

LIME ROCK RESOURCES II-A, L.P.
Mike Pippin
3104 N. Sullivan Avenue
Farmington, NM 87401
505-327-4573 (phone) mike@pippinllc.com

RECEIVED OGD
2014 MAR -11 PM 3: 20

February 26, 2014

Phil Goetze
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: Injection Pressure Increase Request & Amended Forms
Administrative Order SWD-1338
OXY PESO #1 SWD
API#: 30-015-34683
Unit Letter "F" Section 24 T18S R27E
Eddy County, New Mexico

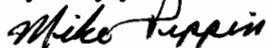
Dear Mr. Goetze,

As you indicated in your email of February 21, 2014, it appeared as though Lime Rock was injecting into intervals that were not authorized in SWD-1338. After review of all our data, this was not the case. We discovered that our problem was due to missing and incorrect data on our morning reports. Enclosed, please find my letter to Randy Dade, copies of the amended C-105, and the amended wellbore diagram, which have been sent to the District office. Randy Dade approved these amendments on 2/28/14. Also enclosed is supporting data in the form of the missing morning report that indicates the PBSD to be 9038' along with the invoice from the perforating company indicating the perms are 6690'-6700'.

In summary, Lime Rock believes that our Oxy Peso #1 SWD is in full compliance, and we are very sorry for the inconvenience and the time you invested in this issue. We request that our IPI application be reviewed again.

Please contact me at 505-327-4573 should you have any questions.

Very truly yours, .



Mike Pippin P.E.
Petroleum Engineer

Enclosures

LIME ROCK RESOURCES II-A, L.P.
Mike Pippin
3104 N. Sullivan Avenue
Farmington, NM 87401
505-327-4573 (phone) mike@pippinllc.com

February 26, 2014

NMOCD
c/o Randy Dade
811 South 1st Street
Artesia, NM 88210

RE: OXY PESO #1 SWD – SWD-1338
API#: 30-015-34683
Unit Letter "F" Section 24 T18S R27E
Eddy County, New Mexico

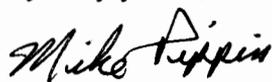
Dear Randy,

As Phil Goetze indicated in his email of February 21, 2014, it appeared as though Lime Rock was injecting into intervals that were not authorized in SWD-1338. After review of all our data, this was not the case. We discovered that our problem was due to missing and incorrect data on our morning reports. Enclosed, please find copies of two amended C-103s, an amended C-105, and an amended wellbore diagram. Also enclosed is supporting data in the form of the invoice from the perforating company indicating the perfs are actually in the permitted interval at 6690'-6700'.

Also enclosed is our morning report from 10/20/12. It indicates that 85 sx of "H" cmt was pumped at a depth of 9348'. Then 5 stands of drill pipe were pulled (~310') to a depth of ~9038' where the well was circulated with bottoms up two times. This would indicate that the PBSD is at ~9038'. The calculated PBSD of 85 sx of cmt from 9348' in a 6-1/8" open hole is 8858'. Both depths of 9038' and 8858' are well above the lowest approved injection depth of 9200' (SWD-1338). In summary, Lime Rock would like to use 9038' as the official PBSD. If you approve this PBSD in the open hole, I will send copies of the amended forms to Phil Goetze who is reviewing our IPI application.

Please contact me at 505-327-4573 should you have any questions.

