

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

|   |
|---|
| WELL API NO.<br>30-015-10178  |
| 5. Indicate Type of Lease<br>STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 6. State Oil & Gas Lease No.  |
| 7. Lease Name or Unit Agreement Name<br><b>BRAINARD GAS COM</b>                                     |
| 8. Well Number #1   |
| 9. OGRID Number 277558  |
| 10. Pool name or Wildcat<br>Atoka, Penn Gas (70800)   |

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 990 feet from the EAST line  
Section 11 Township 18-S Range 26-E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3320' DF

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 ☐

OTHER: P&A ☒

SUBSEQUENT PERMITS  
[www.emnrd.state.nm.us](http://www.emnrd.state.nm.us)  
Current forms are available on our website and should be used when filing regulatory documents.

OTHER: ☐

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 P&A this well as follows: MIRUSU. **NOTE: BAD CSG @ 1628'-1754'**. TOH w/tbg & pkr. TIH w/tbg open ended & tag fish @ ~8982' (fish is 2-3/8" tbg). **Plug #1, (8659'-8982') 2-3/8" tbg stub & top Morrow @ 8780'**. Spot 25 sx cmt (323') @ 8982'. WOC. Tag cmt. Circ hole w/P&A mud (25 sx gel/100 bbls water). **Plug #2 (4492'-5975'), top of Wolfcamp @ 5925' & top of Abo @ 4542'**. Pump a balanced 120 sx (1553') cmt plug @ 5975'. WOC. Tag cmt. **Plug #3 (2316'-3047'), SQed perfs @ 2997' & top of Glorieta @ 2366'**. Pump a balanced 60 sx (776') cmt plug @ 3047'. WOC. Tag cmt. **Plug #4 (1485'-1810'), SQed perfs @ 1760', Bad Csg @ 1628'-1754', SQed perfs @ 1535'**. Pump a balanced 26 sx (336') cmt plug @ 1810'. WOC. Tag cmt. **Plug #5 (1206'-1306'), 8-5/8" csg shoe @ 1256'**. Pump a balanced 25 sx (323') cmt plug @ 1306'. WOC. Tag cmt. **Plug #6 (60'-Surface)**. W/tbg @ 60', circ cmt to surface (~5 sx). TOH. Cut off csg below surface csg flange. Top off csgs w/cmt. Install P&A marker with cmt to comply with government specs. RD move off location, cut off anchors and restore location. See attached wellbore diagrams.

Spud Date: 10/27/62

Drilling Rig Release Date: 10/29/62

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

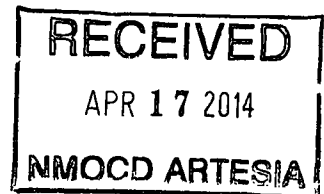
SIGNATURE Mike Pippin TITLE Petroleum Engineer - Agent DATE 4/16/14  
Type or print name Mike Pippin E-mail address: mike@pippinllc.com PHONE: 505-327-4573  
**For State Use Only**

APPROVED BY: [Signature] TITLE Dist. Rep. Supervisor DATE 5/9/2014

Conditions of Approval (if any):

CONDITIONS OF APPROVAL ATTACHED

Approved for plugging of well bore only.  
Liability under bond is retained pending receipt of C-103 (Subsequent Report of Well Plugging) which may be found at OCD Web Page under Forms, [www.emnrd.state.nm.us/oed](http://www.emnrd.state.nm.us/oed).



