

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



April 4, 2014

Randall Cate
RSC Resources, L.P
6824 Island Circle
Midland, Texas 79707

Re: Request for extension to Finish the Recompletion Operations of RSC Resources, L.P Ann Com. Well No. 1 (API No. 30-015-23036), Pursuant to Division Order No. R-13743

Dear Mr. Cate:

The Oil Conservation Division (OCD) received your letter dated March 25, 2014, regarding the referenced subject. You had previously requested and received an extension of time to April 1, 2014, to comply with Ordering Paragraph (5) of Order No. R-13743, which requires that the well be drilled and completed within 120 days of commencement.

It is our understanding that RSC Resources, L.P. must build production facilities, must have pipeline tie-in, and fracture stimulate zones in order to effect optimum completion. The OCD has reviewed your request and hereby extends the date to complete the recompletion operations to September 1, 2014.

If you have any question, please contact Richard Ezeanyim at (505)-476-3467

Sincerely;

Jami Bailey
Director

JB/re

Cc: Oil Conservation Division District II – Artesia

RSC Resources, L.P.
6824 Island Cir.
Midland, Tx 79707

Guardian Operating Corp.
Guardian_op@yahoo.com
432-553-1849

March 25, 2014

New Mexico Oil Conservation Division
Attn: Examiner Richard I. Ezeanyim
1220 South St. Francis Dr.
Santa Fe, NM 87505

**RE: Request for Extended Time to Finish Completing the well
under NMOCD Pooling Order No. 13743
Ann Com No.1
1655' FNL & 1980' FEL
Sec 15-24S-28E: N2 Spacing Unit
Eddy County, NM**

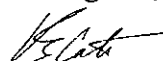
Gentlemen,

On September 6, 2013, the NMOCD entered Order No. R-13743 pooling the uncommitted interests on the above referenced well. RSC Resources, L.P. had requested and received an extension of time to April 1, 2014 to comply with paragraph (5), which requires the well be drilled *and completed* within 120 days of commencement. RSC requests a final extension to September 1, 2014 to finish completion operations due to further delays on tie-in to gas pipeline.

The Ann Com No. 1 was successfully re-entered and the Wolfcamp perforated and acidized. The well flowed gas and has been shut in waiting on gas pipeline tie-in since 7/27/2013. In order to effect an optimum completion and not waste gas, Guardian Operating still plans to fracture stimulate the existing perforated zone, perforate and fracture stimulate another Wolfcamp interval, and build production facilities. The well must have a pipeline tie-in before proceeding with the rest of the completion in order to sell gas during stimulation flow-back. Guardian believes it should have the tie-in by July 1, 2014 and can finish completion operations by September 1, 2014. At that time Guardian would submit the itemized schedule of actual costs as required by paragraph (9) of the Order.

Please contact the undersigned with any questions.

Best Regards,



Randall Cate
President

Cc: Mr. James Bruce