Very truly yours,



Mike Pippin

Petroleum Engineer

Submit To Appropriate District Office Two Copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505	State of New Mexico Energy, Minerals and Natural Resources AMENDED Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	Form C-105 July 17, 2008 1. WELL API NO. 30-015-34683 2. Type of Lease <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/> FED/INDIAN 3. State Oil & Gas Lease No.																																	
WELL COMPLETION OR RECOMPLETION REPORT AND LOG																																			
4. Reason for filing: <input checked="" type="checkbox"/> COMPLETION REPORT (Fill in boxes #1 through #31 for State and Fee wells only) <input type="checkbox"/> C-144 CLOSURE ATTACHMENT (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC)		5. Lease Name or Unit Agreement Name OXY PESO 6. Well Number: #1 SWD																																	
7. Type of Completion: <input type="checkbox"/> NEW WELL <input type="checkbox"/> WORKOVER <input type="checkbox"/> DEEPENING <input type="checkbox"/> PLUGBACK <input type="checkbox"/> DIFFERENT RESERVOIR <input checked="" type="checkbox"/> OTHER RE-ENTER																																			
8. Name of Operator: LIME ROCK RESOURCES II-A, L.P.		9. OGRID: 277558																																	
10. Address of Operator: c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401		11. Pool name or Wildcat: Abo, Wolfcamp, Cisco (97967)																																	
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th>12. Location</th> <th>Unit Ltr</th> <th>Section</th> <th>Township</th> <th>Range</th> <th>Lot</th> <th>Feet from the</th> <th>N/S Line</th> <th>Feet from the</th> <th>E/W Line</th> <th>County</th> </tr> <tr> <td>Surface:</td> <td>F</td> <td>24</td> <td>18-S</td> <td>27-E</td> <td></td> <td>1660</td> <td>North</td> <td>1850</td> <td>West</td> <td>Eddy</td> </tr> <tr> <td>BH:</td> <td></td> </tr> </table>	12. Location	Unit Ltr	Section	Township	Range	Lot	Feet from the	N/S Line	Feet from the	E/W Line	County	Surface:	F	24	18-S	27-E		1660	North	1850	West	Eddy	BH:												
12. Location	Unit Ltr	Section	Township	Range	Lot	Feet from the	N/S Line	Feet from the	E/W Line	County																									
Surface:	F	24	18-S	27-E		1660	North	1850	West	Eddy																									
BH:																																			
13. Date Re-Enter 10/11/12	14. Date T.D. Reached 10/17/12	15. Date Drilling Rig Released 10/23/12	16. Date Completed (Ready to Produce) 10/23/12 - SWD	17. Elevations (DF and RKB, RT, GR, etc.): 3579' GR																															
18. Total Measured Depth of Well 9367'	19. Plug Back Measured Depth 9038'	20. Was Directional Survey Made? Yes	21. Type Electric and Other Logs Run Induction, Density/Neutron																																
22. Producing Interval(s), of this completion - Top, Bottom, Name 6690'-6700' & Open Hole: 7290'-9038'				SWD-1338																															
23. CASING RECORD (Report all strings set in well)																																			
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED																														
*13-3/8"	48#	427'	17-1/2"	450 sx	0'																														
*9-5/8"	36#	2502'	12-1/4"	950 sx	0'																														
7"	26# L-80	7290'	8-3/4"	185 sx H	0'																														
*Existing Csg Before Re-Entry				+ 200 sx H																															
24. LINER RECORD			25. TUBING RECORD																																
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET																												
					4-1/2"	6650'	6650'																												
26. Perforation record (interval, size, and number) 6690'-6700', 40 holes Open Hole: 7290'-9038'				27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 9348' Pumped 85 sx "H" cmt. Pulled 5 stds & circ twice. 6690'-6700' Open Hole: 7290'-9038' 4000 gal 15% HCL @ 8870'																															
28. PRODUCTION																																			
Date First Production 2/4/13 - SWD		Production Method (Flowing, gas lift, pumping - Size and type pump) SWD		Well Status (Prod. or Shut-in) SWD																															
Date of Test	Hours Tested	Choke Size	Prod'n For Test Period:	Oil - Bbl	Gas - MCF	Water - Bbl.	Gas - Oil Ratio																												
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)																													
29. Disposition of Gas (Sold, used for fuel, vented, etc.) To Be Sold						30. Test Witnessed By: Jerry Smith																													
31. List Attachments																																			
32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit.																																			
33. If an on-site burial was used at the well, report the exact location of the on-site burial:																																			
Latitude		Longitude		NAD 1927 1983																															
I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief																																			
Signature			Printed Name	Mike Pippin	Title: Petroleum Engineer	Date: 2/26/14																													
E-mail Address: mike@pippinllc.com																																			

INSTRUCTIONS

OXY PESO #1 SWD -- Re-Entered Well For SWD

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well and not later than 60 days after completion of closure. When submitted as a completion report, this shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 11, 12 and 26-31 shall be reported for each zone.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T.	T. Ojo Alamo	T. Penn A"
T. Salt	T. Strawn 9335'	T. Kirtland	T. Penn. "B"
B. Salt	T. Atoka	T. Fruitland	T. Penn. "C"
T. Yates	T. Miss	T. Pictured Cliffs	T. Penn. "D"
T. 7 Rivers 752'	T. Devonian	T. Cliff House	T. Leadville
T. Queen 1386'	T. Silurian	T. Menefee	T. Madison
T. Grayburg	T. Montoya	T. Point Lookout	T. Elbert
T. San Andres 2176'	T. Simpson	T. Mancos	T. McCracken
T. Glorieta	T. McKee	T. Gallup	T. Ignacio Otzte
T. Yeso	T. Ellenburger	Base Greenhorn	T. Granite
T.	T. Gr. Wash	T. Dakota	
T. Tubb	T. Delaware Sand	T. Morrison	
T. Drinkard	T. Bone Springs	T. Todilto	
T. Abo 5980'	T.	T. Entrada	
T. Wolfcamp 7192'	T.	T. Wingate	
T. Penn	T.	T. Chinle	
T. Cisco 8086'	T.	T. Permian	

OIL OR GAS SANDS OR ZONES

No. 1, from.....to..... No. 3, from.....to.....
 No. 2, from.....to..... No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology	From	To	Thickness In Feet	Lithology
			- On File -				

