

DATE IN 4/14/10	SUSPENSE	ENGINEER WVS	LOGGED IN 4/15	TYPE DHC	APP NO. PWVS 1010548008
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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



*Line Rock Resource  
 N Bluff St Corn #2*

4271

NO BLUFF STATE COM #5 30-015-34029

**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]**

RECEIVED OGD  
 APR 14 A 11:19

**[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

April 12, 2010  
 Date

mike@pippinllc.com  
 e-mail Address

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

April 12, 2010

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

**RE: C-107A TO COMMINGLE TWO POOLS**

No Bluff State Com #5 – API#: 30-015-34029  
Unit Letter "E" Section 36 T17S R27E  
Eddy County, New Mexico

Dear Mr. Jones:

The referenced oil well has produced since 5/21/05 from the Red Lake, Glorieta-Yeso NE (96836). Lime Rock would like to open an upper pool, the Red Lake, Queen-Grayburg-San Andres (51300) and commingle the two pools. A sundry notice has been submitted to open the upper interval.

It recently came to Lime Rock's attention that the previous operator, SDX, of this (Glorieta-Yeso) oil well had perfed 10' above the top of the Glorieta, which is at 3003'. The existing perfs are at 2993'-3414'. Lime Rock immediately started this commingle application to correct this error. Lime Rock became the operator of this well on 8/15/08. See the attached cross-section indicating the top of the Glorieta. The ownerships are identical in both pools.

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 about two months of commingled production from the current production of 2.4 BOPD, 59 MCF/D. We plan to submit these calculations and the resulting pool allocations to the district office after the well has been on line for about 2 months.

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

Very truly yours,



Mike Pippin

Petroleum Engineer

District I  
1623 N. French Drive, Hobbs, NM 88240

District II  
1361 W. Grand Avenue, Artesia, NM 87410

District III  
1060 Rio Benzo 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

**Oil Conservation Division**

1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

Form C-107A  
Revised June 10, 2003

APPLICATION TYPE

☒ Single Well

☐ Establish Pre-Approved Pools

EXISTING WELLBORE

☒ Yes ☐ No

**APPLICATION FOR DOWNHOLE COMMINGLING**

**LIME ROCK RESOURCES A, L.P.** c/o Mike Pippin LLC (agent), 3104 N. Sullivan, Farmington, NM 87401  
Operator Address

**NO BLUFF STATE COM #5** E SEC. 36 T17S R27E Eddy  
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 255333 Property Code 306149 API No. 30-015-34029 Lease Type: ☐ Federal ☒ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	<b>RED LAKE; Queen-Grayburg-San Andres</b>		<b>RED LAKE: Glorieta-Yeso NE</b>
Pool Code	51300		96836
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	~1970'-3002'		3003'-3414'
Method of Production (Flowing or Artificial Lift)	Pumping		Pumping
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	741 PSI		851 PSI
Oil Gravity or Gas BTU (Degree API or Gas BTU)	34.8		38.32
Producing, Shut-In or New Zone	New Zone		Producing
Date and Oil/Gas/Water Rates of Last Production (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: RATES:	Date: Rates:	Date: March 2010 Rates: 2.4 BOPD 59 MCF/D
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas	Oil Gas % %	Oil Gas

**ADDITIONAL DATA**

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes ☒ No ☐  
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes ☐ No ☐

Are all produced fluids from all commingled zones compatible with each other? Yes ☒ No ☐

Will commingling decrease the value of production? Yes ☐ No ☒

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes ☒ No ☐

NMOCD Reference Case No. applicable to this well: \_\_\_\_\_

**Attachments:**

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

**PRE-APPROVED POOLS**

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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 - Agent DATE April 12, 2010

TYPE OR PRINT NAME Mike Pippin TELEPHONE NO. ( 505 ) 327-4573

E-MAIL ADDRESS mike@pippinllc.com

# NO BLUFF STATE COM #5

Current

RED LAKE; Glorieta-Yeso NE  
RED LAKE; Queen-Grayburg-San Andres  
(E) Section 36, T-17-S, R-27-E, Eddy County, NM

