1625 N. French Dr., Hobbs, NM 88240 Phone. (575) 393-6161 Fax. (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone. (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone. (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

Date: 2/13/2017

Phone: 713-360-5714

AMENDED Repo

Oil Conservation Division 1220 South St. Francis Dr

Santa Fe, NM 87505

ster R-14164-D

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE ² OGRID Number 277558 Operator Name and Address Lime Rock Resources II-A, L P API Number 1111 Bagby Street, Suite 4600 Houston, Texas 77002 30-015-40978 Property Name * Property Code " Well No 39636 Brainard 11 P #**4** Surface Location UL LO Lownsher Range Lot Idr Feet From N/S Line Feet From F/W Lin County Section р 11 18S 26E 825 S 330 Е Eddy 8 **Proposed Bottom Hole Location** Lot Idn UL-Lot lownship Rang eet Fron N/S Lin eet Fron /W Lu County 11 18**S** 26E 825 S 330 p E Eddy **9** Pool Information Red Lake; Gloricta-Yeso NE 51120 **Additional Well Information** Work Type "Well Type Cable/Rotary ² Lease Type Ground Level Elevation P Ν 0 R 3304.4 Proposed Depth ⁴ Multiple Formation ⁷Contractor Spud Date 4500' MD / 4500' TVD United Drilling, Inc. After 3/1/2017 N Yeso Depth to Ground Water Distance from nearest fresh water well Distance from nearest surface water: 0.93 Miles 23 Ft 0 23 Miles X We will be using a closed-loop system in lieu of lined ¹⁹ Proposed Casing and Cement Program Hole Size Casing Weight/ft Setting Depth Type Casing Size Sacks of Cement Estimated TOC Conductor 26" 20" 91.5 80 80 Surface 11" 8-5/8* Surface 24 675 350 Surface Production 7-7/8" 5-1/2" 17 4500 900 Surface **Casing/Cement Program: Additional Comments** Surface Csg set 50' above first oil show. Cement will be circulated as required. **Proposed Blowout Prevention Program** Working Pressure Test Pressure Manufacturer Type XLT 11" 5000 2000 National Varco I hereby certify that the information given above is true and complete to the best **OIL CONSERVATION DIVISION** of my knowledge and belief. I further certify that I have complied with 19.15.14.9 (A) and/or 19.15.14.9 (B) NMAC 0, if X Anntoved By Eni 1. mullushy Signature: Sid Printed Name: Eric McClusky Title Title: Operations Engineer Approved Date Expiration Dat E-mail Address: emcclusky@limerockresources com

conditions of Approval Attached

Prior to Spud, Operator will review and adhere to NMOCD order R-14164 for current changes or any amendments which may pertain to the drilling and completion of this well.

Lime Rock Resources II-A, L.P. Drilling Plan

Brainard 11 P #4 825' FSL 330' FEL (P) 11-18S-26E Eddy County, NM

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- 1. The elevation of the unprepared ground is 3304.4 feet above sea leve
- 2. The geologic name of the surface formation is Quaternary Alluviu
- 3. A rotary rig will be utilized to drill the well to 4500' and run casing. This equipment will be rigge down and the well will be completed with a workover rig
- 4. Well will be drilled to a total proposed depth of 4500' MD.
- 5. Estimated tops of geologic markers:

	MD	TVD
Quaternary – Alluvium	Surface	Surface
Yates	NA	NA
7 Rivers	NA	NA
Queen	338	338
Grayburg	724	724
Premier	NA	NA
San Andres	997	997
Glorieta	2366	2366
Yeso	2473	2473
Tubb	3950	3950
TD	4500	4500

- 7. Proposed Casing and Cement program is as follows
 - Depth Hole Wt Grade Thread Sx Density Yield Туре Casing Components 26" В 80 20" 91.5 Welded 80 Conductor Ready Mix Surface 11" 8-5/8" 24 J-55 ST&C 675 350 14.8 1.35 CI C Cmt + 0 25 tbs/sk Ceilo Flake + 2% CaCl2 Intermediate (35:65) Poz/CI C Cmt + 5% NaCI + 0 25 lbs/sk 7-7/8" 5-1/2" 17 J-55 LT&C 4500 300 12.8 1.903 Production Cello Flake + 5 lbs/sk LCM-1 +0 2% R-3 + 6% Gel 600 14.8 1.33 CI H w/ 0 6% R-3, 0 125% Cello Flake, 2% Gel

6. Estimated depths at which anticipated oil, gas, or other mineral bearing formations are expected to be encountered:

	MD	TVD
Yates	NA	NA
7 Rivers	NA	NA
Queen	338	338
Grayburg	724	724
Premier	NA	NA
San Andres	997	997
Glorieta	2366	2366
Yeso	2473	2473
Tubb	3950	3950
TD	4500	4500

8. Proposed Mud Program is as follows

Depth	0-675	675-4350	4350-4500	
Mud Type	Fresh Water Mud	Brine, Salt Gel, & Starch	Brine, Salt Gel, & Starch	
Properties		······································	······································	
MW	8.4-9.2	9 8-10.1	9.9-10.1	
рH	9.0-10.5	10.0-12.0	10.0-12.0	
WL	NC	NC	20-30	
Vis	28-34	28-29	32-34	
MC	NC	NC	<2	
Solids	NC	<2%	<3%	
Pump Rate	300-500 gpm	375-425 gpm	400-425 gpm	
Special		Use Poymers sticks and MF- 55 Hi-Vis Sweeps as necessary	Hi Vis Sweeps, add acid and starch as req. Raise Vis to 35 for log.	

9. Pressure Control Equipment: See Attached Description and diagram of Pressure Control Equipment.

10. Testing, Logging and Coring Program

Testing Program No drill stem tests are anticipated **Electric Logging Program** SGR-DLL-CDL-CNL Quad Combo from 4500 to surf. Csg. SGR-CNL to Surf. **Coring Program:** No full or sidewall cores are anticipated.

11. Potential Hazards:

No abnormal temperatures or pressures are expected. There is no known presence of H2S in this H2S is encountered the operator will comply with the provisions of Onshore Oil and Gas Order No. personnel will be familiar with all aspects of safe operation of equipment being used to drill this well Estimated BHP 1980 psi based on 0.44 x TD. The estimated BHT is 125 degrees F.

12. Duration of Operations:

Anticipated spud date will be soon after approval and as soon as a rig will be available. Move in operations and drilling is expected to take 10 days. An additional 14 days will be needed it complet well and to construct surface facilities.

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES OIL CONVERVATION DIVISION

PERMIT CONDITIONS OF APPROVAL

Opera	tor Name Lime Rock Resources
ΑΡΙ Νι	umber 30-015-40978
Well N	Jame and Number Brainard 11P #4
	Will require a Directional Survey and "As Drilled" C-102 with the C-104
V	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string.
Ø	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement.
	NSL approval required prior to sale of product
	NSP approval required for requested acreage dedication
	Initial injection cannot commence until all regulatory requirements have been met and drilling and completion data conforms to approved SWD order
	Prior to Spud, Operator will review and adhere to NMOCD order R-14164 for current changes or any

amendments which may pertain to the drilling and completion of this well.

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