OXY PESO #1 SWD

Current

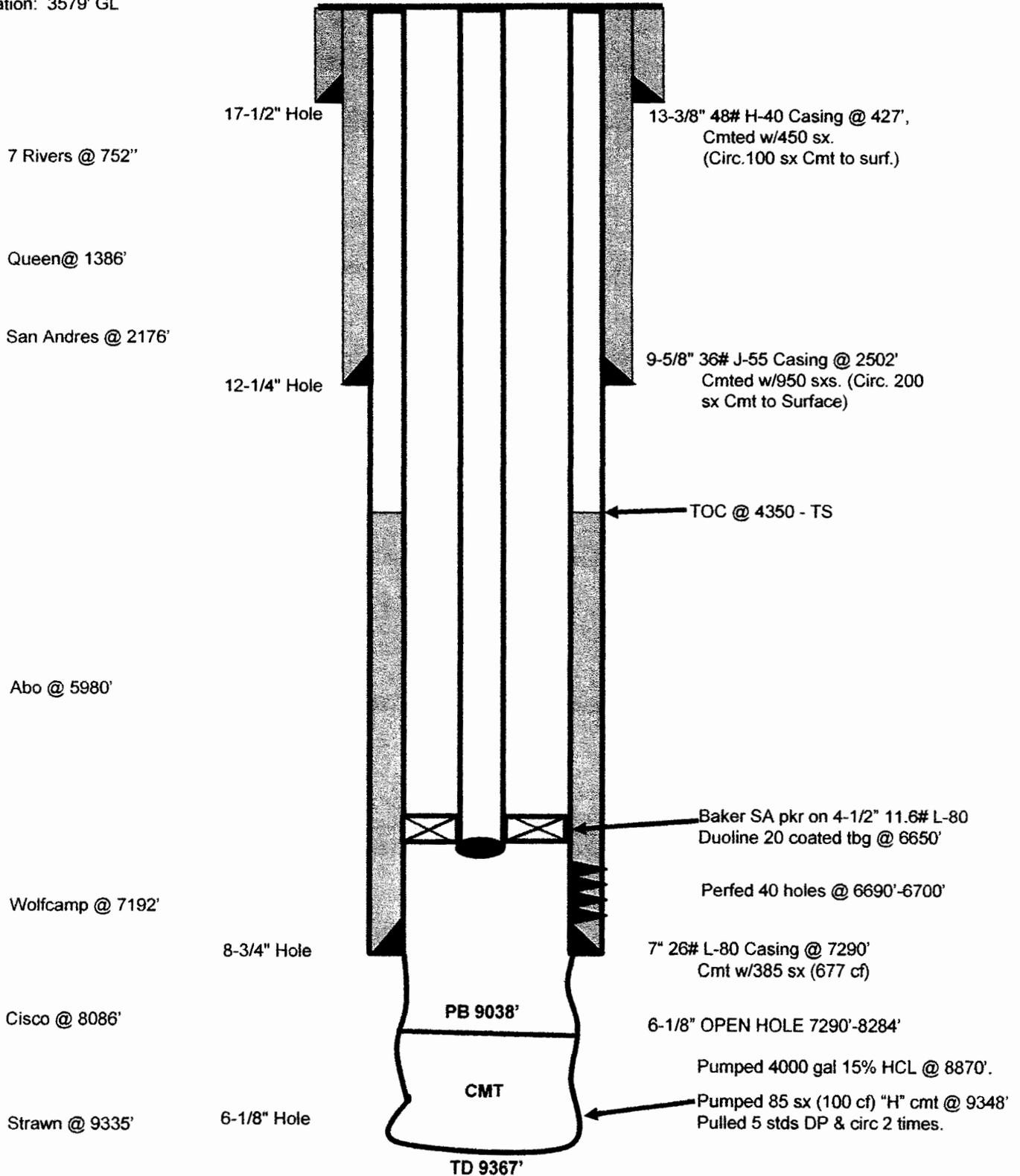
Abo, Wolfcamp, Cisco (97967)

(f) Section 24, T-18-N, R-27-W, Eddy County, NM

M. PIPPIN - 11/18/13

REVISED 2/26/14

Re-enter: 10/11/12
Completed: 10/23/12
Elevation: 3579' GL





Gray Wireline
 6000 Western Place, Ste. 375
 Ft. Worth, TX 76107

No. T-A78-ECE-0AF2

Date Job Completed: 10/21/2012

Company: Lime Rock Resources
 Address: 1111 Bagby Street, Ste 4600
 Houston, TX 77002
 Telephone: 713-292-9510 x 538
 Representative: BRAD TATE
 Representative Phone: 5754411966

Invoice Type: EPL
 Location Type: Drilling Rig
 District: 1-Permian:11-Denver City TX
 Unit Number: 25
 Well Name: OXY PESO #1 SWD
 Well Type: ON
 Field Name: PESO
 State-County/Parish: NM, EDDY
 Well Legal:

JOB LOG

Category	Start	End	Total Hours	Comments
Travel Time	10/21/2012 10:00 AM	10/21/2012 12:00 PM	2.0	DENVER CITY YARD TO PESO #1
Standby	10/21/2012 12:00 PM	10/21/2012 07:00 PM	7.0	WAITING TO LAY DOWN PIPE
Rig Up/Down	10/21/2012 07:00 PM	10/21/2012 07:30 PM	0.50	RIG UP WIRELINE
Going Down Hole	10/21/2012 08:00 PM	10/21/2012 08:25 PM	0.42	RIH W/ GAMMA RAY
Gamma Ray	10/21/2012 08:25 PM	10/21/2012 09:15 PM	0.83	RUNNING GAMMA RAY FROM 7300' TO 5000'
Coming Out of Hole	10/21/2012 09:15 PM	10/21/2012 10:00 PM	0.75	POOH W/ GAMMA RAY/CCL
Going Down Hole	10/21/2012 10:30 PM	10/21/2012 10:50 PM	0.33	RIH W 4 1/2 GUN
Perf	10/21/2012 10:50 PM	10/21/2012 10:55 PM	0.8	PERF @6690-6700
Coming Out of Hole	10/21/2012 10:55 PM	10/21/2012 11:10 PM	0.25	POOH W/ GUN AND LAY DOWN
Going Down Hole	10/21/2012 11:15 PM	10/21/2012 11:30 PM	0.25	RIH W/ GAUGE RING AND JUNK BASKET TO 6700'
Coming Out of Hole	10/21/2012 11:30 PM	10/21/2012 11:45 PM	0.25	POOH W/ GAUGE RING AND JUNK BASKET
Going Down Hole	10/22/2012 12:30 AM	10/22/2012 01:30 AM	1.0	RIH W/ PACKER
Packer	10/22/2012 01:30 AM	10/22/2012 01:35 AM	0.8	SET PACKER @ 6650'
Coming Out of Hole	10/22/2012 01:40 AM	10/22/2012 02:00 AM	0.33	POOH W/ PACKER
Rig Up/Down	10/22/2012 02:00 AM	10/22/2012 02:30 AM	0.50	RIG DOWN WIRELINE
Travel Time	10/22/2012 03:00 AM	10/22/2012 05:00 AM	2.0	PESO #1 TO DENVER CITY TX

Lee Consulting, Inc.

P.O. Box 8280

Roswell, New Mexico 88202-8280

575-626-4292 Fax 575-624-2911

API Number: 30-015-34683

DAILY DRILLING REPORT

AFE Number: D12196

Date:	10/20/2012	Operator:	LRE Operating, LLC	Well Name:	Oxy-Peso #1 SWD
Field or Prospect:	Abo, WC, Cisco; SWD	County:	Eddy Co, NM	Contractor & Rig No.:	UDI Rig #45
Pres Depth:	9,368	Ftg:		Rot. Hrs.:	
				Avg. ROP:	
Present Operation:	TIH w/ Casing Scraper				
Last Casing (Size & Depth):	7" 26# L80 LTC @ 7290'	Shoe Test:	10.5# EMW	KB to GL:	15
Spud Date:	10/11/2012	Days from Spud:	9	Consultant:	Brad Tate 575-441-1966
Breakdown of Operations					
From	To	Hrs	Repair Hours for day:	Repair Hours for Job:	BHA Hours: 32.5
0600	0900	3.0	TIH to set plug		
0900	1000	1.0	Circulate & strap 20 Jts DP		
1000	1100	1.0	Pick up 20 jts DP, TIH to 9348 ft		
1100	1230	1.5	Circulate and hold safety meeting w/ Baker Hughes		
1230	1400	1.5	Pump 85 sx "H" Neat cement, 15.6 wt, 1.18 yield, Displace w/ 97 bbls mud. Plug Down @ 1356 MST		
1400	1630	2.5	Pull 5 stds, circulate 2 bottoms up		
1630	1700	0.5	Pull 5 stds		
1700	1730	0.5	Circulate		
1730	1800	0.5	Pull 5 stds		
1800	1830	0.5	Circulate		
1830	1900	0.5	Pull 5 stds		
1900	1930	0.5	Circulate		
1930	2000	0.5	Pull 3 stds		
2000	2115	1.25	Circulate bottoms up @ 7173'		
2115	0000	2.75	Lay Down 15 jts DP		
0000	0215	2.25	TOOH		
0215	0245	0.5	Pick up Scraper & Subs on floor		
0245	0600	3.25	TIH 18 stds 1700 ft, PU Scraper & Subs, TIH		
			No Incidents, No Spills		
			H2S and BOP Drills each shift.		

DATE IN 11/19/13	SUSPENSE	ENGINEER PG	LOGGED IN 11/21/13	TYPE IPI	PRG 1332549188 APP NO.
------------------	----------	-------------	--------------------	----------	---------------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



OXY PESO #1 SWD Order: SWD-1338

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 _____

Lime Rock
Oxy Peso #1 SWD
SWD-1338
30-015-34683

- [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

2013 NOV 19 P 3:55
 RECEIVED OGD

[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.

Mike Pippin		Petroleum Engineer	November 18, 2013
Print or Type Name	Signature	Title	Date
		mike@pippinllc.com	
		e-mail Address	

LIME ROCK RESOURCES II-A, L.P.
Mike Pippin
3104 N. Sullivan Avenue
Farmington, NM 87401
505-327-4573 (phone) mike@pippinllc.com

November 18, 2013

Terry G. Warnell
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: Injection Pressure Increase Request
Administrative Order SWD-1338
OXY PESO #1 SWD
API#: 30-015-34683
Unit Letter "F" Section 24 T18S R27E
Eddy County, New Mexico

Dear Mr. Warnell,

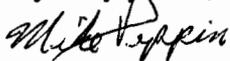
By administrative order SWD-1338, dated June 15, 2012, the NMOCD authorized water injection into Oxy Peso #1 SWD (API No. 30-015-34683) for the disposal of produced water. The order provides for a wellhead injection pressure of "no more than 1338 psi". On 2/4/13, this well started produced water injection. Lime Rock believes that this maximum pressure of 1338 psi is - significantly below the formation frac pressure.