Today's Date: 4/12/10  
Spud: 4/19/05  
Completed: 5/21/05  
Elevation: 3577' GL

API#: 30-015-34029

Queen @ 899'

Grayburg @ 1324'

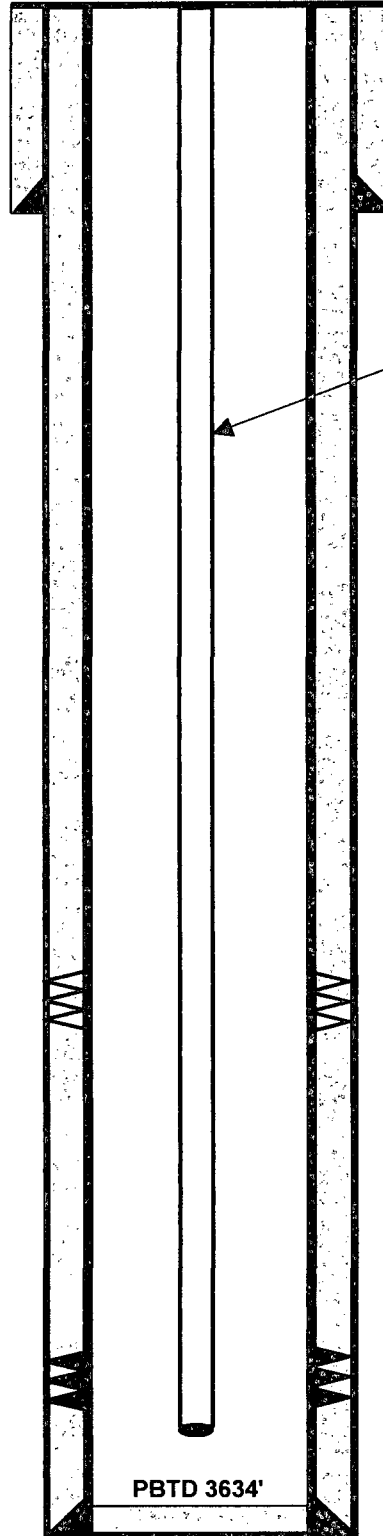
San Andres @ 1668'

Glorieta @ 3003'

Yeso @ 3100'

12-1/4" hole

7-7/8" hole



8-5/8" 32# Csg @ 400'  
Cmt w/255 sxs  
Circ Cmt to Surface

2-7/8" tubing @ 3404'

RED LAKE; Queen-Grayburg-San Andres  
Proposed Perfs: ~1970'-2915'

RED LAKE; Glorieta-Yeso  
Existing Perfs: 2993'-3414'

5-1/2" 15.5# Csg @ 3700'  
Cmt with 810 sx  
Circ Cmt to Surface

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., 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 and Natural Resources  
Oil Conservation Division  
1220 S. St Francis Dr.  
Santa Fe, NM 87505


Form C-102  
Permit 8508

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number 30-015-34029	Pool Name RED LAKE, GLORIETA YESO, NORTHEAST	Pool Code 96836
Property Code 25212	Property Name NO BLUFF STATE COM	Well No. 005
OGRID No. 148111	Operator Name SOUTHWESTERN ENERGY PRODUCTION COMPANY	Elevation 3577

**Surface And Bottom Hole Location**

UL or Lot E	Section 36	Township 17S	Range 27E	Lot Idn E	Feet From 2000	N/S Line N	Feet From 990	E/W Line W	County Eddy
Dedicated Acres 40		Joint or Infill		Consolidation Code		Order No.			

