Submit 3 Copies To Appropriate District Office	State of New M		Form C-103			
District I 1625 N. French Dr., Hobbs, NM 88240	Energy, Minerals and Nat		June 19, 2008			
District II 1301 W. Grand Ave., Artesia, NM 88210	OIL CONSERVATION		30-015-20043 5. Indicate Type of Lease			
District III 1000 Rio Brazos Rd., Aztec, NM 87410	1220 South St. Fra		STATE 🖾 FEE 🗌			
District IV 1220 S. St. Francis Dr , Santa Fe, NM 87505	Santa Fe, NM 8	1303	6. State Oil & Gas Lease No.			
(DO NOT USE THIS FORM FOR PROPO DIFFERENT RESERVOIR. USE "APPL!	ICES AND REPORTS ON WELL SALS TO DRILL OR TO DEEPEN OR PL CATION FOR PERMIT" (FORM C-101) F	UG BACK TO A	7. Lease Name or Unit Agreement Name NW ARTESIA UNIT			
PROPOSALS.) 1. Type of Well: Oil Well	Gas Well Other ThTFC	TION	8. Well Number #12			
2. Name of Operator	-		9. OGRID Number 255333 ~			
LIME ROCK RESOURCES A, 3. Address of Operator	L.P. [•]		10. Pool name or Wildcat: (03230)			
c/o Mike Pippin LLC, 3104 N. Sul	livan, Farmington, NM 87401		ARTESIA, Queen-Grayburg-San Andres			
4. Well Location Unit Letter <u>M</u> :	<u>990</u> feet from the <u>SOUTH</u>	line and <u>760</u>	feet from the WEST line			
Section 32	<u>500 Trownship</u> 17-S		NMPM Eddy County			
	11. Elevation (Show whether DF					
	3682' GL					
12. Check	Appropriate Box to Indicate N	Nature of Notice,	Report or Other Data			
NOTICE OF IN PERFORM REMEDIAL WORK TEMPORARILY ABANDON PULL OR ALTER CASING DOWNHOLE COMMINGLE	ITENTION TO: PLUG AND ABANDON CHANGE PLANS MULTIPLE COMPL	SUB REMEDIAL WOR COMMENCE DRI CASING/CEMEN	LLING OPNS. P AND A			
	pleted operations. (Clearly state all		d give pertinent dates, including estimated date tach wellbore diagram of proposed completion			
Lime Rock would like to resume wa which has several injection wells sti		njection well. This w	rell is part of a permitted waterflood R-4727,			
			which includes this well in the waterflood, a ot terminated", and the well's most recent MIT			
Spud Date: 4/30/67		ig Release Date:	5/5/67			
I hereby certify that the information	above is true and complete to the b	est of my knowledge	e and belief.			
SIGNATURE Mia	Tippin	bleum Engineer - Age	entDATE <u>7/28/11</u>			
Type or print name <u>Mike Pippin</u> For State Use Only	E-mail address	: <u>mike@pippinll</u>	c.com PHONE: <u>505-327-4573</u>			
APPROVED BY: Putters Conditions of Approval (if any):	NGC TITLE CO	mpc/ANCE (KALER DATE 8/8/11			
Conditions of Approval (II ally).			JUL 29 2011 NMOCD ARTESIA			

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21, 1974 Enlero

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 5144 Order No. R-4727

APPLICATION OF DEPCO, INC. FOR A WATERFLOOD PROJECT, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

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This cause came on for hearing at 9 a.m. on January 30, 1974, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>21st</u> day of February, 1974, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Depco, Inc., seeks authority to institute a waterflood project in the Northwest Artesia Unit Area, Artesia Pool, by the injection of water into the Grayburg-San Andres formation through seven injection wells in Sections 31 and 32, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico.

(3) That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells.

(4) That the proposed waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

(5) That the subject application should be approved and the project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, Depco, Inc., is hereby authorized to institute a waterflood project in the Northwest Artesia Unit Area, Artesia Pool, by the injection of water into the Grayburg-San Andres formation through the following-described wells in Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico: -2-CASE NO. 5144 Order No. R-4727

State State State State State State	647 647 647 647 647 647	Well Well Well Well Well Well	No. No. No. No.	219 179 195 208 212	Unit Unit Unit Unit Unit Unit	B L N	Section Section Section	32 32 32	No well nat ing Nw Hu #6 - Inj
		Well	No.	212	Unit	N	Section	32	
Ramapo	> "A"	Well	No.	2	Unit	Р	Section	32	

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(2) That the subject waterflood project is hereby designated the Northwest Artesia Unit Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

(3) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman

۰. Member PORTER, JR., Member & Secretary

SEAL

jr/

APPLICATION OF DEPCO INC. TO EXPAND ITS WATERFLOOD PROJECT IN THE ARTESIA-QUEEN, GRAYBURG SAN ANDRES POOL IN EDDY COUNTY, NEW MEXICO.

ORDER NO. WFX-498

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Order No. <u>R-4727</u>, Depco Inc. has made application to the Division on April 5, 1982, for permission to expand its Northwest Artesia Unit Waterflood Project in the Artesia-Queen, Grayburg San Andres Pool in Eddy County, New Mexico.

NOW, on this 13th day of April, 1982, the Division Director finds:

1. That application has been filed in due form.

2. That satisfactory information has been provided that all offset operators have been duly notified of the application.

3. That no objection has been received within the waiting period as prescribed by Rule 701 B.

4. That the proposed injection well is eligible for conversion to water injection under the terms of Rule 701.

5. That the proposed expansion of the above referenced waterflood project will not cause waste nor impair correlative rights.

