BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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APPLICATION OF LIME ROCK RESOURCES A, L. P. FOR LEASE COMMINGLING, EDDY COUNTY, NEW MEXICO.

2011 JUN 30 A 10: 24

Case No. <u>/4 70 /</u>

APPLICATION

Lime Rock Resources A, L.P., applies for an exception to Division Rule 303 to permit lease commingling and an exception to metering requirements, and in support thereof, states:

- 1. Applicant is the operator of wells producing from the Empire Glorieta Yeso Pool underlying State of New Mexico Oil and Gas Leases Nos. B-6251, B-5862, LG-6340 (the leases), which collectively cover all of the S/2 of Section 24, Township 17 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.
- 2. Applicant seeks approval to surface comingle production from its wells currently located on the leases and any other wells drilled in the future which produce from the Empire Glorieta Yeso Pool in the S/2 of Section 24, and for an exception to the metering requirements of Rule 19.15.5.303B (4)(a) NMAC to authorize the allocation of production from these diversely-owned wells on the basis of periodic well tests. All production for these wells is to be stored at tank batteries as follows:

TANK NAME: AID 24 State No. 7-9

AID 24 State #2 (S24-T17S-R28E) (NE/SE/SE) (P)	(Lease B-6251)
AID 24 State #3 (S24-T17S-R28E) (SW/NE/SE) (I)	(Lease B-6251)
AID-24 State #4 (S24-T17S-R28E) (NE/NE/SE) (I)	(Lease B-6251)
AID 24 State #5 (S24-T17S-R28E) (SW/SE/SE) (P)	(Lease B-6251)
AID 24 State #6 (S24- T17S-R28E) (NE/NW/SE) (J)	(Lease B-6251)
AID 24 State #8 (S24-T17S-R28E) (NE/NE/SW) (K)	(Lease B-5862)

TANK NAME: AID 24 State

AID 24 State #10 (S24-T17S-R28E) (NE/SW/SE) (O)	(Lease B-6251)
AID 24 State #12 (S24-T17S-R28E) (NW/SE) (J)	(Lease B-6251)
AID 24 State #15 (S24-T17S-R28E) (SW/SW/SE) (O)	(Lease B-6251)
AID 24 State #7 (S24-T17S-R28E) (SW/SW/SW) (M)	(Lease LG-6340)
AID 24 State #9 (S24-T17S-R28E) (SW/SE/SW) (N)	(Lease LG-6340)
AID 24 State #11 (S24-T17S-R28E) (NE/SE/SW) (N)	(Lease LG-6340)
AID 24 State #14 (S24-T17S-R28E) (NE/SW/SW) (O)	(Lease B-6340)

- 3. Royalty interest ownership under the subject leases is common, but overriding royalty interest and/or working interest ownership varies.
- 4. Notice of this application has been given to all interested parties, by certified mail.
 - 5. The granting of this application will prevent waste and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order approving the relief requested above.

Respectfully submitted,

PADILLA LAW FIRM, P.A.

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