**OPERATOR CERTIFICATION**

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

Electronically Signed By: Terry Jasso

Title: Engineer Tech

Date: 03/23/2005

**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.*

Surveyed By: Gary Eidson

Date of Survey: 03/12/2005

Certificate Number: 12641

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**

<sup>1</sup> API Number 30-015-34029	<sup>2</sup> Pool Code 51300	<sup>3</sup> Pool Name Red Lake, Queen, Grayburg, San Andres
<sup>4</sup> Property Code 306149	<sup>5</sup> Property Name <b>NO BLUFF STATE COM</b>	<sup>6</sup> Well Number <b>5</b>
<sup>7</sup> OGRID No. 255333	<sup>8</sup> Operator Name <b>LIME ROCK RESOURCES A, L.P.</b>	<sup>9</sup> Elevation 3577' GL

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	36	17-S	27-E		2000'	NORTH	990'	WEST	EDDY

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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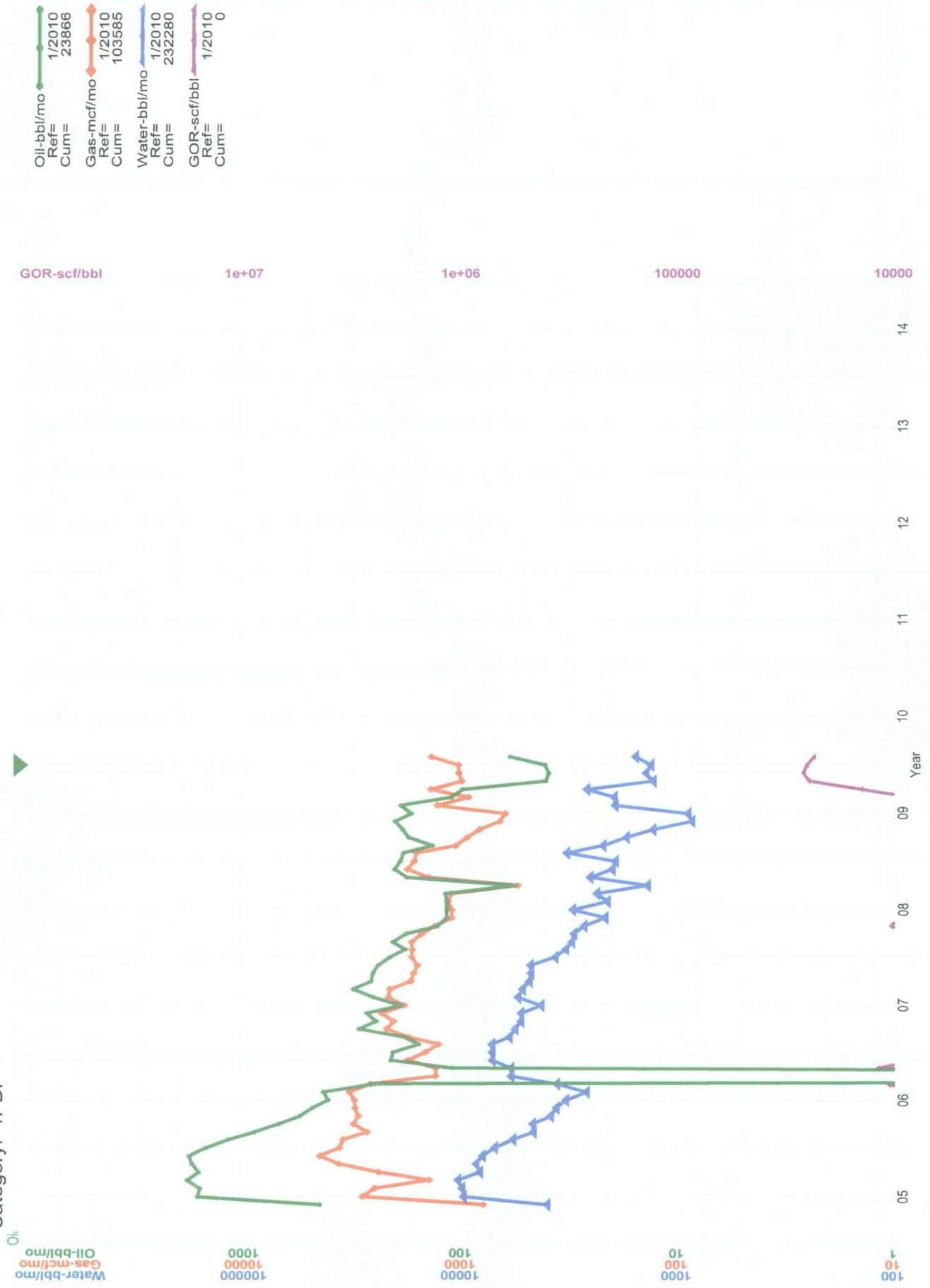
No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<div style="text-align: center;">2000'</div> <div style="text-align: center;">990' O</div> <div style="text-align: center;">36</div>	<p><b><sup>17</sup> 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 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></p> <p>Signature: <u>Mike Pippin</u> Date: <u>4/7/10</u></p> <p>Mike Pippin Printed Name</p>	
	<p><b><sup>18</sup> 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>3/12/05</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor: Gary Eidson</p>	
	<p>12641</p> <p>Certificate Number</p>	