The disposal formation in this well is extremely tight. On 10/31/13, a step rate test was run to determine the actual formation frac pressure. The formation pressure did not break at a maximum surface pressure of 2050 psi (bottom hole pressure of 4580 psi), which indicates that the formation frac pressure was not exceeded at that point. Therefore, the actual formation frac pressure is higher than a surface pressure of 2050 psi. A summary of the step rate test data from Cardinal Surveys is attached along with a wellbore diagram.

Lime Rock Resources therefore requests that the maximum wellhead injection pressure be increased to at least 2050 psi.

Please contact me at 505-327-4573 should you have any questions.

Very truly yours,



Mike Pippin P.E.
Petroleum Engineer

Enclosures

$$\begin{array}{r} 2050 \text{ requested} \\ -50 \\ \hline 2000 \text{ psi} \end{array}$$

$$\frac{2000 \text{ psi}}{6670 \text{ ft}} = 0.29 \text{ psi/ft}$$

OXY PESO #1 SWD

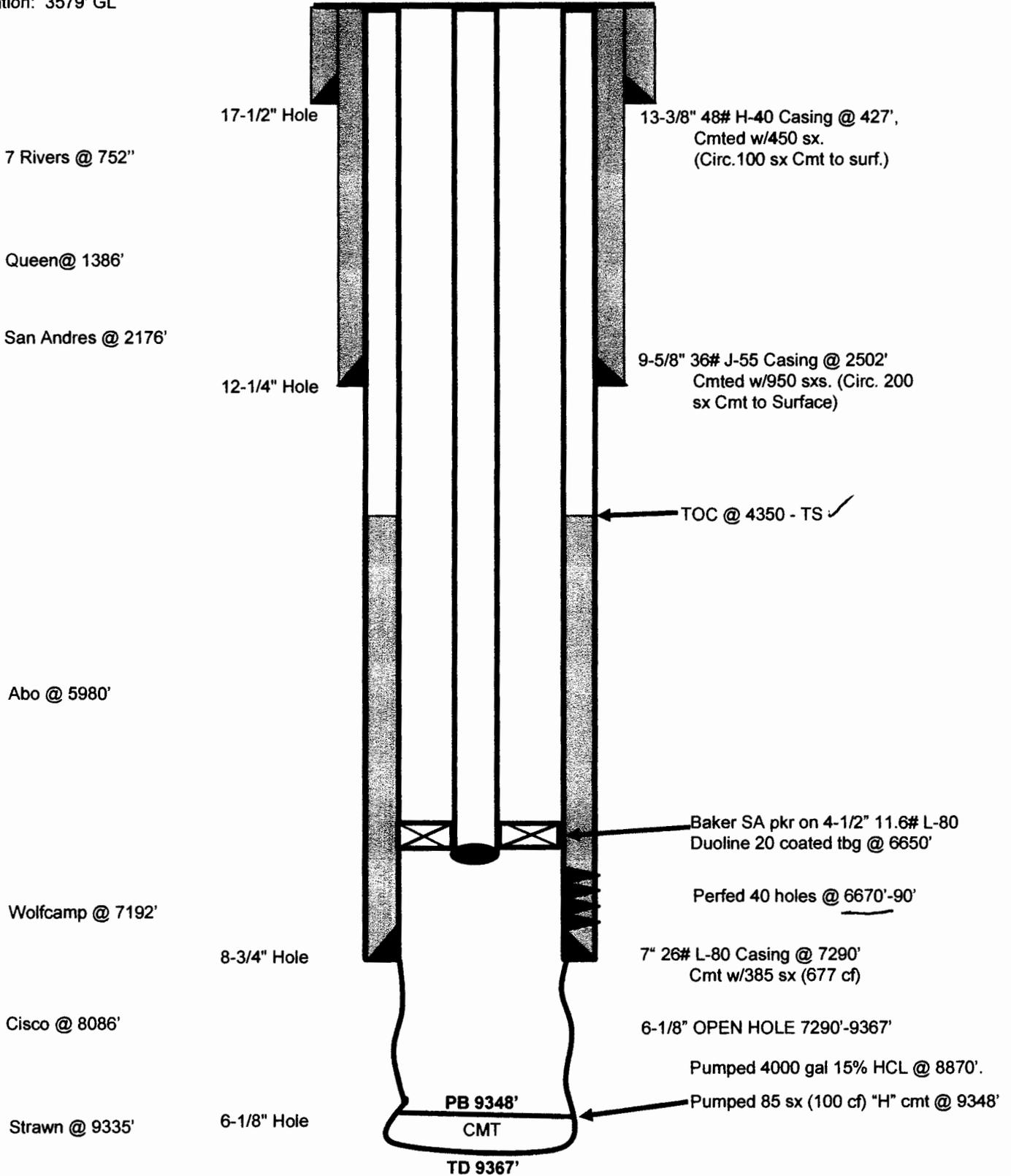
Current

Abo, Wolfcamp, Cisco (97967)

