

DATE IN 1/14/2016	SUSPENSE	ENGINEER MAM	LOGGED IN 1/14/2016	TYPE DHC	APP NO. PMAM1601455009
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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



STIRLING 7 F #8 -- 30-015-40860

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.

Mike Pippin	<i>Mike Pippin</i>	Petroleum Engineer	January 13, 2016
Print or Type Name	Signature	Title	Date
		mike@pippinllc.com	
		e-mail Address	

- DHC 4786
 - Lime Rock Reserves
 11-A, LP
 277558
 624
 - Stirling 7F #8
 2016 JAN 14 P 2:14
 RECEIVED OGD
 30-015-40860
 Pool
 - Red Lake
 G-Unit etc - yes
 5120
 - Red Lake
 G-Unit G-Unit
 SAN ANDRES
 5130 ✓

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

January 13, 2016

NMOCD
c/o Mike McMillan
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: C-107A TO COMMINGLE TWO POOLS
STIRLING 7 F #8- API#: 30-015-40860
Unit Letter "F" Section 7 T18S R27E
Eddy County, New Mexico

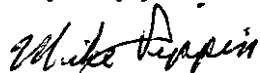
Dear Mr. McMillan,

The referenced oil well was completed on January 11, 2013 in the Red Lake, Glorieta-Yeso (51120). LIME ROCK has submitted the attached NOI sundry to the State to recomplete into the upper pool, the Red Lake, Queen-Grayburg-San Andres (51300). Interests in these two pools are identical. The State Commissioner of Public Lands has been notified.

LIME ROCK plans to produce the upper pool (San Andres) alone for a period of about 1 month in order to allow the production to stabilize. The production allocations will then be calculated using the stabilized production of the upper pool and the current (Yeso) production of 5 BOPD, 100 MCF/D, and 53 BWPD. We plan to submit these calculations and the resulting allocations to the district office for approval.

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

Very truly yours,



Mike Pippin

Petroleum Engineer

District I
1625 N. French Drive, Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Hondo 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

Form C-107A
Revised June 10, 2003

Oil Conservation Division

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE

☒ Single Well
☐ Establish Pre-Approved Pools
EXISTING WELLBORE
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

LIME ROCK RESOURCES II-A, L.P.

c/o Mike Pippin LLC (agent), 3104 N. Sullivan, Farmington, NM 87401

Operator

Address

STIRLING 7 F #8

F SEC. 7 T18S R27E

Eddy

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 277558 Property Code 309047 API No. 30-015-40860 Lease Type: ☐ Federal ☒ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Red Lake, Queen-Grayburg-San Andres		Red Lake, Glorieta-Yeso
Pool Code	51300		51120
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	~2007'-2300'		2520'-3951'
Method of Production (Flowing or Artificial Lift)	Prospective		Pumping
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)	741 PSI		851 PSI
Oil Gravity or Gas BTU (Degree API or Gas BTU)	34.8		38.32
Producing, Shut-In or New Zone	Proposed New Zone		Producing
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.)	Date: RATES:	Date: Rates:	Date: December 12, 2015 Rates: 5 BOPD 100 MCF/D 53 BWPD
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas %	Oil Gas %	Oil Gas

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 Mike Pippin TITLE Petroleum Engineer - Agent DATE January 13, 2016

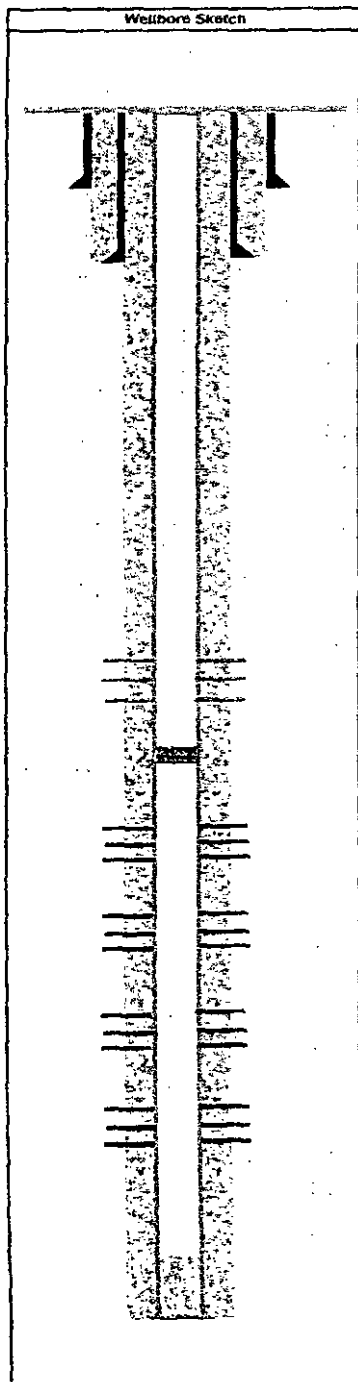
TYPE OR PRINT NAME Mike Pippin TELEPHONE NO. (505) 327-4573

