

ABOVE THIS LINE FOR DIVISION USE ONLY

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



Williams A. Fed #4
 30-015-33130

Lime Rock Resources

ADMINISTRATIVE APPLICATION CHECKLIST (255333)

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 _____

2009 AUG -4 A 11: 12
 RECEIVED OGD

[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		Petroleum Engineer	August 3, 2009
Print or Type Name	Signature	Title	Date

mike@pippinllc.com
 e-mail Address

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

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

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

APPLICATION TYPE

Single Well

District III
1000 Rio Brazos Road, Aztec, NM 87410

Establish Pre-Approved Pools

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

APPLICATION FOR DOWNHOLE COMMINGLING

EXISTING WELLBORE

Yes No

Operator LIME ROCK RESOURCES A, L.P. Address c/o Mike Pippin LLC (agent), 3104 N. Sullivan, Farmington, NM 87401

4204

Lease WILLIAMS A FEDERAL #4 Well No. L SEC. 29 T17S R28E Unit Letter-Section-Township-Range Eddy County

OGRID No. 255333 Property Code API No. 30-015-33130 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	RED LAKE; Queen-Grayburg-San Andres		ARTESIA; Glorieta-Yeso
Pool Code	51300		976830
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	~2740'-2950'		3328'-3482'
Method of Production (Flowing or Artificial Lift)	Pumping		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)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	34.8		38.32
Producing, Shut-In or New Zone	Producing		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: July 2008 Rates: 6 BOPD 17 MCF/D
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 August 3, 2009
TYPE OR PRINT NAME Mike Pippin TELEPHONE NO. (505) 327-4573
E-MAIL ADDRESS mike@pippinllc.com

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

August 3, 2009

NMOCD
c/o Will Jones
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: C-107A TO COMMINGLE TWO POOLS
Williams A Federal #4 – API#: 30-015-33130
Unit Letter "L" Section 29 T17S R28E
Eddy County, New Mexico

Dear Mr. Jones:

The referenced oil well has produced since July 2004 from the Artesia, Glorieta-Yeso (86830). Lime Rock would like to open an upper pool, the Red Lake, Queen-Grayburg-San Andres (51800) and commingle the two pools. A sundry notice has been submitted to open the upper interval.

Lime Rock is requesting approval to commingle the two pools upon completion of rig operations. The allocation will be calculated by subtracting the total well production after two months of commingled production from the current production of 6 BOPD and 17 MCF/D. We plan to submit these calculations and the resulting allocation to the district office after the well has been on line for about 2 months. Since this is a Federal lease, notice has been filed concurrently on form 3160-5 with the BLM.

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
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

RECEIVED
APR 17 2000
BY:

Form C-102
Revised March 17, 1999
to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code		Pool Name	
		51300		Red Lake QN-GB-SA	
Property Code		Property Name			Well Number
		WILLIAMS FEDERAL			4
OGRID No.		Operator Name			Elevation
020451		SDX RESOURCES, INC.			3623.

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	29	17-S	28-E		1650	SOUTH	330	WEST	EDDY

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

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

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

16						OPERATOR CERTIFICATION	
						I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief	
						Signature <i>Bonnie Atwater</i>	
						Printed Name Bonnie Atwater	
						Title Regulatory Tech	
						Date 4/28/00	
						SURVEYOR CERTIFICATION	
						I hereby certify that the well location shown on this plat was placed 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.	
						MARCH 20, 2000	
						Date of Survey	
						Date of Survey	

Original on file
Exhibit #2

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

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 30-015-33130		² Pool Code 96830		³ Pool Name Artesia, Glorieta-Yeso	
⁴ Property Code		⁵ Property Name WILLIAMS A FEDERAL			⁶ Well Number 4
⁷ OGRID No. 255333		⁸ Operator Name LIME ROCK RESOURCES A, L.P.			⁹ Elevation 3623' 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
L	29	17-S	28-E		1650	SOUTH	330'	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

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.

29	330'	1650'	○	<p>¹⁷ OPERATOR CERTIFICATION 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: <u>7/22/09</u></p> <p>Printed Name: <u>Mike Pippin</u></p>
	<p>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.</p> <p>Date of Survey: <u>3/20/00</u></p> <p>Signature and Seal of Professional Surveyor: <u>Dan R. Reddy</u></p> <p>Certificate Number: <u>5412</u></p>			