(f) Section 24, T-18-N, R-27-W, Eddy County, NM

M. PIPPIN - 11/18/13

Re-enter: 10/11/12
Completed: 10/23/12
Elevation: 3579' GL



Submit To Appropriate District Office Two Copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505	State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	Form C-105 July 17, 2008																														
WELL COMPLETION OR RECOMPLETION REPORT AND LOG		1. WELL API NO. 30-015-34683																														
4. Reason for filing: <input checked="" type="checkbox"/> COMPLETION REPORT (Fill in boxes #1 through #31 for State and Fee wells only) <input type="checkbox"/> C-144 CLOSURE ATTACHMENT (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC)		2. Type of Lease <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/> FED/INDIAN 3. State Oil & Gas Lease No.																														
7. Type of Completion: <input type="checkbox"/> NEW WELL <input type="checkbox"/> WORKOVER <input type="checkbox"/> DEEPENING <input type="checkbox"/> PLUGBACK <input type="checkbox"/> DIFFERENT RESERVOIR <input checked="" type="checkbox"/> OTHER: RE-ENTER		5. Lease Name or Unit Agreement Name OXY PESO 6. Well Number: #1 SWD <div style="text-align: right; font-size: 1.2em;">SWD-1338</div>																														
8. Name of Operator: LIME ROCK RESOURCES II-A, L.P.		9. OGRID: 277558																														
10. Address of Operator: c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401		11. Pool name or Wildcat: Abo, Wolfcamp, Cisco (97967)																														
12. Location Surface: Unit Ltr: F Section: 24 Township: 18-S Range: 27-E Lot: Feet from the: 1660 BH:	N/S Line: North Feet from the: 1850 E/W Line: West County: Eddy																															
13. Date Re-Enter: 10/11/12 14. Date T.D. Reached: 10/17/12 15. Date Drilling Rig Released: 10/23/12 16. Date Completed (Ready to Produce): 10/23/12 - SWD 17. Elevations (DF and RKB, RT, GR, etc.): 3579' GR																																
18. Total Measured Depth of Well: 9367' 19. Plug Back Measured Depth: 9348' 20. Was Directional Survey Made? Yes	21. Type Electric and Other Logs Run: Induction, Density/Neutron																															
22. Producing Interval(s), of this completion - Top, Bottom, Name 6670'-90' & Open Hole: 7290'-9348'		SWD-1338																														
CASING RECORD (Report all strings set in well)																																
<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>CASING SIZE</th> <th>WEIGHT LB./FT.</th> <th>DEPTH SET</th> <th>HOLE SIZE</th> <th>CEMENTING RECORD</th> <th>AMOUNT PULLED</th> </tr> </thead> <tbody> <tr> <td>*13-3/8"</td> <td>48#</td> <td>427'</td> <td>17-1/2"</td> <td>450 sx</td> <td>0'</td> </tr> <tr> <td>*9-5/8"</td> <td>36#</td> <td>2502'</td> <td>12-1/4"</td> <td>950 sx</td> <td>0'</td> </tr> <tr> <td>7"</td> <td>26# L-80</td> <td>7290'</td> <td>8-3/4"</td> <td>185 sx H</td> <td>0'</td> </tr> <tr> <td colspan="4">*Existing Csg Before Re-Entry</td> <td colspan="2">+ 200 sx H</td> </tr> </tbody> </table>	CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED	*13-3/8"	48#	427'	17-1/2"	450 sx	0'	*9-5/8"	36#	2502'	12-1/4"	950 sx	0'	7"	26# L-80	7290'	8-3/4"	185 sx H	0'	*Existing Csg Before Re-Entry				+ 200 sx H			
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED																											
*13-3/8"	48#	427'	17-1/2"	450 sx	0'																											
*9-5/8"	36#	2502'	12-1/4"	950 sx	0'																											
7"	26# L-80	7290'	8-3/4"	185 sx H	0'																											
*Existing Csg Before Re-Entry				+ 200 sx H																												
LINER RECORD			TUBING RECORD																													
<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>SIZE</th> <th>TOP</th> <th>BOTTOM</th> <th>SACKS CEMENT</th> <th>SCREEN</th> <th>SIZE</th> <th>DEPTH SET</th> <th>PACKER SET</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td>4-1/2"</td> <td>6650'</td> <td>6650'</td> </tr> </tbody> </table>	SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET						4-1/2"	6650'	6650'																
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET																									
					4-1/2"	6650'	6650'																									
26. Perforation record (interval, size, and number) 6670'-90', 40 holes Open Hole: 7290'-9348'			27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>DEPTH INTERVAL</th> <th>AMOUNT AND KIND MATERIAL USED</th> </tr> </thead> <tbody> <tr> <td>9348'</td> <td>Pumped 85 sx "H" cmt</td> </tr> <tr> <td>6670'-90'</td> <td></td> </tr> <tr> <td>Open Hole: 7290'-9348'</td> <td>4000 gal 15% HCL @ 8870'</td> </tr> </tbody> </table>			DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	9348'	Pumped 85 sx "H" cmt	6670'-90'		Open Hole: 7290'-9348'	4000 gal 15% HCL @ 8870'																			
DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED																															
9348'	Pumped 85 sx "H" cmt																															
6670'-90'																																
Open Hole: 7290'-9348'	4000 gal 15% HCL @ 8870'																															
28. PRODUCTION																																
Date First Production: 2/4/13 - SWD		Production Method (Flowing, gas lift, pumping - Size and type pump): SWD		Well Status (Prod. or Shut-in): SWD																												
Date of Test	Hours Tested	Choke Size	Prod'n For Test Period:	Oil - Bbl	Gas - MCF	Water - Bbl.	Gas - Oil Ratio																									
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)																										
29. Disposition of Gas (Sold, used for fuel, vented, etc.) To Be Sold					30. Test Witnessed By: Jerry Smith																											
31. List Attachments																																
32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit.																																
33. If an on-site burial was used at the well, report the exact location of the on-site burial:																																
Latitude			Longitude			NAD 1927 1983																										
I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief																																
Signature: <i>Mike Pippin</i>		Printed Name: Mike Pippin		Title: Petroleum Engineer		Date: 4/23/13																										
E-mail Address: mike@pippinllc.com																																