E-MAIL ADDRESS mike@pippinllc.com

 LIME ROCK RESOURCES	County	EDDY	Well Name	Stirling 7F #8		Field:	East Artesia	Well Sketch:	
	Surface Lat:	32.7632474°N	BH Lat:	32.7632474°N		Survey:	SEC7-T18S-R27E Unit F	APJ #	30-015-40860
	Surface Long:	104.3185440°W	BH Long:	104.3185440°W			1,850' FSL & 990' FWL	OGRID #	277558

Directional Data:		Tubular Data								Wellhead Data	
KOP	Vertical Well	Tubulars	Size	Weight	Grade	Thread	TVD	MD	TOC	Type:	
Max Dev.:		Conductor*	20"	N/A	B	Weld	57'	57'	SURF	WP:	
Diag sev:		Surface	8 5/8"	24#	J-55	STC	380'	380'	SURF	Tree Cap	Flange:
Dev @ Perfs		Intermediate								Thread:	
Ret to Vert:		Production	5 1/2"	17#	J-55	LTC	4,309'	4,309'	SURF		
		Liner								Tag Hanger:	

Drilling / Completion Fluid		CEMENT DATA							
Drilling Fluid: 10.2 PPG Brine / Salt Gel			L/sks	Yld	Wt	T/sks	Yld	Wt	XS
Drilling Fluid:		Surface	150	1.49	14.6	300	300	14.8	225sx
Completion Fluid: 2% KCL		Intermediate							
Completion Fluid:		Liner							
Packer Fluid: NA		Production	300	1.9	12.8	575	1.33	14.8	58 Sx

