

DATE IN 8/4/9	SUSPENSE	ENGINEER Jones	LOGGED IN 8/4/9	TYPE DHC	APP NO. 0921649414
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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



Williams A. Fed #4
 30-015-33130

Lime Rock Resources

ADMINISTRATIVE APPLICATION CHECKLIST

(255333)

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
 Print or Type Name

Mike Pippin
 Signature

Petroleum Engineer
 Title

August 3, 2009
 Date

mike@pippinllc.com
 e-mail Address

2009 AUG -4 A 11:12
 RECEIVED OCD

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

August 3, 2009

NMOCD
c/o Will Jones
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: C-107A TO COMMINGLE TWO POOLS
Williams A Federal #4 – API#: 30-015-33130
Unit Letter "L" Section 29 T17S R28E
Eddy County, New Mexico

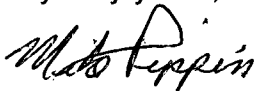
Dear Mr. Jones:

The referenced oil well has produced since July 2004 from the Artesia, Glorieta-Yeso (86830). Lime Rock would like to open an upper pool, the Red Lake, Queen-Grayburg-San Andres (51800) and commingle the two pools. A sundry notice has been submitted to open the upper interval.

Lime Rock is requesting approval to commingle the two pools upon completion of rig operations. The allocation will be calculated by subtracting the total well production after two months of commingled production from the current production of 6 BOPD and 17 MCF/D. We plan to submit these calculations and the resulting allocation to the district office after the well has been on line for about 2 months. Since this is a Federal lease, notice has been filed concurrently on form 3160-5 with the BLM.

Please contact me at 505-327-4573 should you have any questions.

Very truly yours,



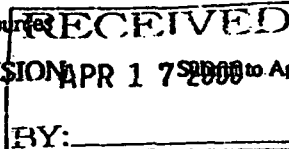
Mike Pippin

Petroleum Engineer

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Grande Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505



Form C-102
Revised March 17, 1999

to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

BY: _____

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name	
		51300	Red Lake QN-GB-SA	
Property Code	Property Name			Well Number
	WILLIAMS FEDERAL			4
GRID No.	Operator Name			Elevation
020451	SDX RESOURCES, INC.			3623.

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	29	17-S	28-E		1650	SOUTH	330	WEST	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		Joint or Infill		Consolidation Code		Order No.			
40									

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 hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
					Signature <i>Bonnie Atwater</i> Printed Name Bonnie Atwater Title Regulatory Tech Date 4/28/00	
					SURVEYOR CERTIFICATION 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.	
					MARCH 20, 2000 Date of Survey Signature <i>[Signature]</i> 	

Original on file
Exhibit #2

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 October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-33130	² Pool Code 96830	³ Pool Name Artesia, Glorieta-Yeso
⁴ Property Code	⁵ Property Name WILLIAMS A FEDERAL	⁶ Well Number 4
⁷ OGRID No. 255333	⁸ Operator Name LIME ROCK RESOURCES A, L.P.	⁹ Elevation 3623' GL

¹⁰ Surface Location

UL or lot no. L	Section 29	Township 17-S	Range 28-E	Lot Idn	Feet from the 1650	North/South line SOUTH	Feet from the 330'	East/West line WEST	County EDDY
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¹¹ 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
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¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.

				¹⁷ 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 bottom hole 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 <u>Mike Pippin</u> Date <u>7/22/09</u> Printed Name <u>Mike Pippin</u>
				¹⁸ 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> 3/20/00 Date of Survey Signature and Seal of Professional Surveyor: Dan R. Reddy 5412 Certificate Number