Approval Granted providing work is Completed by

May 9, 2015

★ See Attached COA's

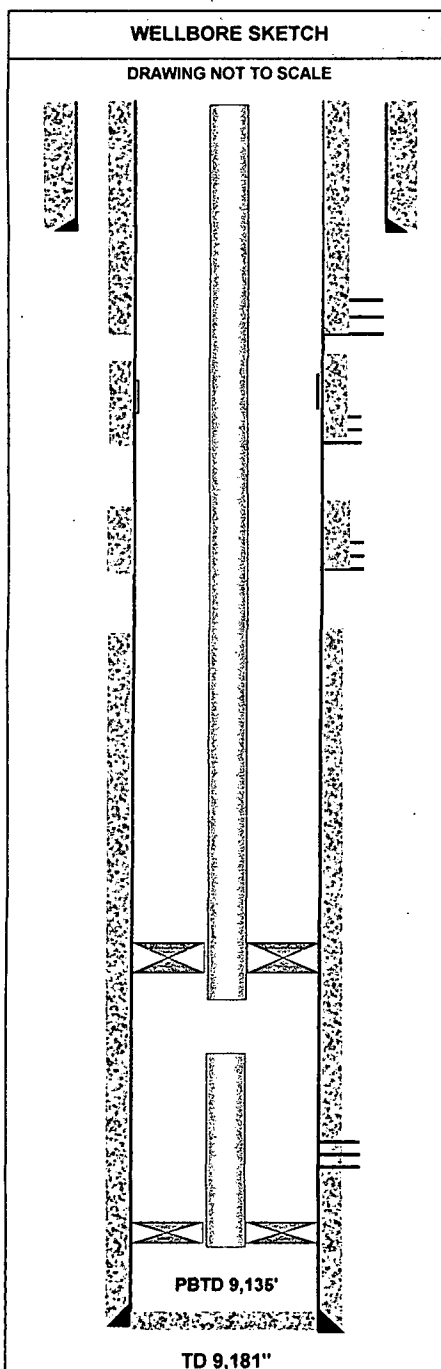
|   |   |  |                               |
|---|---|--|-------------------------------|
| OPERATOR:<br><b>Lime Rock Resources</b> | LEASE / WELL:<br><b>Brainard Gas Com #1</b>       | SURVEY:  | Property No.                  |
| COMPLETION RIG:                         | COUNTY / STATE:<br><b>Eddy County, New Mexico</b> | SURFACE LOCATION:<br><b>Sec 11, T18S, R26E</b> | FIELD:<br><b>East Artesia</b> |

| DIRECTIONAL DATA |               |    |
|------------------|---------------|----|
| KOP:             | STRAIGHT HOLE |    |
| MAX DEV:         | deg @         | MD |
| DEV @ PERFS:     | deg @         | MD |
| DEV @ PERFS:     | deg @         | MD |
| DEV @ PERFS:     | deg @         | MD |

| DRILLING / COMPLETION FLUID |       |
|-----------------------------|-------|
| DRILLING FLUID:             | ppg - |
| DRILLING FLUID:             | ppg - |
| DRILLING FLUID:             | ppg - |
| COMPLETION FLUID:           | ppg - |
| PACKER FLUID:               | ppg - |

| TUBULAR DATA  |        |            |           |        |     |       |       |
|---------------|--------|------------|-----------|--------|-----|-------|-------|
| Tubulars      | Size   | Weight     | Grade     | Thread | Top | MD    | SKS   |
| DRIVE PIPE    |        |            |           |        |     |       |       |
| CONDUCTOR     |        |            |           |        |     |       |       |
| SURFACE       | 8 5/8" | 24#        | J-55      | STC    | 0   | 1256' | 1,600 |
| INTERMEDIATE  |        |            |           |        |     |       |       |
| PRODUCTION    | 4 1/2" | 11.6#/9.5# | J-55/N-80 | LTC    | 0   | 9181' | 1,100 |
| PROD TIEBACK  |        |            |           |        |     |       |       |
| PROD LINER    |        |            |           |        |     |       |       |
| PROD LINER    |        |            |           |        |     |       |       |
| TUBING        | 2 3/8" | 4.7#       | L-80      | 8rd    | 0   | 8902' |       |
| COILED TUBING |        |            |           |        |     |       |       |