# NO BLUFF STATE COM 0005

## RED LAKE - CHALK BLUFF FIELD

Category: 1PDP





# NO BLUFF STATE COM 5

30015337930000

702 ft

SOUTHWESTERN ENRG PR  
NO BLUFF STATE COM 4  
NW SW NW 1766 FNL 330 FWL  
TWP: 17 S - Range: 27 E - Sec. 36  
Comp Date=2/24/2005  
Datum=3590  
Reference=KB

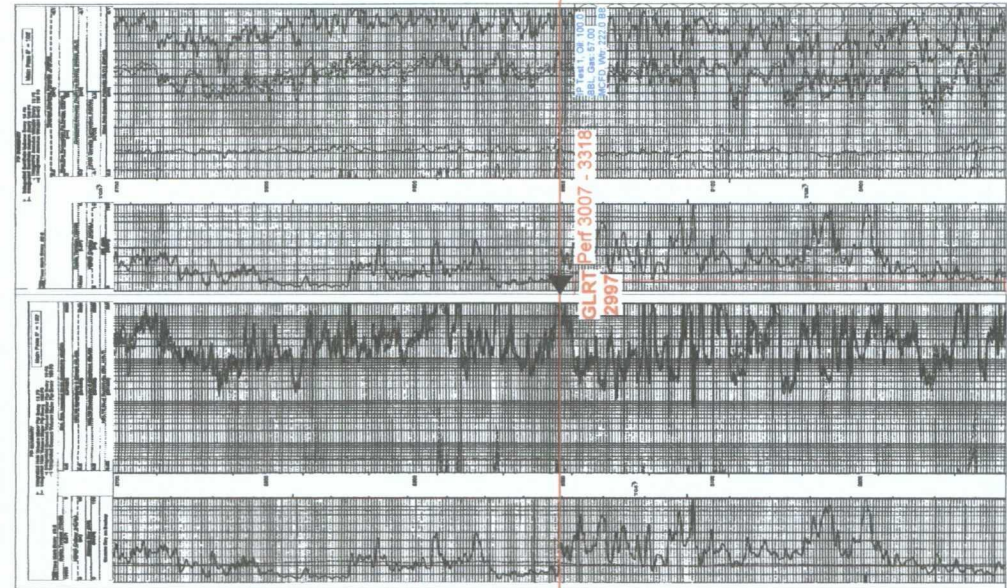
30015340290000

677 ft

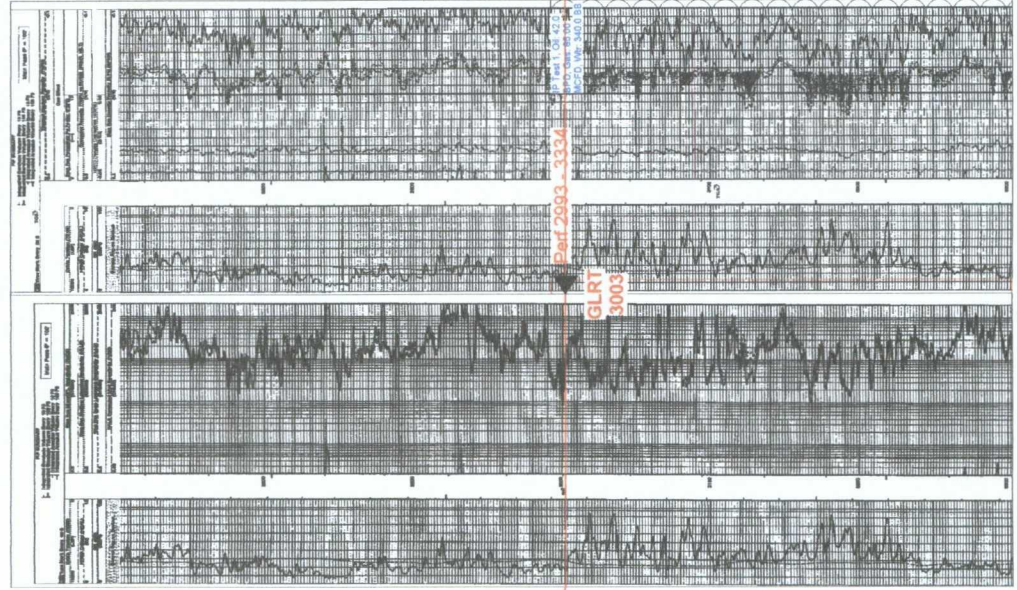
