

DATE IN 6/13/08	SUSPENSE	ENGINEER	LOGGED IN 6/18/08	TYPE NSL	APP NO. PKVR0817232790
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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



Time Rock Resources
Williams A Fed #8
Eddy Co.

ADMINISTRATIVE APPLICATION CHECKLIST

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]

NSL-5884

[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 _____

Rec'd
6-18-08

[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

S P X
if ok
at 10:15
6/18/08
Sold

[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.

Print or Type Name	Signature	Title	Date
e-mail Address			

Lime Rock Resources A, L. P.

1111 Bagby Street., Suite 4600
Houston, TX 77002
TEL: (713) 292-9510

RECEIVED
2008 JUN 18 PM 1 49

NMOCD
1220 S. St. Francis Drive
Santa Fe, NM 87504

June 16, 2008

RE: Non Standard Location
Williams A Fed. Lease
NM048344
Sec. 29 T17S R28E
Eddy County, New Mexico

Dear Gentlemen,

Lime Rock Resources has staked the Williams A Federal # 8 well at a location 1090' FSL & 1550' FWL of section 29 T17S R28E unit letter N in Eddy County. This letter is intended to serve as application for administrative approval of this Non Standard Location. Topographic constraints combined with the necessity to drill infill wells to adequately drain a 40 acre proration make this NSL necessary. Approval of this NSL will result in the recovery of reserves that would otherwise be lost.

The following data is submitted for your information:

Exhibit 1	Lease and Well Map
Exhibit 2	Offset Operator Map
Exhibit 3	Proof of Notification
Exhibit 4	APD (page 1)
Exhibit 5	Survey Plat

Sincerely,

Chuck Morgan

Chuck Morgan

9 Section Plan showing wells in area - need
Plat showing Topography
copy of letters sent to Chesapeake & SPX
copy of certified mail Receipt sent to affected owners.

Cmorgan@SDXResources.Com

cc: sbishop@limerockresources.com

OFFSET OPERATORS

Chesapeake Operating, Inc.
PO Box 18496
Oklahoma City, OK 73154-0496

SDX Resources, Inc.
PO Box 5061
Midland, TX 79704

EXHIBIT #3

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMNM-048344
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator Lime Rock Resources A, LLC (255333)		7. If Unit or CA Agreement, Name and No.
3a. Address 1111 Bagby St, Suite 4600 Houston, TX 77002		8. Lease Name and Well No. Williams A Federal #8
3b. Phone No. (include area code) 713-292-9510		9. API Well No.
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 1090' FSL 1550' FWL At proposed prod. zone		10. Field and Pool, or Exploratory Artesia, GL-YE (96830)
14. Distance in miles and direction from nearest town or post office* 10 miles East of Artesia, NM		11. Sec., T. R. M. or Blk. and Survey or Area Sec 29, T17S, R28E, Unit K
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) (230') 1090'	16. No. of acres in lease 200	17. Spacing Unit dedicated to this well 40
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 506'	19. Proposed Depth 3500'	20. BLM/BIA Bond No. on file NMB000499
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3679' GR	22. Approximate date work will start* 07/01/2008	23. Estimated duration 10 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature	Name (Printed/Typed) Chuck Morgan	Date 04/25/2008
Title Agent		
Approved by (Signature)	Name (Printed/Typed)	Date
Title	Office	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

Exhibit 4

C Exhibit #5



AT&T Webmail en Español

Signed in as: [twarnell@att.net](#) | [Sign out](#)[Web](#) | [Yellow Pages](#) | [Maps](#) | [Images](#) | [Products](#) | [Site Search](#) | [More](#)[Switch to Advanced View](#)