Rate/Time Graph

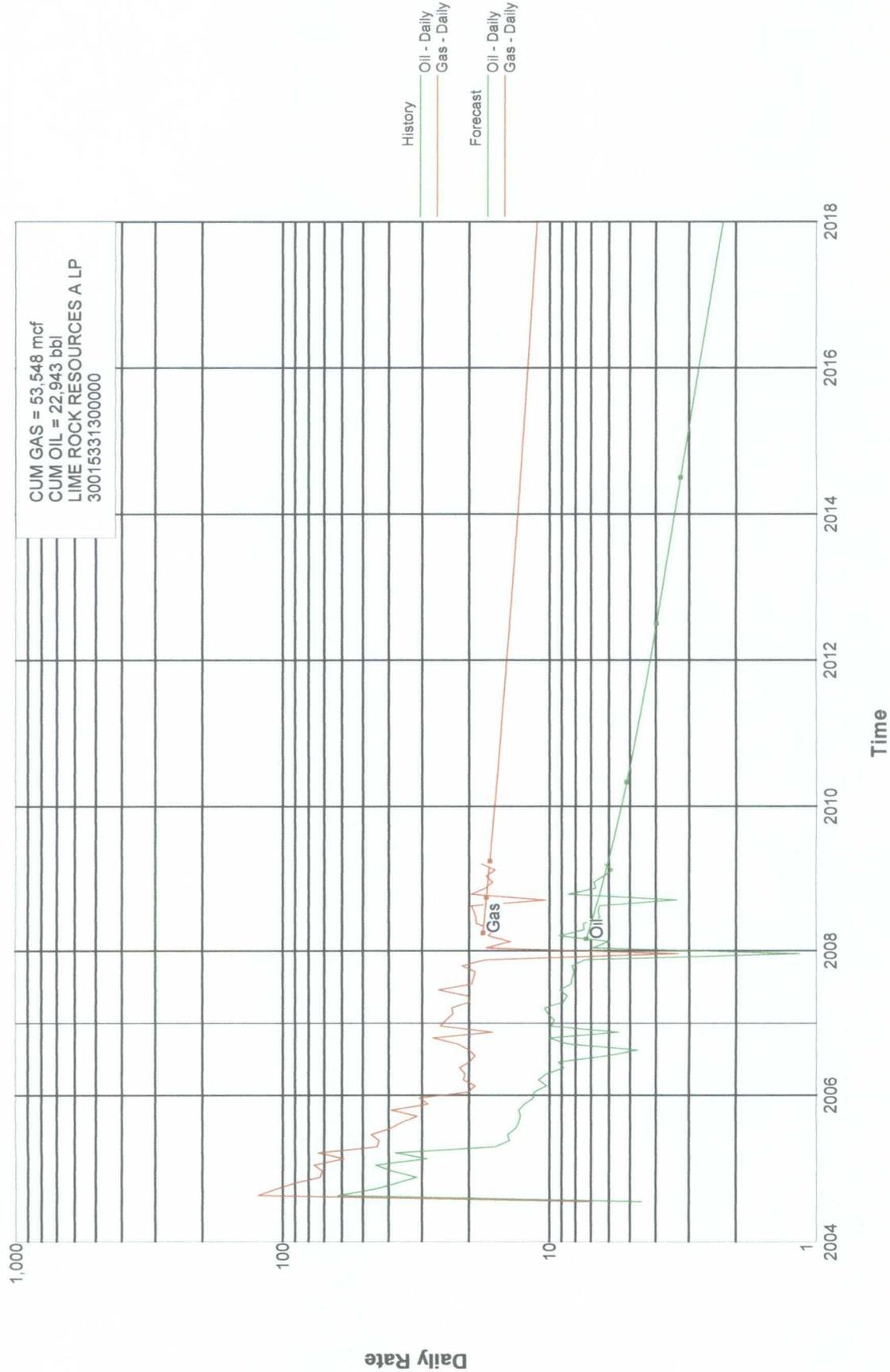
Project: c:\program files\lms energy\powerools v9.0\projects\biya2\project1.mdb

Date: 7/24/2009
Time: 11:33 AM

Lease Name: WILLIAMS A FEDERAL (4T)
County, ST: EDDY, NM
Location: S17 E28 29 SW NW SW

Operator: LIME ROCK RESOURCES A LP
Field Name: ARTESIA

WILLIAMS A FEDERAL - 4T GLORIETA YESO S17 E28 29 SW NW SW 07/2004



WILLIAMS A FEDERAL #4

Current

ARTESIA; Glorieta-Yeso
RED LAKE; Queen-Grayburg-San Andres
(L) Section 29, T-17-S, R-28-E, Eddy County, NM

Today's Date: 8/2/09
Spud: 6/14/04
Completed: 8/1/04
Elevation: 3623' GL

API#: 30-015-33130

Queen @ 1104'

Grayburg @ 1512'