mw

INSTRUCTIONS

OXY-PESO #1 SWD -- Re-Entered Well For SWD

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well and not later than 60 days after completion of closure. When submitted as a completion report, this shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 11, 12 and 26-31 shall be reported for each zone.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T.	T. Ojo Alamo	T. Penn A"
T. Salt	T. Strawn 9335'	T. Kirtland	T. Penn. "B"
B. Salt	T. Atoka	T. Fruitland	T. Penn. "C"
T. Yates	T. Miss	T. Pictured Cliffs	T. Penn. "D"
T. 7 Rivers 752'	T. Devonian	T. Cliff House	T. Leadville
T. Queen 1386'	T. Silurian	T. Menefee	T. Madison
T. Grayburg	T. Montoya	T. Point Lookout	T. Elbert
T. San Andres 2176'	T. Simpson	T. Mancos	T. McCracken
T. Glorieta	T. McKee	T. Gallup	T. Ignacio Otzte
T. Yeso	T. Ellenburger	Base Greenhorn	T. Granite
T.	T. Gr. Wash	T. Dakota	
T. Tubb	T. Delaware Sand	T. Morrison	
T. Drinkard	T. Bone Springs	T. Todilto	
T. Abo 5980'	T.	T. Entrada	
T. Wolfcamp 7192'	T.	T. Wingate	
T. Penn	T.	T. Chinle	
T. Cisco 8086'	T.	T. Permian	

OIL OR GAS SANDS OR ZONES

No. 1, from.....to..... No. 3, from.....to.....
 No. 2, from.....to..... No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology	From	To	Thickness In Feet	Lithology
			- On File -				