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Tuesday, July 15, 2008

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7% of 500 MB

INBOX

Message: 1 of 44 < [Previous](#) | [Next](#) >MAILBOX [twarnell@att.net](#)[INBOX](#)[Drafts](#)[MailGuard](#)[SentMail](#)[Trash](#) emptyMY FOLDERS [add/edit](#)[Family](#)[LWCA](#)[Personal](#)[Rocket French](#)[URL Stuff](#)[» Message Center](#)
[» Folder Manager](#)
[» Mailbox Manager](#)
[» Address Book](#)
[» Calendar](#)
[» Options](#)
[» Help](#)Global News Videos -
Browse, Search, Watch!
Your source forSee Your Credit Score:
\$0
Check Yours ...
Average U.S. Credit
Score: 678Get 2008 Best -
All-Around Family SUV
- [Edmunds.com](#)AT&T Webtunes
Webtunes Basic is
FREE for every AT&T
customer.[Reply](#)[Reply All](#)[Forward](#)[Delete](#)[Close](#)Report
Spam

Print

Move to folder:

INBOX

GO

[Save
Address](#)[Reminder](#)

From: "Warnell, Terry G, EMNRD"
<TerryG.Warnell@state.nm.us>
To: <cmorgan@limerockresources.com>
Cc: <twarnell@att.net>
Subject: FW: Williams A Federal #8
Date: Tuesday, July 15, 2008 10:30:06 AM [\[View Source\]](#)

Hi Chuck,

I'm the OCD Engineer that is handling your NSL request.
Please send me the following information to help expedite.

1. A 9 Section plan showing wells in area
2. Plat showing Topography and well locations
3. ~~Copy of notice letters sent to Chesapeake and SDX~~ *Waiting*
4. Copy of any correspondence received from Chesapeake and SDX
5. Copy of Certified US mail receipts sent to affected owners

Thanks and please give my best to Tim Miller and Stan Bishop

Terry G. Warnell
New Mexico Oil Conservation Division
1220 South St. Francis
Santa Fe, NM 87505
505-476-3466

Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited unless specifically provided under the New Mexico Inspection of Public Records Act. If you are not the intended recipient, please contact the sender and destroy all copies of this message. -- This email has been scanned by the Sybari - Antigen Email System.

> Change your options to hide images within all messages.

Lime Rock Resources A, L. P.

1111 Bagby Street., Suite 4600
Houston, TX 77002
TEL: (713) 292-9510

NMOCD
1220 S. St. Francis Drive
Santa Fe, NM 87504

June 16, 2008

RE: Non Standard Location
Williams A Fed. Lease
NM048344
Sec. 29 T17S R28E
Eddy County, New Mexico

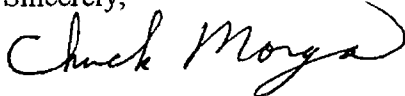
Dear Gentlemen,

Lime Rock Resources has staked the Williams A Federal # 8 well at a location 1090' FSL & 1550' FWL of section 29 T17S R28E unit letter N in Eddy County. This letter is intended to serve as application for administrative approval of this Non Standard Location. Topographic constraints combined with the necessity to drill infill wells to adequately drain a 40 acre proration make this NSL necessary. Approval of this NSL will result in the recovery of reserves that would otherwise be lost.

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Exhibit 3	Proof of Notification
Exhibit 4	APD (page 1)
Exhibit 5	Survey Plat

Sincerely,



Chuck Morgan

Certified Mail Provides:

- A mailing receipt
- A unique identifier for your mailpiece
- A record of delivery kept by the Postal Service for two years

Important Reminders:

- Certified Mail may ONLY be combined with First-Class Mail® or Priority Mail®.
- Certified Mail is *not* available for any class of international mail.
- **NO INSURANCE COVERAGE IS PROVIDED** with Certified Mail. For valuables, please consider Insured or Registered Mail.
- For an additional fee, a *Return Receipt* may be requested to provide proof of delivery. To obtain Return Receipt service, please complete and attach a Return Receipt (PS Form 3811) to the article and add applicable postage to cover the fee. Endorse mailpiece "Return Receipt Requested". To receive a fee waiver for a duplicate return receipt, a USPS® postmark on your Certified Mail receipt is required.
- For an additional fee, delivery may be restricted to the addressee or addressee's authorized agent. Advise the clerk or mark the mailpiece with the endorsement "Restricted Delivery".
- If a postmark on the Certified Mail receipt is desired, please present the article at the post office for postmarking. If a postmark on the Certified Mail receipt is not needed, detach and affix label with postage and mail.