| WELLHEAD DATA    |                    |
|------------------|--------------------|
| TYPE             |                    |
| WP               |                    |
| T<br>R<br>E<br>E | FLANGE:<br>THREAD: |
| TUBING HANGER:   |                    |
| BTM FLANGE:      |                    |
| BPV PROFILE:     |                    |
| ELEVATIONS:      | GROUND ELEVATION   |
| RKB-DF:          |                    |
| RKB-ELEV:        | 3310'              |



| EQUIPMENT DESCRIPTION   | ID                    | OD                | DEPTH TVD | DEPTH MD |
|---|-----------------------|-------------------|-----------|----------|
| <b>SI - Producing Well</b>  |                       |                   |           |          |
| 12-1/4" hole  |                       |                   |           |          |
| 8 5/8" 24# surface csg @ 1256' - cmt'd to surface w/1600 sx                     |                       |                   |           |          |
| 11/1970: Perfed SQ holes @ 1535' & SQ w/275 sx cmt. Circ to surface.            |                       |                   |           |          |
| BAD CSG: In Oct.2012, swedged 4-1/2" csg 1628'-1754'.                           |                       |                   |           |          |
| 11/1970: Perfed SQ holes @ 1760' & SQ w/300 sx cmt. TOC @ ????                  |                       |                   |           |          |
| Glorieta @ 2366'  |                       |                   |           |          |
| 11/1970: Perfed SQ holes @ 2997' & SQ w/430 sx cmt. TOC @ 2810' - Temp Survey   |                       |                   |           |          |
| Abo @ 4542'   |                       |                   |           |          |
| TOC @ 4730' - Temp Survey   |                       |                   |           |          |
| Wolfcamp @ 5925'  |                       |                   |           |          |
| 10/2012: 4-1/2" pkr on 280 jts 2 3/8" 4.7# L-80 tbg                             |                       |                   |           |          |
| Morrow @ 8780'  |                       |                   |           |          |
| 4 1/2" AS-1X pkr @ 8903' 20K# comp w/On/off tool w/1.87" profile stinger        |                       |                   |           |          |
| Pkr on bottom - could not fish; backed off tbg collar @ 8982'                   |                       |                   |           |          |
| 9046'-9074', 9080'-9084', & 9092'-9102' (Morrow); re-perf 9042'-9066' (10/2012) |                       |                   |           |          |
| 7-7/8" hole   |                       |                   |           |          |
| 4 1/2" 9.5&11.6# prod csg @ 9181' - cmt'd w/1100 sx                             |                       |                   |           |          |
| COMMENTS:   | Working Interest:     | PLUG BACK DEPTH:  |           |          |
| API #   | Net Revenue Interest: | TOTAL WELL DEPTH: |           |          |
| Property#   |                       | PREPARED OR       |           |          |
| Spud Date:  |                       | REVISED BY:       |           |          |
| Completed in  |                       | pmp               |           |          |
|   |                       | DATE:             |           |          |
|   |                       | 4/16/2014         |           |          |

**CURRENT**

DIRECTIONS TO LOCATION: Directions to well needed.

