

District I  
1625 N French Drive Hobbs, NM 88240

District II  
1301 W Grand Avenue Artesia, NM 88210

District III  
1800 Rao Henson 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

Heritage Plz, 1111 Bagby St, Ste 4600, Houston, TX 77002

Operator Address  
CHIMAY BAO STATE # 1 E-2-24S-23E EDDY  
Lease Well No Unit Letter-Section-Township-Range County  
OGRID No 255333 Property Code 304113 API No 30-015-32508 Lease Type \_\_\_\_ Federal ☒ State \_\_\_\_ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	WC Hess Hills;Atoka(Gas)		Hess;Morrow, East (Gas)
Pool Code	97398		78380
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	9750-10244		10356-10536
Method of Production (Flowing or Artificial Lift)	ARTIFICIAL LIFT		ARTIFICIAL LIFT
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)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)			
Producing, Shut-In or New Zone	PRODUCING		SI below plug
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)	See attached supporting data Date Rates	Date Rates	See attached supporting data Date Rates
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production supporting data or explanation will be required)	Oil 0.0 Gas 14.5 % %	Oil Gas % %	Oil 0.0 Gas 85.5 % %

**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 Eddie W Seay TITLE AGENT DATE 3/11/2008  
TYPE OR PRINT NAME Eddie W Seay TELEPHONE NO ( 575 ) 392-2236  
E-MAIL ADDRESS seay04@leaco.net

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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 <b>30-015-32508</b>	<sup>2</sup> Pool Code <b>78380</b>	<sup>3</sup> Pool Name <b>HESS;MORROW, EAST (GAS)</b>
<sup>4</sup> Property Code <b>304113</b>	<sup>5</sup> Property Name <b>CHIMAY BAO STATE</b>	<sup>6</sup> Well Number <b>1</b>
<sup>7</sup> OGRID No. <b>255333</b>	<sup>8</sup> Operator Name <b>LIME ROCK RESOURCES A, L.P.</b>	<sup>9</sup> Elevation <b>4502 GR</b>

<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
<b>E</b>	<b>2</b>	<b>24S</b>	<b>23E</b>		<b>1988</b>	<b>NORTH</b>	<b>155</b>	<b>WEST</b>	<b>EDDY</b>

<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 <b>320</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No. <b>NSL-4803</b>
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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.

<sup>16</sup> 	<sup>17</sup> <b>OPERATOR CERTIFICATION</b> 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. Signature: <u>Eddie W Seay</u> Date: <u>3/11/2008</u> Printed Name: <b>Eddie W Seay Agent</b>			
	<sup>18</sup> <b>SURVEYOR CERTIFICATION</b> 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.			
	Date of Survey Signature and Seal of Professional Surveyor:			
	Certificate Number			

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**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number <b>30-015-32508</b>	<sup>2</sup> Pool Code <b>97398</b>	<sup>3</sup> Pool Name <b>WC HESS HILLS; ATOKA (GAS)</b>
<sup>4</sup> Property Code <b>304113</b>	<sup>5</sup> Property Name <b>CHIMAY BAO STATE</b>	<sup>6</sup> Well Number <b>1</b>
<sup>7</sup> OGRID No. <b>255333</b>	<sup>8</sup> Operator Name <b>LIME ROCK RESOURCES A, L.P.</b>	<sup>9</sup> Elevation <b>4502 GR</b>

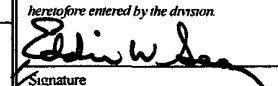
<sup>10</sup> Surface Location

UL or lot no. <b>E</b>	Section <b>2</b>	Township <b>24S</b>	Range <b>23E</b>	Lot Idn	Feet from the <b>1988</b>	North/South line <b>NORTH</b>	Feet from the <b>155</b>	East/West line <b>WEST</b>	County <b>EDDY</b>
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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.

<sup>16</sup> 1985 155						<sup>17</sup> <b>OPERATOR CERTIFICATION</b> <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>  Signature Date <b>3/11/2008</b> <b>Eddie W Seay Agent</b> Printed Name
						<sup>18</sup> <b>SURVEYOR CERTIFICATION</b> <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>  Date of Survey Signature and Seal of Professional Surveyor:  Certificate Number