IMPORTANT: Save this receipt and present it when making an inquiry.
Internet access to delivery information is not available on mail addressed to APOs and FPOs.

PS Form 3811, February 2004

COMPLETE THIS SECTION

1. Article Addressed to:
Chesapeake DP
PO Box 18496
OKC, OK 73154

COMPLETE THIS SECTION ON DELIVERY

A. Signature *[Signature]* ☐ Agent ☐ Addressee

B. Received by (Printed Name) *[Signature]* ☐ Date of Delivery

C. Is delivery address different from item 1? ☐ Yes ☐ No

D. If YES, enter delivery address below:

3. Service Type ☐ Express Mail ☐ Return Receipt for Merchandise
☒ Certified Mail ☐ Registered ☐ C.O.D.
☐ Insured Mail ☐ Yes

4. Restricted Delivery? (Extra Fee) ☐ Yes ☐ No

102595-02-M-1540

Wm Q #8

Domestic Return Receipt

2. Article Number (Transfer from service label)

PS Form 3811, February 2004

7002 3150 0005 0542 1784

UNITED STATES POSTAL SERVICE



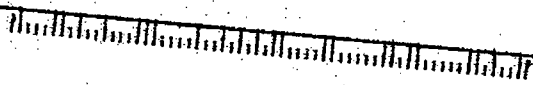
First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

• Sender: Please print your name, address, and ZIP+4 in this box •

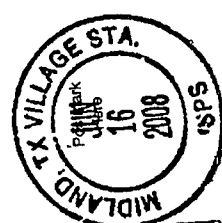
REC'D JUN 23 2008

SDX Resources, Inc.
PO Box 5061
Midland, TX 79704

BA



Service™
ED MAIL™ RECEIPT
Only; No Insurance Coverage Provided
Information visit our website at www.usps.com®
OFFICIAL USE



Postage	\$ 1.00
Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	2.20
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.90