Rate/Time Graph

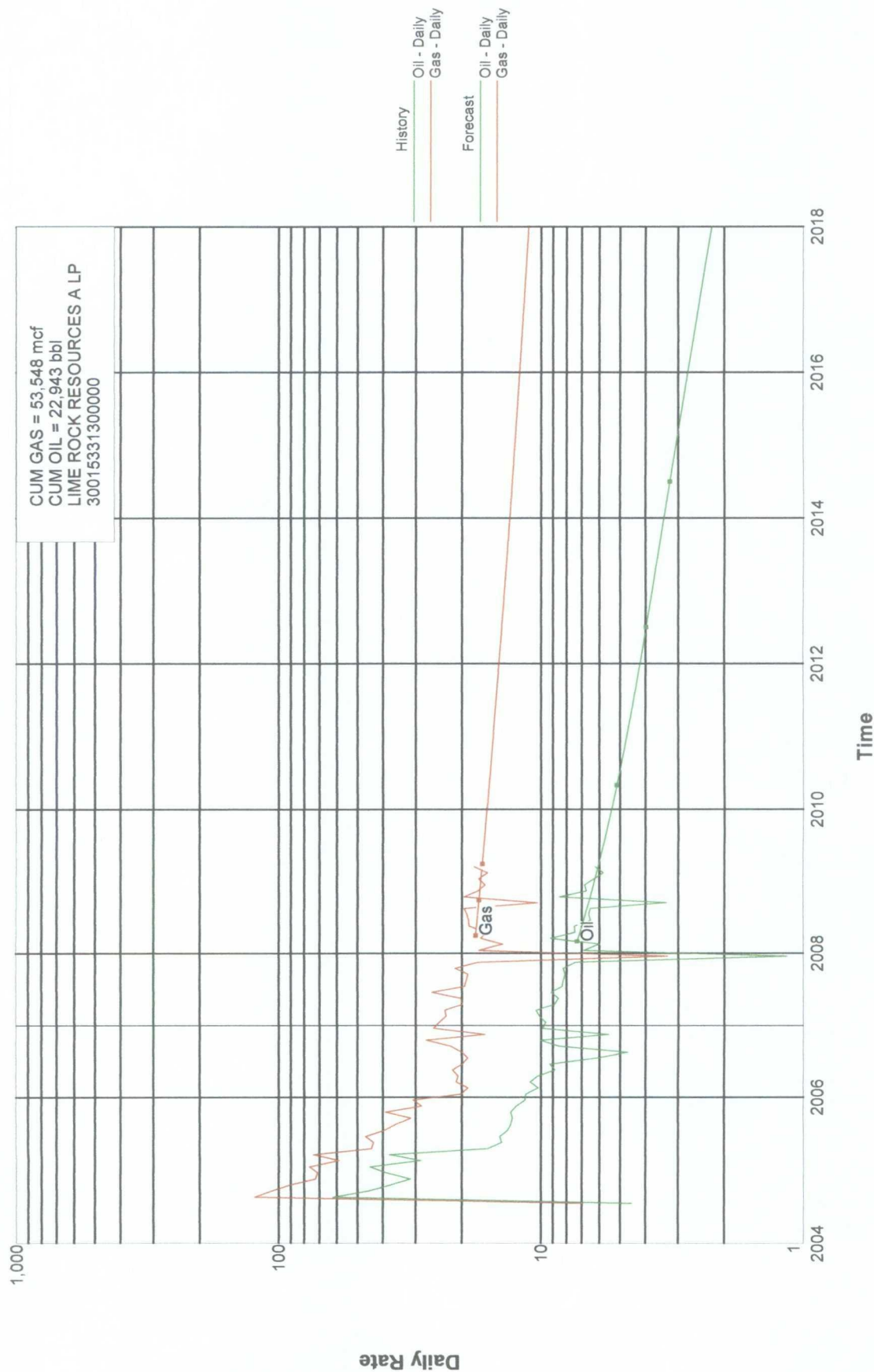
Project: c:\program files\lms energy\power\tools v9.0\projects\biya2\project1.mdb

Date: 7/24/2009
Time: 11:33 AM

Lease Name: WILLIAMS A FEDERAL (4T)
County, ST: EDDY, NM
Location: S17 E28 29 SW NW SW