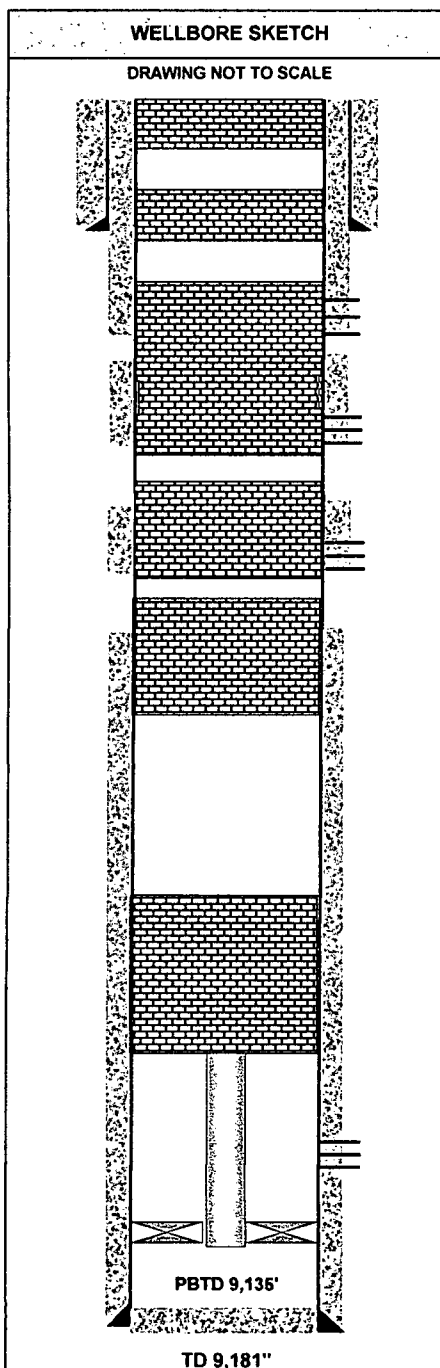
|   |   |  |                               |
|---|---|--|-------------------------------|
| ✓ OPERATOR:<br><b>Lime Rock Resources</b> | LEASE / WELL:<br><b>Brainard Gas Com #1</b>       | SURVEY:  | Property No.                  |
| COMPLETION RIG:                           | COUNTY / STATE:<br><b>Eddy County, New Mexico</b> | SURFACE LOCATION:<br><b>Sec 11, T18S, R26E</b> | FIELD:<br><b>East Artesia</b> |

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|-----------------------------|-------|
| DRILLING FLUID:             | ppg - |
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| COMPLETION FLUID:           | ppg - |
| PACKER FLUID:               | ppg - |

| TUBULAR DATA  |        |            |           |        |     |       |       |
|---------------|--------|------------|-----------|--------|-----|-------|-------|
| Tubulars      | Size   | Weight     | Grade     | Thread | Top | MD    | SKS   |
| DRIVE PIPE    |        |            |           |        |     |       |       |
| CONDUCTOR     |        |            |           |        |     |       |       |
| SURFACE       | 8 5/8" | 24#        | J-55      | STC    | 0   | 1256' | 1,600 |
| INTERMEDIATE  |        |            |           |        |     |       |       |
| PRODUCTION    | 4 1/2" | 11.6#/9.5# | J-55/N-80 | LTC    | 0   | 9181' | 1,100 |
| PROD TIEBACK  |        |            |           |        |     |       |       |
| PROD LINER    |        |            |           |        |     |       |       |
| PROD LINER    |        |            |           |        |     |       |       |
| TUBING        | 2 3/8" | 4.7#       | L-80      | 8rd    | 0   | 8902' |       |
| COILED TUBING |        |            |           |        |     |       |       |

| WELLHEAD DATA    |                    |
|------------------|--------------------|
| TYPE             |                    |
| WP               |                    |
| T<br>R<br>E<br>E | FLANGE:<br>THREAD: |
| TUBING HANGER:   |                    |
| BTM FLANGE:      |                    |
| BPV PROFILE:     |                    |
| ELEVATIONS:      | GROUND ELEVATION   |
| RKB-DF:          |                    |
| RKB-ELEV:        | 3310'              |