6. That the application should be approved.

IT IS THEREFORE ORDERED:

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That the applicant, Depco Inc., be and the same is hereby authorized to inject water into Grayburg formation through plastic-lined tubing set in a packer at approximately 1875 feet in the following described well for purposes of secondary recovery to wit:

Northwest Artesia Unit Well No. 12, Unit M, Section 32, Township 17 South, Range 28 East, Eddy County

IT IS FURTHER ORDERED:

That the operator shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

That the casing-tubing annulus (in each well) shall be loaded with an inert fluid and equipped with a pressure gauge at the surface or left open to the atmosphere to facilitate detection of leakage in the casing, tubing, or packer. That the injection well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure to a maximum of 1250 pounds per square inch; provided however that the Division Director may administratively authorize a pressure limitation in excess of the above upon the operator's establishing that such higher pressure will not result in fracturing of the confining strata.

That the operator shall notify the supervisor of the Division's Artesia District Office before injection is commenced through said well.

That the operator shall immediately notify the Supervisor of the Division's Artesia District Office of the failure of the tubing, casing, or packer in said well or the leakage of water from or around said well and shall take such steps as may be timely or necessary to correct such failure or leakage.

That the subject well shall be governed by all provisions of Division Order No. R-4727 and Rules 702, 703, 704, 705 and 706 not inconsistent herewith.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO

JOE D. RAMEY, Division Director

SEAL

lew Mexico Energy, Minerals and Natural Resources Department

Bill Richardson Governor

Joanna Prukop Cabinet Secretary Mark Fesmire Division Director Oil Conservation Division



December 10, 2009

Lime Rock Resources A, L.P. 1111 Bagby St., Suite 4600 Houston, TX 77002

Certified Mail No.: 7002 3150 0005 2327 4645

Re: Lime Rock Resources A, L.P., OGRID 255333 Northwest Artesia Unit Waterflood injection wells: Northwest Artesia Unit #003, 30-015-10109 Northwest Artesia Unit #006, 30-015-01674 Northwest Artesia Unit #015, 30-015-01666

Dear Operator:

By letter dated October 1, 2009, the Oil Conservation Division (OCD) notified Lime Rock Resources A, L.P. (Lime Rock) that its authority to inject into the Northwest Artesia Unit Waterflood has terminated automatically pursuant to 19.15.26.12(C)(1) NMAC. That rule provides:

"Whenever there is a continuous one year period of non-injection into all wells in an injection or storage project or into a salt water disposal well or special purpose injection well, the division shall consider the project or well abandoned, and the authority for injection shall automatically terminate ipso facto."

According to a spread sheet provided to the OCD by Lime Rock, no injection occurred in the Northwest Artesia Unit Waterflood in 2000, 2001, or 2003.

Lime Rock has since amended the reporting for those years to show that injection did occur, and that there was not a one year period of non-injection into all wells in the project.

Based on Lime Rock's reporting, the OCD recognizes that injection authority for the Northwest Artesia Unit Waterflood has not terminated, and is still in effect.

Oil Conservation Division 1220 South St. Francis Drive - Santa Fe, New Mexico 87505 Phone (505) 476-3440 - Fax (505) 476-3462 - www.emnrd.state.nm.us/OCD



December 10, 2009 Page 2

By copy of this letter, I am notifying the Artesia District Office that your injection authority for the Northwest Artesia Unit Waterflood has not terminated.

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Sincerely,

Daniel Sanchez Underground Injection Control Director for the State of New Mexico

Ec: Randy Dade, Supervisor, Artesia District Office Richard Inge, Artesia District Office New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

John Bemis Cabinet Secretary-Designate

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey Division Director Oil Conservation Division



API # 30-0 15 - 2004 3

Dear Operator:

I have this date performed a Mechanical Integrity Test on the	NWAU	#12	
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X If this test was successful the original chart has been retained by the NMOCD and will be scanned into the well's file in 7 to 10 days, pending receipt of the Form C-103 indicating the reason for this test. The well files are located at www.emnrd.state.nm.us/ocd/OCDOnline.htm

_____If this test was unsuccessful the original chart has been returned to the operator pending repair and retest of the well, which must be accomplished within 90 days. If this is a test of a repaired well, previously in noncompliance, all dates and requirements of the original non-compliance are still in effect. No expectation of extension should be construed as a result of this test.

X If this test was for Temporary Abandonment include in your detailed description, on Form C-103, the location of the CIBP and any other tubular goods in the well, as well as your request for TA status.

_____ If this is a successful test of a repaired well you must submit a form C-103 to NMOCD within 30 days. This C-103 must include a <u>detailed</u> description of the repair to the well. Only after receipt of the C-103 will the non-compliance be closed.

If this is a successful Initial Test of an injection well you must submit a form C-103 to NMOCD within 30 days. This C-103 must include a <u>detailed</u> description of the work done on this well including the position of the packer, tubing information and the date you began injection into the well.

If I can be of additional service contact me at (575) 748-1283 ext 107.

Thank You,

Kuthao Inus

Richard Inge Field Inspector District II - Artesia

Oil Conservation Division 1301 W. Grand Avenue • Artesia, New Mexico 88210 Phone (575)748-1283 • Fax (575) 748-9720 • <u>www.emnrd.state.nm.us/OCD</u>



