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AUG 29 2012

State of New Mexico

Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

NMOC DARTESIA

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

WELL API NO.

30-015-40521

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

EVEREST ESTATE 15 P FEE

8. Well Number #1

9. OGRID Number 277558

10. Pool name or Wildcat

Atoka, Glorieta-Yeso (3250)

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.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator

LIME ROCK RESOURCES II-A, L.P.

3. Address of Operator

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

4. Well Location

Unit Letter P : 990 feet from the SOUTH line and 580 feet from the EAST line

Section 15 Township 18-S Range 26-E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3329' GL

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐TEMPORARILY ABANDON ☐ CHANGE PLANS ☐PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☒OTHER: ☐OTHER: Spud & Casings ☒

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.

Spud well on 8/9/12. Drilled 12-1/4" hole to 435'. Landed 8-5/8" 24# J-55 csg @ 433'. Cmted w/325 sx (439 cf) "C" cmt w/2% CaCl2 & 0.25# CF. Circ 42 sx cmt to surface. On 8/10/12, PT 8-5/8" csg to 600 psi for 30 min-OK.

Drilled 7-7/8" hole from 8-5/8" csg shoe to MD4318' on 8/19/12. Ran open hole logs. On 8/20/12, landed 5-1/2" 17# J-55 csg @ MD4310'. Cmted lead w/325 sx (618 cf) 35/65 poz "C" cmt w/1/4#/sx CF, 5% salt, 5# LCM-1 & 0.35% R-3. Tailed w/700 sx (931 cf) "C" cmt w/0.25#/sx CF, 0.25% R-3, & 0.3% CF-32. Circ 0 sx cmt to pit. Released drilling rig on 8/21/12. On 8/20/12, ran temp survey & found TOC @ 446'. Plan to pressure test the 5-1/2" csg before completion operations.

Bottom Hole Location is 985' FSL & 347' FEL Sec.15 T18S R26E

Spud Date: 8/9/12

Drilling Rig Release Date: 8/21/12

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 8/21/12Type or print name Mike Pippin E-mail address: mike@pippinllc.com PHONE: 505-327-4573

For State Use Only

APPROVED BY: RDade TITLE Dist H Spewer DATE 8/29/12

Conditions of Approval (if any):