| EQUIPMENT DESCRIPTION   | ID                    | OD                | DEPTH<br>TVD | DEPTH<br>MD |
|---|-----------------------|-------------------|--------------|-------------|
| <b>Proposed P&amp;A</b>   |                       |                   |              |             |
| <u>PLUG#6: 60'-Surface w/5 sx cmt.</u>  |                       |                   |              |             |
| 12-1/4" hole  |                       |                   |              |             |
| 8 5/8" 24# surface csg @ 1256' - cmt'd to surface w/1600 sx                     |                       |                   |              |             |
| <u>PLUG#5: 1206'-1306' W/25 SX CMT.</u>   |                       |                   |              |             |
| 11/1970: Perf'd SQ holes @ 1535' & SQ w/275 sx cmt. Circ to surface.            |                       |                   |              |             |
| BAD CSG: In Oct.2012, swedged 4-1/2" csg 1628'-1754'.                           |                       |                   |              |             |
| 11/1970: Perf'd SQ holes @ 1760' & SQ w/300 sx cmt. TOC @ ????                  |                       |                   |              |             |
| <u>PLUG #4: 1485'-1810' W/26 SX CMT.</u>  |                       |                   |              |             |
| Glorieta @ 2366'  |                       |                   |              |             |
| <u>PLUG #3: 2316'-3047' W/60 SX CMT.</u>  |                       |                   |              |             |
| 11/1970: Perf'd SQ holes @ 2997' & SQ w/430 sx cmt. TOC @ 2810' - Temp Survey   |                       |                   |              |             |
| Abo @ 4542'   |                       |                   |              |             |
| TOC @ 4730' - Temp Survey   |                       |                   |              |             |
| Wolfcamp @ 5925'  |                       |                   |              |             |
| <u>PLUG#2: 4492'-5975' W/120 SX CMT.</u>  |                       |                   |              |             |
| 10/2012: 4-1/2" pkr on 280 jts 2 3/8" 4.7# L-80 tbg                             |                       |                   |              |             |
| Morrow @ 8780'  |                       |                   |              |             |
| 4 1/2" AS-1X pkr @ 8903' 20K# comp w/On/off tool w/1.87" profile stinger        |                       |                   |              |             |
| <u>PLUG#1: 8659'-8982' W/25 SX CMT</u>  |                       |                   |              |             |
| Pkr on bottom - could not fish; backed off tbg collar @ 8982'                   |                       |                   |              |             |
| 9046'-9074', 9080'-9084', & 9092'-9102' (Morrow); re-perf 9042'-9066' (10/2012) |                       |                   |              |             |
| 7-7/8" hole   |                       |                   |              |             |
| 4 1/2" 9.5&11.6# prod csg @ 9181' - cmt'd w/1100 sx                             |                       |                   |              |             |
| COMMENTS:   | Working Interest:     | PLUG BACK DEPTH:  |              |             |
| API #   | Net Revenue Interest: | TOTAL WELL DEPTH: |              |             |
| Property#   |                       | PREPARED OR       |              |             |
| Spud Date:  |                       | REVISED BY:       |              |             |
| Completed in  |                       | DATE:             |              |             |
|   |                       | pmp               |              |             |
|   |                       | 4/18/2014         |              |             |

**PROPOSED**

DIRECTIONS TO LOCATION: Directions to well needed.

API#: 30-015-41370

|   |                              |                 |
|---|------------------------------|-----------------|
| Customer: Lime Rock Resources           | Rig: UDI#33                  | SHL X:          |
| Lease, Well No.: Logan 35 I Federal #17 | Job No.: CD-14021            | SHL Y:          |
| County or Parrish: Eddy County          | Location or Area: New Mexico | Mag Decl.: 7.59 |



| Calculated f/ Targets | Sensor |  |  |
|-----------------------|--------|--|--|
| KBTVD (@ 0' VS)       | TVD    |  |  |
| Dip Angle (+Dn/-Up)   | N/S    |  |  |
|                       | E/W    |  |  |