SOUTHWESTERN ENRG PR  
NO BLUFF STATE COM 5  
SE SW NW 2000 FNL 900 FWL  
TWP: 17 S - Range: 27 E - Sec. 36  
Comp Date=6/24/2005  
Datum=3588  
Reference=KB

30015337920000

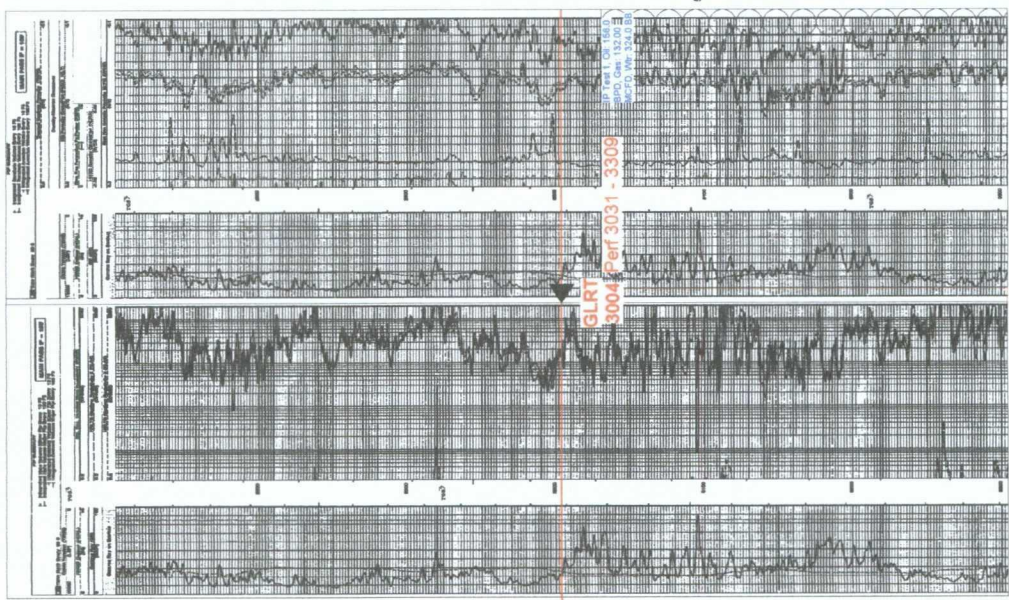
SOUTHWESTERN ENRG PR  
NO BLUFF STATE COM 3  
SW SW NW 2264 FNL 366 FWL  
TWP: 17 S - Range: 27 E - Sec. 36  
Comp Date=2/20/2005  
Datum=3595  
Reference=GR