Chimay BAO State # 1  
Supporting Data for Commingling Permit

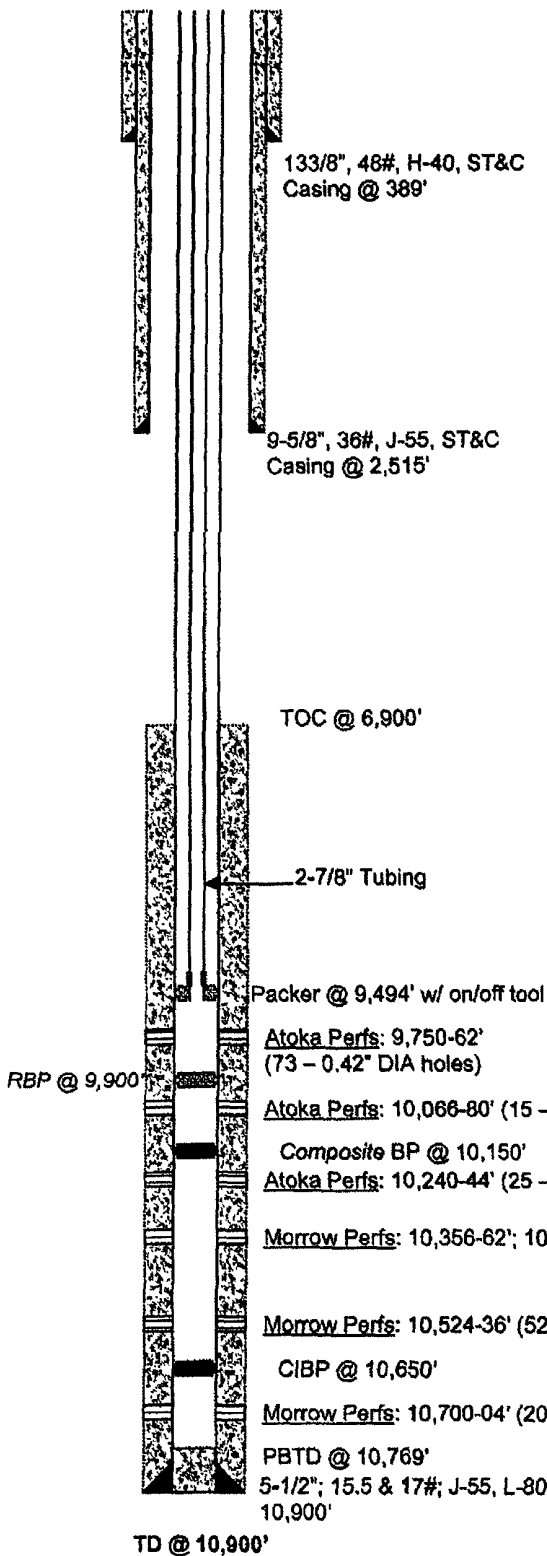
Lime Rock Resources LP is proposing to clean out well to PBTD at 10650' (CIBP) and reactivate Atoka perforations from 9750-10244 of the WC Hess Hills;Atoka (Gas) pool and Morrow perforations from 10356-10536 of the Hess;Morrow, East (Gas) pool.

Proposed Allocation

Date	Oil, bbls	Gas, mcf	Water, bbls
Daily production Oct-07 Atoka	0	44	1
Est. Daily production Morrow	0	259	4
WC Hess Hills;Atoka (Gas) percentage	0%	14.5%	20%
Hess;Morrow, East (Gas) percentage	0%	85.5%	80%



# LIME ROCK RESOURCES



Elevation: 4502' GL	
Date Spud: 01/11/03	
Date TD'd: 02/22/03	
Date Completed: 05/06/03	
Zone	Frac
Atoka (9,750-62')	18,000 gals gelled KCl w/ 30,000# 20/40 sand
Atoka (9,750-62')	2,000 gals 7-1/2% HCl
Atoka (10,066-80')	1,500 gals gelled 20% HCl
Atoka (10,240-44')	12,100 gals 65Q CO2 foam w/ 10,700# Versaprop (screened out)
Atoka (10,240-44')	1,000 gals 7-1/2% HCl
Morrow (10,356-458')	27,000 gals foamed gel w/ 50,000# Versaprop
Morrow (10,356-458')	2,500 gals 7-1/2% HCl
Morrow (10,524-36')	11,300 gals foamed gel w/ 21,000# Versaprop
Morrow (10,524-36')	1,000 gals 7-1/2% HCl
Morrow (10,700-04')	1,000 gals 7-1/2% HCl
Recompletions & Workovers	
Date	
09/11/03	Commingle Morrow & Atoka
09/16/04	Recomplete to Atoka (9,750-10,080')
Current Status:	
Last Well Test:	

**Lime Rock Resources**  
**Chimay BAO State 1**  
**Sec 2E-24S-23E**  
**Eddy County, NM**  
**Updated: 15 Jan 2008 SJH**

# Detailed Production Report



The Source of Information

Mon Jan 14, 2008

2300220153250878380

County, State: EDDY, NEW MEXICO

Lease: CHIMAY BAO STATE Well Number: 1

Operator: YATES PETROLEUM CORP (037104)