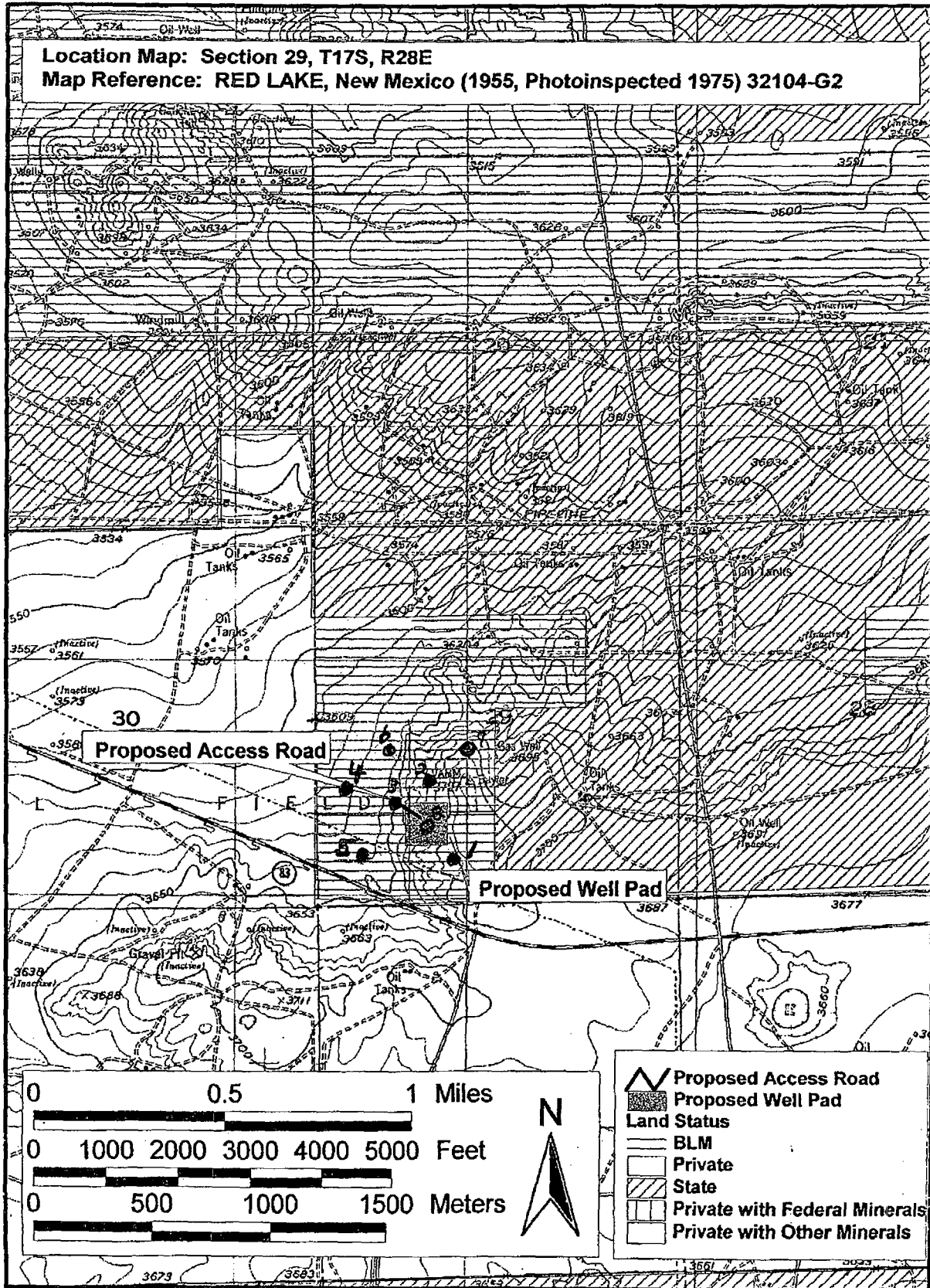
50 5000 05TE 2002

Sent To: Chaparral, Op
Street, Apt. No.: PO Box 18496
or PO Box No.:
City, State, ZIP+4: OK, OK 73154
See Reverse for Instructions

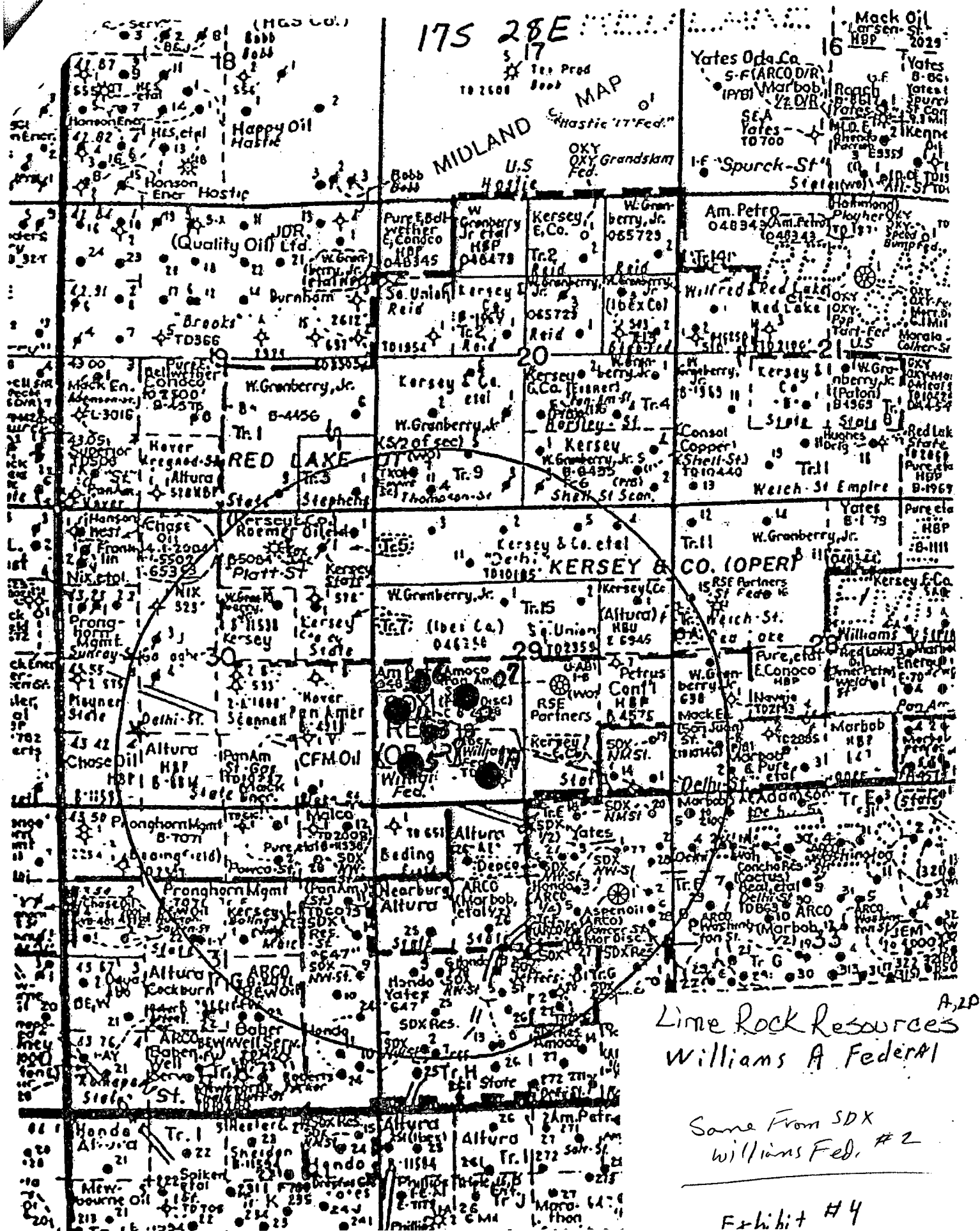
Survey for SDX Resources, Inc.'s Proposed Access Road and Well Pad to Serve the Williams A Federal No. 8 Well

