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July 5, 2011

Read & Stevens, Inc.
Suite 1000
400 North Pennsylvania
Roswell, New Mexico 88201

Attention: Robert Watson

Re: Lime Rock Resources A, L.P./Northwest State Cooperative Waterflood Project

Dear Bob:

Lime Rock proposed a waterflood project in the San Andres zone for certain acreage in 17S-28E and 18S-28E. This matter was heard by the Oil Conservation Division in October 28, 2010. Certain post-hearing matters have delayed entry of an order, but the OCD now has the additional information it needs for an order, except for one item.

While going through all the paperwork I noticed that Lime Rock owned 100% of the working interest in the subject acreage, except for one tract (the NW $\frac{1}{4}$ NW $\frac{1}{4}$ §32-17S-28E) which is owned 87.5% by Lime Rock and 12.5% by Read & Stevens. Therefore, the OCD wanted to re-set the matter for hearing in the event Read & Stevens did not waive objection to the project.

Attached are a copy of the application, and a supplemental affidavit by Chuck Reagan, Lime Rock's landman. One thing I would point out is that the injection depths were changed from 2400-3400 feet originally, to 2400-2950 feet currently. Lime Rock believes this project will increase production, and thus will benefit both it and Read & Stevens.

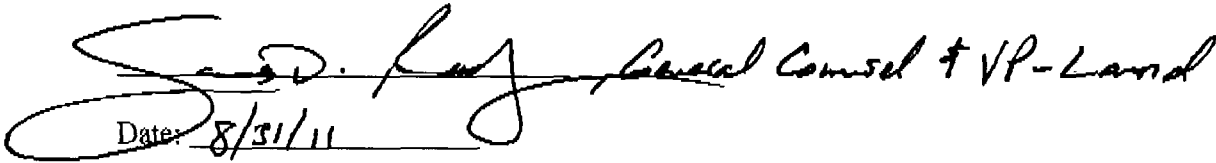
Lime Rock requests that, if Read & Stevens has no objection, it sign the waiver of objection below and send the letter back to me.

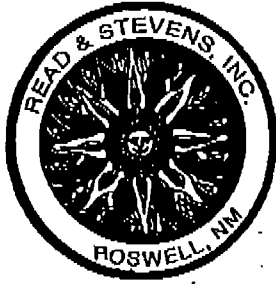
Call if you have any questions.

Very truly yours,

James Bruce

Read & Stevens, Inc. hereby waives objection to the application of Lime Rock Resources, Inc. in Case No. 14563.

 S. D. Ray, General Counsel & VP-Land
Date: 8/31/11



READ & STEVENS, INCORPORATED
OIL PRODUCERS
P.O. BOX 1518
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FAX: 575/622-8643

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PLEASE DELIVER THE FOLLOWING PAGES TO:

NAME: Chuck Reagan
COMPANY: Lime Rock Resources
CITY & STATE: _____
FAX NUMBER: (713) 292-9598

FROM: Jim Reedy
REGARDING: NW 5th Corp. Water Right

TOTAL NUMBER OF PAGES: 3 (INCLUDING COVER SHEET)

SENT BY: [Signature] DATE: 8/31/11