Step Rate Test



Cardinal Surveys Company

October 31, 2013

Lime Rock Resources
OXY PESO STATE #1 SWD

Eddy County, New Mexico
File # 21482
Tool # CSC101

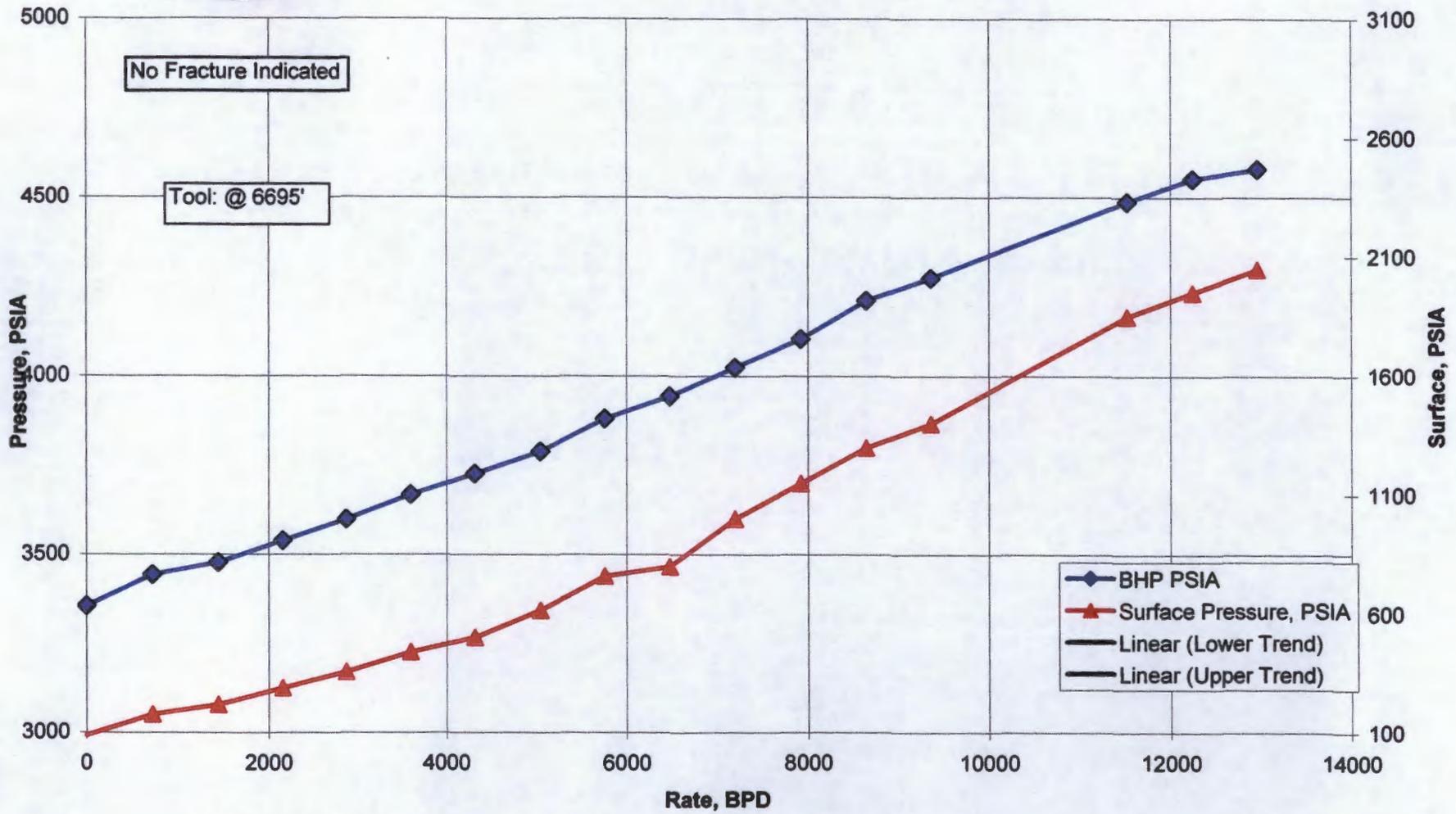
No Fracture Indicated ✓

Downhole PSI Tool Ser. No.
Surface PSI Gauge Ser. No.
Tool @ 6695' ✓

Start Time	End Time	Rate BPD	Comments
1	10:02 AM	10:15 AM	3355.6 On Bottom ✓
2	10:15 AM	10:45 AM	3442.8
3	10:45 AM	11:15 AM	3477.2
4	11:15 AM	11:45 AM	3538.7
5	11:45 AM	12:15 PM	3598.8
6	12:15 PM	12:45 PM	3668.1
7	12:45 PM	1:15 PM	3725.4
8	1:15 PM	1:45 PM	3788.4
9	1:45 PM	2:15 PM	3880.9
10	2:15 PM	2:45 PM	3943.2
11	2:45 PM	3:15 PM	4023.5
12	3:15 PM	3:45 PM	4104.4
13	3:45 PM	4:15 PM	4212.6
14	0.677083333	0.697917	4274.2
15	0.697916667	0.71875	4348.9
16	0.71875	0.739583	4423.3
17	0.739583333	0.760417	4488.1
18	0.760416667	0.78125	4551.7
19	0.78125	0.802083	4580.6 Out of water
20	0.802083333	0.8125	3802 Fall off



**Lime Rock Resources Oxy Peso State # 1 SWD
Step Rate Test 10-31-2013**



Step Rate Test

Lime Rock Resources
Oxy Peso State # 1 SWD



Eddy County , New Mexico

	S Time	E Time	D Time Min	Last Rate BPD	Step BPD	B. H. Pressure PSIA	Surf PSIA	Cum BBL	Delta BBL	Avg. BPD
1	10:02 AM	10:15 AM	13	0	0	3355.6	88	0	0.00	0
2	10:15 AM	10:45 AM	30	720	720	3442.8	176	25	25.00	1200
3	10:45 AM	11:15 AM	30	1440	720	3477.2	218	56	31.00	1488
4	11:15 AM	11:45 AM	30	2160	720	3538.7	288	102	46.00	2208
5	11:45 AM	12:15 PM	30	2880	720	3598.8	357	162	60.00	672
6	12:15 PM	12:45 PM	30	3600	720	3668.1	440	240	78.00	864
7	12:45 PM	1:15 PM	30	4320	720	3725.4	500	330	90.00	4320
8	1:15 PM	1:45 PM	30	5040	720	3788.4	615	437	107.00	5136
9	1:45 PM	2:15 PM	30	5760	720	3880.9	760	565	128.00	6144
10	2:15 PM	2:45 PM	30	6480	720	3943.2	800	698	133.00	6384
11	2:45 PM	3:15 PM	30	7200	720	4023.5	1000	848	150.00	7200
12	3:15 PM	3:45 PM	30	7920	720	4104.4	1150	1015	167.00	8016
13	3:45 PM	4:15 PM	30	8640	720	4212.6	1300	1204	189.00	9072
14	4:15 PM	4:45 PM	30	9360	720	4274.2	1400	1402	198.00	9504
17	5:45 PM	6:15 PM	30	11520	#REF!	4488.1	1850	2086	#REF!	#REF!
18	6:15 PM	6:45 PM	30	12240	720	4551.7	1950	2345	259.00	12432
19	6:45 PM	7:15 PM	30	12960	720	4580.6	2050	2444	99.00	4752
20	7:15 PM	7:30 PM	15	0	0	3802	536	2444	0.00	0



Lime Rock Resources Oxy Peso State # 1 SWD Step Rate Test 10-31-2013