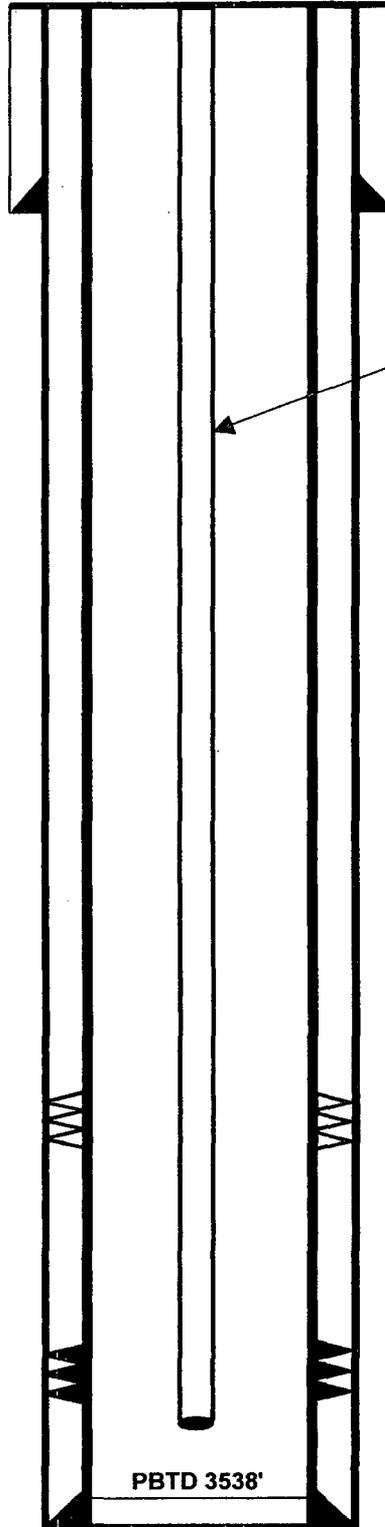
San Andres @ 1820'

Glorieta @ 3200'

Yeso @ 3288'

12-1/4" hole

7-7/8" hole



8-5/8" 24# J-55 Csg @ 463'
Cmt w/375 sxs (Circulated cement)

2-7/8" tubing @ 3483'

RED LAKE; Queen-Grayburg-San Andres
Proposed Perfs: ~2740'-2950'

ARTESIA; Glorieta-Yeso
Existing Perfs: 3328'-3482'

5-1/2" 14# J-55 Csg @ 3567'
Cmt with 800 sx, Circ Cmt

PBD 3538'

TD 3570'

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMNM-048344

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
WILLIAMS A FEDERAL #4

3
30-015-33130

10. Field and Pool, or Exploratory Area
Artesia, Gorieta-Yeso (96830)
Red Lake, Queen-Grayburg-San Andres (51300)
Eddy County, New Mexico

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
LIME ROCK RESOURCES A, L.P.

3a. Address c/o Mike Pippin LLC
3104 N. Sullivan, Farmington, NM 87401

3b. Phone No. (include area code)
505-327-4573

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**1650' FSL & 330' FWL Unit L
Sec. 29, T17S, R28E**

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

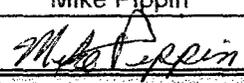
TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input checked="" type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other Re-complete to San Andres
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Lime Rock plans to recomplete to the San Andres in this Yeso oil well as follows: TOH w/rods, pump, & tbg. Set 5-1/2" RBP @ 3280'. PT 5-1/2" csg to 500-1000 psi. Perf San Andres @ about 2740'-2950'. Breakdown the new San Andres perfs w/about 4000 gal 15% NEFE acid & frac w/ about 120,000# 16/30 & 50,000# 12/20 sand in 25# X-linked gel. The well will be placed on pump.

The existing Yeso perfs are @ 3328'-3482'.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) Mike Pippin	Title Petroleum Engineer (Agent)
Signature 	Date July 22, 2009

THIS SPACE FOR FEDERAL OR STATE USE

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.

NMNM-048344

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

WILLIAMS A FEDERAL #4

9. API Well No.

30-015-33130

10. Field and Pool, or Exploratory Area

Artesia, Glorieta-Yeso
Red Lake, Queen-Grayburg-San Andres

AND

Eddy County, New Mexico

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

LIME ROCK RESOURCES A, L.P.

3a. Address

3104 N. Sullivan, Farmington, NM 87401

3b. Phone No. (include area code)

505-327-4573

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1650' FSL & 330' FWL Unit L
Sec. 29, T17S, R28E

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other DHC APPLICATION
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

LIME ROCK requests administrative approval to downhole commingle the existing Artesia, Glorieta-Yeso (96830) and the Red Lake, Queen-Grayburg-San Andres (51300).

Both intervals have common ownership & we have not experienced any significant cross flows, & all the fluids are compatible.

Downhole commingling will improve recovery of liquids & gas, eliminate redundant surface equipment, & maximize productivity. Notice has been filed concurrently on form C-107A with the State.

A sundry notice has been submitted to open the upper interval. Lime Rock is requesting approval to commingle the two pools upon completion of rig operations. The production allocation will be calculated by subtracting the total well production after two months of commingled production from the current (Yeso) production of 6 BOPD and 17 MCF/D. We plan to submit these calculations and the resulting allocation to your office after the well has been on line for about 2 months.

Permit

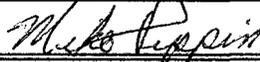
Name (Printed/Typed)

Mike Pippin

Title

Petr. Engr. (Agent)

Signature



Date

August 1, 2009

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.