Location Map: Section 29, T17S, R28E

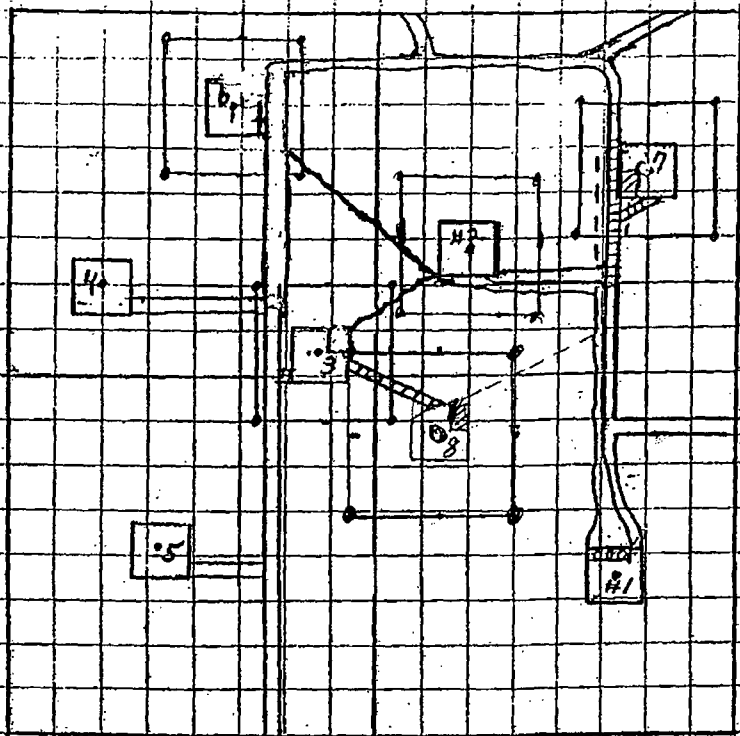
Map Reference: RED LAKE, New Mexico (1955, Photoinspected 1975) 32104-G2



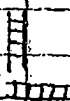
BAS 04-08-64



Lime Rock Resources A, L.P.
 Williams A Federal #8
 Lease SW/4
 Sec. 29 T17S R28E



1" = 660'



proposed road



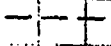
existing road



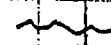
proposed location
pit area



500' archaeological
survey area



Proposed flow line



existing flow line

Exhibit #3A