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State of New Mexico
Energy, Minerals and Natural Resource Department
Oil Conservation Division
Attn: Phillip Goetze
1220 St. Francis Drive
Santa Fe, New Mexico 87505

SUBJECT: Rock Queen Unit
CO2 Tertiary Recovery Project Update
Hearing Order R-1541-C, Case 14942
Chaves & Lea Counties, New Mexico

Dear Mr. Goetze:

Legacy Reserves Operating, as Unit Operator of the Rock Queen Unit, hereby submits the following CO2 tertiary recovery project update.

Since CO2 injection was initiated in February 2011, oil production has increased from 130 BOPD to 560 BOPD as of the end of May 2014. This rate is continuing to increase as the producers offsetting the 24 CO2 injection wells continue to respond and the tertiary recovery process matures. The observed response and performance to date are close to modeled expectations and this remains a viable and economic tertiary project.

Attached are several exhibits that summarize the status of this project. If you have any questions or need any additional information please contact Shawn Young at 281-465-8387 or syoung@legacylp.com.

Sincerely,

Shawn D. Young
Engineering Manager

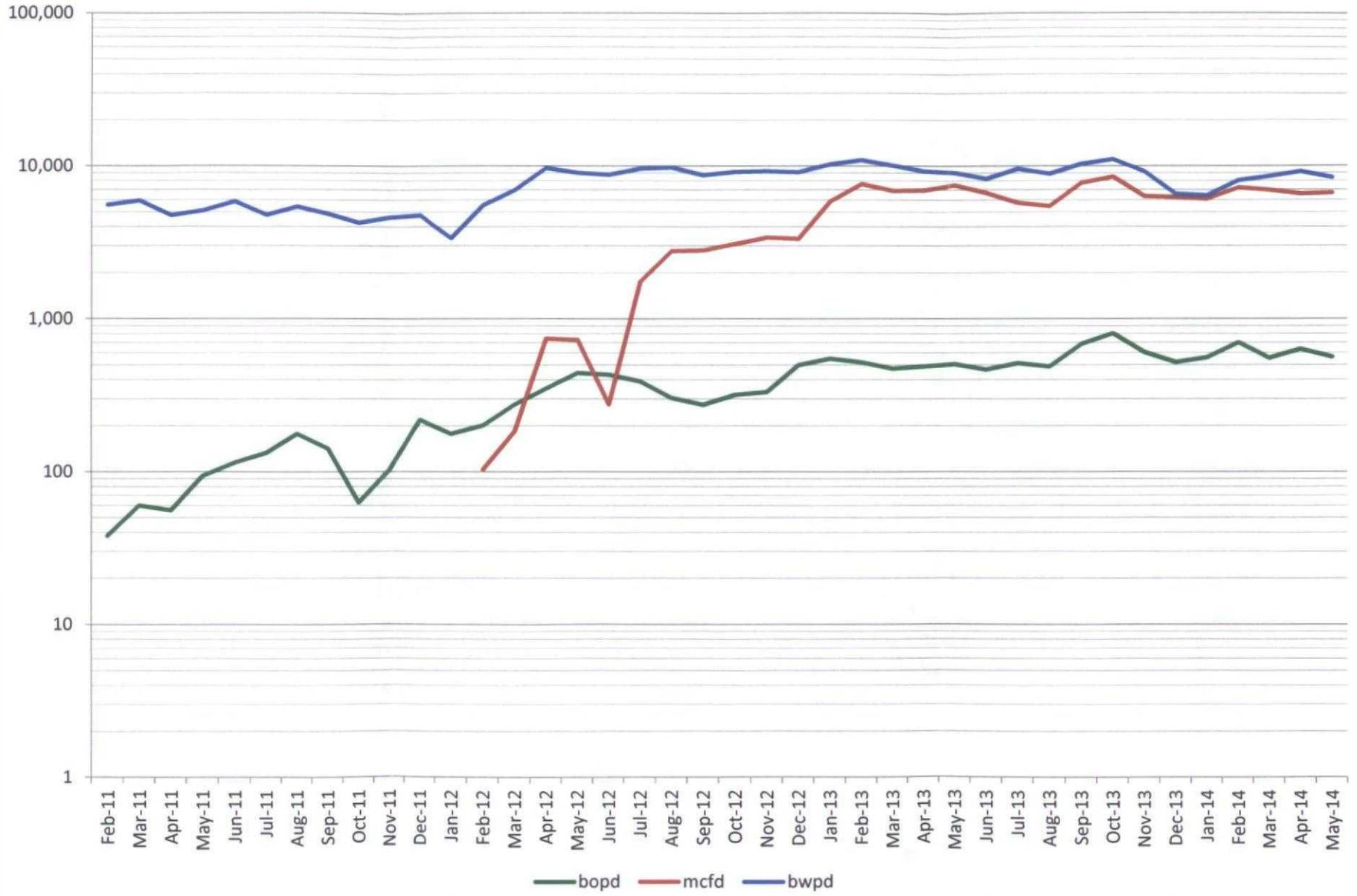
Attached:

RQU Production Graph (1 p)
RQU Injection Volume & Pressure Graph (1 p)
RQU Well Count and Status Table (1 pp)

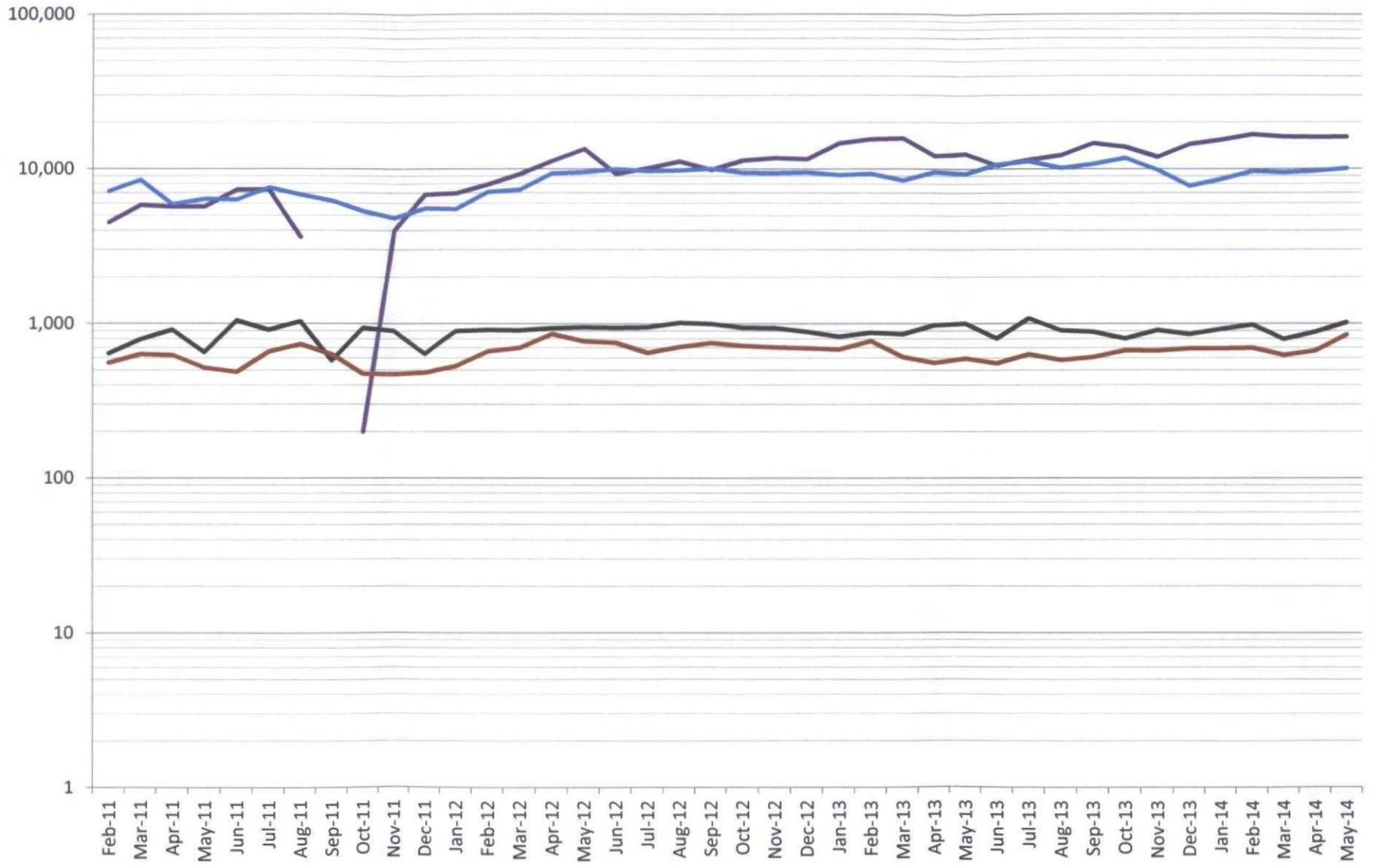
Legacy Reserves

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Rock Queen Unit Production



Rock Queen Unit Injection



CO2I, mcf WI, bwpd CO2I TP, psig WI TP, psig

Rock Queen Unit Well Status

5/31/2014

Well Type	Count
Producer	39
Water Injector	19
CO2 (WAG) Injector	24
Monitor Well	9
TA'd well	7

WAG - water alternating CO2 gas