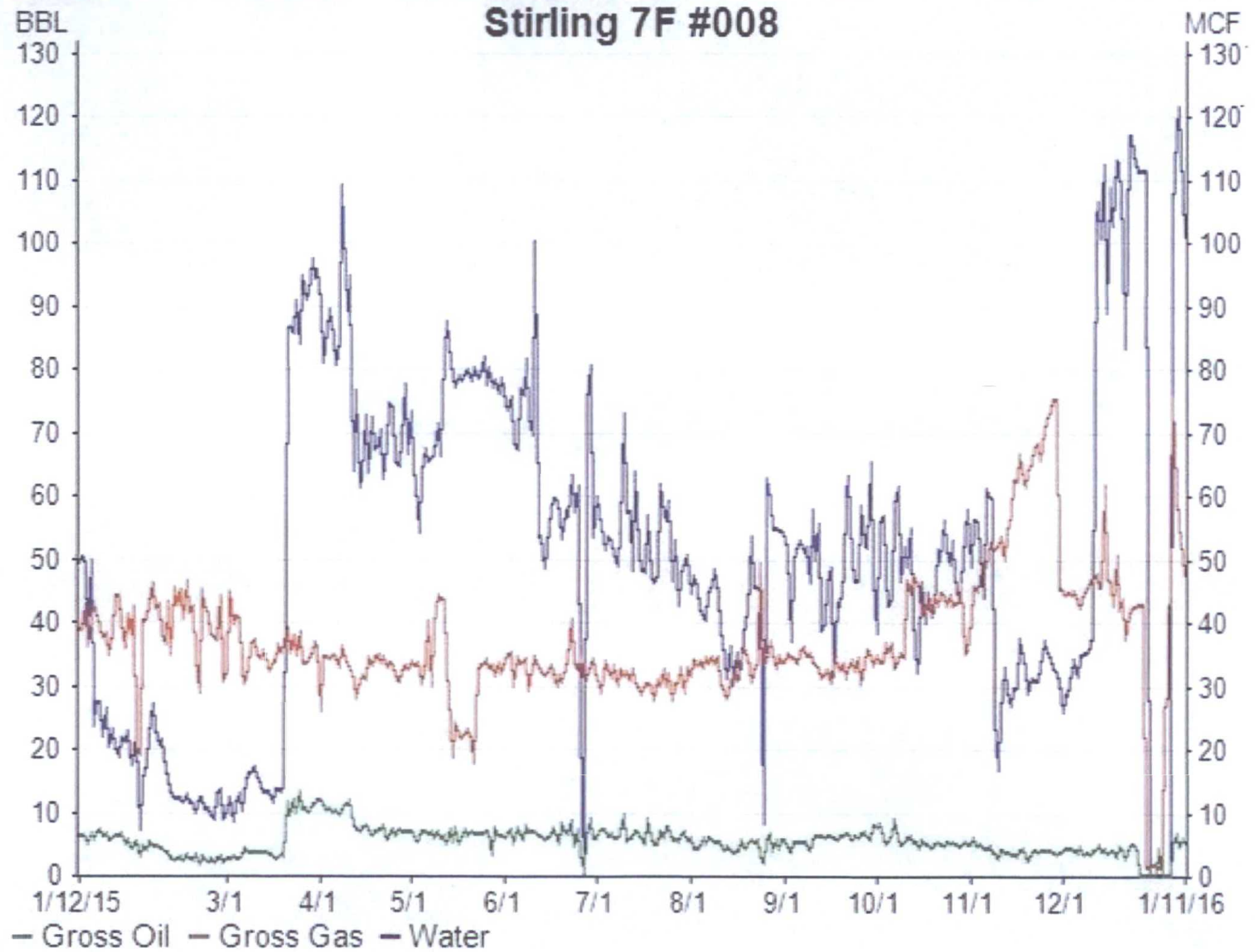


Completion Information					
DEPTHS (MD)	FORMATION TOPS / WELL INFO	PERFORATIONS		# of HOLES	
		from	to		
0					
80'					
380'	12-1/4" Hole				
387'	Queen Formation				
770'	Grayburg Formation				
1,009'	Premier Formation				
1,046'	San Andres				
1,318'	Middle San Andres				
1,934'	Lower San Andres				
	Stage 1 L. SA Frac	2,065'	2,300'	34	
2,350'	RBP				
2,396'	Glorieta Formation				
2,491'	Yeso				
	Stage 4 L. Yeso Frac	2,520'	2,771'	40	
	Stage 3 L. Yeso Frac	2,830'	3,150'	44	
	Stage 2 L. Yeso Frac	3,217'	3,547'	44	
	Stage 1 L. Yeso Frac	3,610'	3,951'	45	
4,248'	PBTD				
4,309'	PROD CSG				

Comments:	Plug back Depth:	4,248'	4,248' MD
	Total Well Depth:	4,309'	4,309' MD
	Prepared By:	Spencer Cox	Date:
			11-Jan-16

DETAILS
20" Conductor Pipe
8-5/8" Surf Csg Circ 225sx Cmt to surf
Proposed Treatment: 2000 gal 15% HCL follow w/30,000# 100 mesh & 338,634# 40/70 white sand in slickwater.
Treat w/ 2000 gal 7.5% HCL followed by w/53,992# 16/30 Brady & 13,346# 16/30 siber prop sand in X-linked gel.
Treat w/ 2000 gal 7.5% HCL followed by w/77,669# 16/30 Brady & 14,191# 16/30 siber prop sand in X-linked gel.
Treat w/ 2000 gal 7.5% HCL followed by w/73,506# 16/30 Brady & 16,893# 16/30 siber prop sand in X-linked gel.
Treat w/ 2000 gal 7.5% HCL followed by w/67,550# 16/30 Brady & 16,893# 16/30 siber prop sand in X-linked gel.
Float Collar
5-1/2" Prod Csg. Circ 79 SX Cmt to Surf

Stirling 7F #008



— Gross Oil — Gross Gas — Water

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., 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

Form C-103
June 19, 2008

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-015-40860
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator LIME ROCK RESOURCES II-A.L.P.		6. State Oil & Gas Lease No.
3. Address of Operator c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87401		7. Lease Name or Unit Agreement Name STIRLING 7 F
4. Well Location Unit Letter <u>F</u> : <u>2305</u> feet from the <u>NORTH</u> line and <u>2280</u> feet from the <u>WEST</u> line Section <u>7</u> Township <u>18-S</u> Range <u>27-E</u> NMPM Eddy County		8. Well Number #8
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3290' GL		9. OGRID Number 277558
		10. Pool name or Wildcat Red Lake, Glorieta-Yeso (97006) 51120 Red Lake, Queen-Grayburg-San Andres (51300)