Operator: LIME ROCK RESOURCES A LP
Field Name: ARTESIA

WILLIAMS A FEDERAL - 4T GLORIETA YESO S17 E28 29 SW NW SW 07/2004



WILLIAMS A FEDERAL #4

Current

ARTESIA; Glorieta-Yeso
RED LAKE; Queen-Grayburg-San Andres

(L) Section 29, T-17-S, R-28-E, Eddy County, NM

Today's Date: 8/2/09
Spud: 6/14/04
Completed: 8/1/04
Elevation: 3623' GL

API#: 30-015-33130

Queen @ 1104'

Grayburg @ 1512'

San Andres @ 1820'

Glorieta @ 3200'

Yeso @ 3288'

12-1/4" hole

8-5/8" 24# J-55 Csg @ 463'
Cmt w/375 sxs (Circulated cement)

2-7/8" tubing @ 3483'

RED LAKE; Queen-Grayburg-San Andres
Proposed Perfs: ~2740'-2950'

ARTESIA; Glorieta-Yeso
Existing Perfs: 3328'-3482'

PBTD 3538'

7-7/8" hole

TD 3570'

5-1/2" 14# J-55 Csg @ 3567'
Cmt with 800 sx, Circ Cmt

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

5. Lease Serial No.

NMNM-048344

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

WILLIAMS A FEDERAL #4

3

30-015-33130

10. Field and Pool, or Exploratory Area

Artesia, Glorieta-Yeso (96830)

Red Lake, Queen-Grayburg-San Andres (51300)

Eddy County, New Mexico

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

LIME ROCK RESOURCES A, L.P.

3a. Address c/o Mike Pippin LLC

3104 N. Sullivan, Farmington, NM 87401

3b. Phone No. (include area code)

505-327-4573

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1650' FSL & 330' FWL Unit L

Sec. 29, T17S, R28E

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input checked="" type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other Re-complete to San Andres
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Lime Rock plans to recomplete to the San Andres in this Yeso oil well as follows: TOH w/rods, pump, & tbg. Set 5-1/2" RBP @ 3280'. PT 5-1/2" csg to 500-1000 psi. Perf San Andres @ about 2740'-2950'. Breakdown the new San Andres perfs w/about 4000 gal 15% NEFE acid & frac w/ about 120,000# 16/30 & 50,000# 12/20 sand in 25# X-linked gel. The well will be placed on pump.

The existing Yeso perfs are @ 3328'-3482'.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Mike Pippin

Title

Petroleum Engineer (Agent)

Signature

Mike Pippin

Date

July 22, 2009

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice 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.

Office

Title 18 U.S.C. Section 1001, makes 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 reverse)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

5. Lease Serial No.
NMNM-048344
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
WILLIAMS A FEDERAL #4
9. API Well No.
30-015-33130
10. Field and Pool, or Exploratory Area
Artesia, Glorieta-Yeso
Red Lake, Queen-Grayburg-San Andres
AND
Eddy County, New Mexico

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other
2. Name of Operator
LIME ROCK RESOURCES A, L.P.
3a. Address
3104 N. Sullivan, Farmington, NM 87401
3b. Phone No. (include area code)
505-327-4573
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1650' FSL & 330' FWL Unit L
Sec. 29, T17S, R28E

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other DHC APPLICATION
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal


13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

LIME ROCK requests administrative approval to downhole commingle the existing Artesia, Glorieta-Yeso (96830) and the Red Lake, Queen-Grayburg-San Andres (51300).

Both intervals have common ownership & we have not experienced any significant cross flows, & all the fluids are compatible. Downhole commingling will improve recovery of liquids & gas, eliminate redundant surface equipment, & maximize productivity. Notice has been filed concurrently on form C-107A with the State.

A sundry notice has been submitted to open the upper interval. Lime Rock is requesting approval to commingle the two pools upon completion of rig operations. The production allocation will be calculated by subtracting the total well production after two months of commingled production from the current (Yeso) production of 6 BOPD and 17 MCF/D. We plan to submit these calculations and the resulting allocation to your office after the well has been on line for about 2 months.

Permit

Name (Printed/Typed)	Title
Mike Pippin	Petr. Engr. (Agent)
Signature	Date
	August 1, 2009

THIS SPACE FOR FEDERAL OR STATE USE

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice 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.	Office	

Title 18 U.S.C. Section 1001, makes 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.