMNM-0758
Description: NE/4 NW/4 of Section 17, Township 18 South, Range 27 East
Well: Hawk 17 C Federal Well No. 2
Pool: Red Lake; Glorieta-Yeso

Commingled oil and gas production from the wells shall be measured and sold at the Hawk 8 K Federal Well No. 4 tank battery, located in Unit K of Section 8, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico.

The oil and gas production from the diversely-owned wells and leases shall be measured using a combination of well testing and allocation meters.

The allocation meters shall be calibrated quarterly in accordance with Division Rule 19.15.12.10.C (2) NMAC.

This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations.

The Applicant had applied for this application as a requirement for approval from the Bureau of Land Management. Further, six of the wells are marginal producers, another well is a proposed well, and the other well is producing approximately 35 BOPD. Lastly, the royalty interest is diverse in all of the wells in this application.

The producer/Operator shall notify the transporter of this commingling authority and the Artesia District Office prior to implementation of commingling operations.

This Order supersedes Administrative Order CTB-439, issued on October 24, 1996.

Done at Santa Fe, New Mexico, on August 10, 2016.



DAVID R. CATANACH
Director

DRC/mam

cc: Oil Conservation Division District Office – Artesia
Bureau of Land Management – Carlsbad