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input checked="" type="checkbox"/>			
OTHER: Recomplete to San Andres <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Lime Rock would like to recomplete this Yeso oil well to the San Andres as follows: MIRUSU. TOH w/rods, pump, & tbg. Set a 5-1/2" RBP @ ~2350' & PT to ~3500 psi. (Existing Yeso perms are @ 2520'-3951'). Perf SA @ ~2007'-2300' w/~34 holes. Stimulate with ~1500 gal 15% HCL acid & frac w/~30,000# 100 mesh & ~336,634# 40/70 Ottawa sand in slick water.

CO after frac to the RBP @ 2350'. Land 2-7/8" 6.5#J-55 production tbg @ ~1950'. Run pump & rods. Release workover rig. Complete as a single SA oil well. See the attached proposed wellbore diagram. The Yeso perms will have SI status until a DHC order is obtained.

Bottom Hole Location is 2313' FNL & 2254' FWL Sec.7, T18S R27E

Spud Date: 12/11/12 Drilling Rig Release Date: 12/18/12

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Mike Pippin TITLE Petroleum Engineer - Agent DATE 1/12/16
Type or print name Mike Pippin E-mail address: mike@pippinllc.com PHONE: 505-327-4573
For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
Conditions of Approval (if any): _____

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

January 13, 2016

New Mexico Commissioner of Public Lands
Attention: Pete Martinez
310 Old Santa Fe Trail
PO Box 1148
Santa Fe, NM 87504-1148

RE: Notification of Downhole Commingling
STIRLING 7 F #8 – API#: 30-015-40860
Unit Letter "F" Section 7 T18S R27E
Eddy County, New Mexico

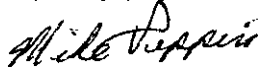
Dear Mr. Martinez:

LIME ROCK would like to commingle the existing, producing Red Lake, Glorieta-Yeso interval with the proposed, Red Lake, Queen-Grayburg-San Andres interval. The designated acreage for the proposed commingle will be the southeast quarter of the northwest quarter of section 7.

This letter is to notify you that we have submitted the necessary application and supporting data to the New Mexico Oil Conservation Division. A check for \$30 is enclosed with this notification along with a copy of the State application.

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

Very truly yours,



Mike Pippin
Petroleum Engineer

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 & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

AS DRILLED

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

¹ API Number 30-015-40860	² Pool Code 51300	³ Pool Name Red Lake, Queen-Grayburg-San Andres
⁴ Property Code 309047	⁵ Property Name STIRLING 7 F	⁶ Well Number 8
⁷ OGRID No. 277558	⁸ Operator Name LIME ROCK RESOURCES II-A, L.P.	⁹ Elevation 3290' GL

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	7	18-S	27-E		2305	NORTH	2280	WEST	EDDY

¹¹ 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
F	7	18-S	27-E		2313'	NORTH	2254'	WEST	EDDY

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.

	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>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.</p> <p>Signature: <u>Mike Pippin</u> Date: 12/17/12</p> <p>Mike Pippin Printed Name</p>
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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.</p> <p>11/14/12</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor: Filmon F. Jaramillo</p>
	<p>12797</p>
	<p>Certificate Number</p>

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

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1220 S. St. Francis Dr., Santa Fe, NM 87505

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

AS DRILLED☐ AMENDED REPORT

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	¹⁸ SURVEYOR CERTIFICATION 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. 11/14/12 Date of Survey Signature and Seal of Professional Surveyor: Filmon F. Jaramillo
	12797 Certificate Number

LIMEROCK STIRLING 7 F WELL NO. 8 PRODUCTION

Production Pool(s)	Oil Prod	Gas Prod	Wtr. Prod	Days Prod	Rpt Date
RED LAKE;GLORIETA-YESO	197	918	2312	31	01-May-15
RED LAKE;GLORIETA-YESO	189	879	1854	30	01-Jun-15
RED LAKE;GLORIETA-YESO	194	893	1627	31	01-Jul-15
RED LAKE;GLORIETA-YESO	148	984	1311	31	01-Aug-15
RED LAKE;GLORIETA-YESO	175	920	1488	30	01-Sep-15
RED LAKE;GLORIETA-YESO	166	1061	1512	31	01-Oct-15
RED LAKE;GLORIETA-YESO	117	1230	1120	30	01-Nov-15