TD=3660



TD=3709



TD=3890



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

April 12, 2010

New Mexico Commissioner of Public Lands  
c/o Jeff Albers  
310 Old Santa Fe Trail  
PO Box 1148  
Santa Fe, NM 87504-1148

**RE: Notification of Downhole Commingling**  
NO BLUFF STATE COM #5 – API#: 30-015-34029  
Unit Letter "E" Section 36 T17S R27E  
Eddy County, New Mexico

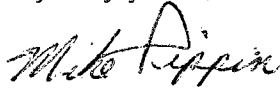
Dear Mr. Albers:

Lime Rock Resources would like to commingle the existing Red Lake, Glorieta-Yeso interval with the proposed Red Lake, Queen-Grayburg-San Andres interval in the referenced well. The designated acreage for the proposed commingle will be the southwest quarter of the northwest quarter of section 36. The referenced well is communitized.

This letter is to notify you that we have submitted the necessary application and supporting data to the New Mexico Oil Conservation Division.

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

Very truly yours,

A handwritten signature in cursive script that reads "Mike Pippin".

Mike Pippin  
Petroleum Engineer

Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., 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 and Natural Resources

Form C-103

June 19, 2008

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO. 30-015-34029
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name <b>NO BLUFF STATE COM</b>
8. Well Number #5
9. OGRID Number 255333
10. Pool name or Wildcat Red Lake, Glorieta-Yeso NE (96836) Red Lake, Queen, Grayburg, San Andres (53100)
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3577' GL

SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A  
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH  
PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other

2. Name of Operator  
**LIME ROCK RESOURCES A, L.P.**

3. Address of Operator  
c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401

4. Well Location  
Unit Letter E : 2000 feet from the NORTH line and 990 feet from the WEST line  
Section 36 Township 17-S Range 27-E NMPM Eddy County

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐  
DOWNHOLE COMMINGLE ☒

OTHER: Recomplete to San Andres & Commingle w/Yeso ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

It recently came to Lime Rock's attention that the previous operator, SDX, of this (Glorieta-Yeso) oil well had perfed above the top of the Glorieta, which is at 3003'. The existing perfs are at 2993'-3414'. Lime Rock immediately started a commingle application to correct this error. The ownerships are identical in both pools.

In addition, Lime Rock would like to recomplete to the San Andres & commingle with the existing Yeso as follows:  
MIRUSU. TOH w/pump, rods, & tbg. Set 5-1/2" CBP @ about 2975' to cover existing Yeso perfs (2993'-3514'). PT 5-1/2" csg to 4500 psi. Perf lower SA @ about 2465'-2915'. Breakdown new perfs w/ about 5000 gal 15% NEFE acid & frac w/ about 125,000# 16/30 & 50,000# 12/20 sand in 25# X-linked gel. Set 5-1/2" CBP @ about 2450'. PT 5-1/2" csg to 4500 psi. Perf middle SA @ about 1970'-2425'. Breakdown new perfs w/ about 5000 gal 15% NEFE acid & frac w/ about 115,000# 16/30 & 50,000# 12/20 sand in 25# X-linked gel. CO after frac & drill out CBPs @ 2450' & 2975' & CO to about 3634'. Land tbg @ about 3550'. Run pump & rods & complete as a commingled Yeso - San Andres oil well. Lime Rock has submitted a C-107A commingle application to Santa Fe.

Spud Date: 4/18/05 Drilling Rig Release Date: 4/28/05

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 - Agent DATE 4/12/10

Type or print name Mike Pippin E-mail address: mike@pippinllc.com PHONE: 505-327-4573

**For State Use Only**

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval (if any):