Status: INACTIVE

Prod ID: 2300220153250878380

Production Thru Date: Aug 31, 2004

## Header Block

<b>Data Source:</b>	PI	<b>Completion Date:</b>	Jun 19, 2003
<b>Lease Name:</b>	CHIMAY BAO STATE	<b>Total Depth:</b>	
<b>Operator:</b>	YATES PETROLEUM CORPORATION	<b>Upper Perforation:</b>	
<b>State:</b>	NEW MEXICO	<b>Lower Perforation:</b>	
<b>County:</b>	EDDY	<b>Oil Gravity:</b>	
<b>Primary API:</b>	30015325080000	<b>Gas Gravity:</b>	
<b>Regulatory:</b>		<b>Last Production Date:</b>	Aug 31, 2004
<b>First Production Date:</b>	Jun 01, 2003	<b>Temp Gradient:</b>	
<b>Field:</b>	HESS EAST	<b>N Factor:</b>	
<b>Reservoir Name:</b>	MORROW	<b>Prod Zone Code:</b>	402MRRW
<b>Prod Zone:</b>	MORROW	<b>GOR:</b>	
<b>Basin Name:</b>	PERMIAN BASIN (430)	<b>Primary Product:</b>	GAS
<b>Gas Gatherer:</b>		<b>Status:</b>	INACTIVE
<b>Liquid Gatherer:</b>		<b>Data Source:</b>	PI
<b>Location:</b>	2E 24S 23E SW SW NW	<b>Lat/Long source:</b>	IH
<b>Latitude/Longitude</b>	+32.24724 -104.57828		
<b>Cum Data Source:</b>	PI	<b>Cum Inj Liq:</b>	
<b>Cum Oil:</b>		<b>Cum Inj Gas:</b>	
<b>Cum Gas:</b>	209,318 MCF	<b>Cum Inj Water:</b>	
<b>Cum Water:</b>	1,899 BBL		

## Annual Production

(1 years)	Oil BBLS	Gas MCF	Water BBLS
Beginning Cum:			
2003		133,571	1,138
2004		75,747	761
<b>TOTALS</b>		<b>209,318</b>	<b>1,899</b>

# Detailed Production Report

Mon Jan 14, 2008

## Monthly Production

Year	Month	Oil BBLs	Gas MCF	Water BBLs	GOR SCF/BBLs	% Water	# of Wells	Days On
2003	JUN		12,307	75			1	5
2003	JUL		29,284	366			1	28
2003	AUG		15,388	105			1	16
2003	SEP		25,685	179			1	30
2003	OCT		20,237	162			1	31
2003	NOV		16,303	146			1	29
2003	DEC		14,367	105			1	31
<b>Totals 2003</b>			<b>133,571</b>	<b>1,138</b>				
2004	JAN		12,587	94			1	31
2004	FEB		10,503	90			1	29
2004	MAR		11,224	116			1	31
2004	APR		9,836	87			1	30
2004	MAY		9,296	84			1	31
2004	JUN		7,918	87			1	30
2004	JUL		7,666	102			1	28
2004	AUG		6,717	101			1	26
<b>Totals 2004</b>			<b>75,747</b>	<b>761</b>				

## Gas Tests

LIME ROCK RESOURCES  
 LEASE: CHIMAY BAO STATE  
 FIELD: HESS HILLS [ ATOKA ]  
 COUNTY: EDDY STATE: NM  
 OPERATOR: LIMEROCK RESOURCES INC

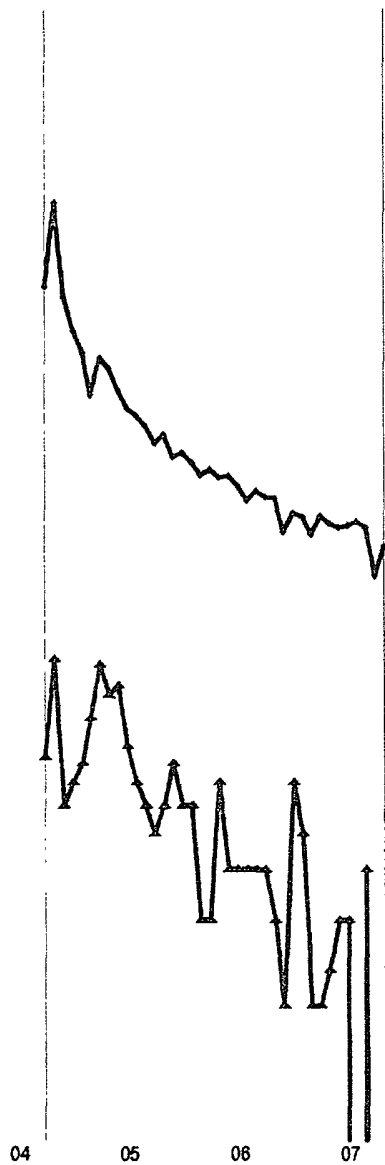
Water-bbl/mo  
 Gas-mcf/mo  
 Oil-bbl/mo

1000  
 10000  
 1000

100  
 1000  
 100

10  
 100  
 10

1  
 10  
 1



08

09

10

11

12

13

14

15

Yield,B/MM

1000

100

10

1

Oil-bbl/mo  
 Ref= 1/2008  
 Cum= 0  
 Gas-mcf/mo  
 Ref= 1/2008  
 Cum= 123320  
 Water-bbl/mo  
 Ref= 1/2008  
 Cum= 555  
 Yield,B/MM  
 Ref= 1/2008  
 Cum= 0



DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO
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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



MAR 14 2008

OCD-ARTESIA

**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]**

**[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.

Eddie W Seay

Print or Type Name

*Eddie W Seay*  
 Signature

Agent

Title

seay04@leaco.net

e-mail Address

3/11/2008

Date