| Tie-In Survey Co.:                       |         |       |        |           |         | Minimum Curvature Calculations |          |            | Rates / 100' M.D. |         | Dist f/ Target Line |          |          |
|--|---------|-------|--------|-----------|---------|--------------------------------|----------|------------|-------------------|---------|---------------------|----------|----------|
| Surveying Company: Childress Directional |         |       |        |           |         | Proposed Azimuth: 124.89°      |          |            | Build or          | R or -L | Course              | Above or | Right or |
| Survey No.                               | M.D.    | INCL  | AZM.   | TVD       | N / -S  | E / -W                         | V. SECT. | DLS / 100' | -Drop             | -Turn   | Length              | -Below   | -Left    |
| Tie-In                                   | 0.00    | 0.00  | 0.00   | 0.00'     | 0.00'   | 0.00'                          | 0.00'    | 0.00'      |                   |         |                     |          |          |
| 1.                                       | 437.00  | 0.40  | 58.70  | 437.00'   | 0.79'   | 1.30'                          | 0.62'    | 0.09°      |                   |         |                     |          |          |
| 2.                                       | 469.00  | 0.20  | 352.10 | 469.00'   | 0.91'   | 1.39'                          | 0.62'    | 1.15°      |                   |         |                     |          |          |
| 3.                                       | 561.00  | 3.00  | 143.60 | 560.96'   | -0.87'  | 2.80'                          | 2.79'    | 3.45°      |                   |         |                     |          |          |
| 4.                                       | 655.00  | 7.60  | 127.80 | 654.53'   | -6.67'  | 9.17'                          | 11.34'   | 5.09°      |                   |         |                     |          |          |
| 5.                                       | 751.00  | 10.70 | 125.70 | 749.30'   | -15.76' | 21.43'                         | 26.59'   | 3.25°      |                   |         |                     |          |          |
| 6.                                       | 848.00  | 11.70 | 122.40 | 844.45'   | -26.29' | 37.05'                         | 45.42'   | 1.22°      |                   |         |                     |          |          |
| 7.                                       | 944.00  | 11.10 | 120.80 | 938.56'   | -36.23' | 53.20'                         | 64.37'   | 0.71°      |                   |         |                     |          |          |
| 8.                                       | 1041.00 | 10.10 | 118.50 | 1,033.90' | -45.07' | 68.70'                         | 82.13'   | 1.12°      |                   |         |                     |          |          |
| 9.                                       | 1136.00 | 9.80  | 122.00 | 1,127.47' | -53.33' | 82.88'                         | 98.48'   | 0.71°      |                   |         |                     |          |          |
| 10.                                      | 1232.00 | 8.30  | 128.90 | 1,222.28' | -62.01' | 95.20'                         | 113.56'  | 1.93°      |                   |         |                     |          |          |
| 11.                                      | 1329.00 | 6.80  | 133.30 | 1,318.44' | -70.35' | 104.83'                        | 126.22'  | 1.66°      |                   |         |                     |          |          |
| 12.                                      | 1424.00 | 4.90  | 140.50 | 1,412.94' | -77.34' | 111.50'                        | 135.70'  | 2.14°      |                   |         |                     |          |          |
| 13.                                      | 1519.00 | 5.80  | 149.60 | 1,507.53' | -84.61' | 116.51'                        | 143.96'  | 1.30°      |                   |         |                     |          |          |
| 14.                                      | 1615.00 | 5.10  | 142.60 | 1,603.09' | -92.18' | 121.56'                        | 152.44'  | 1.00°      |                   |         |                     |          |          |
| 15.                                      | 1711.00 | 1.40  | 179.00 | 1,698.93' | -96.75' | 124.17'                        | 157.19'  | 4.23°      |                   |         |                     |          |          |
| 16.                                      | 1807.00 | 1.80  | 261.60 | 1,794.90' | -98.14' | 122.70'                        | 156.78'  | 2.22°      |                   |         |                     |          |          |
| 17.                                      | 1903.00 | 2.30  | 297.80 | 1,890.84' | -97.46' | 119.50'                        | 153.77'  | 1.42°      |                   |         |                     |          |          |
| 18.                                      | 1999.00 | 1.80  | 329.80 | 1,986.78' | -95.26' | 117.04'                        | 150.49'  | 1.28°      |                   |         |                     |          |          |
| 19.                                      | 2095.00 | 1.90  | 332.30 | 2,082.73' | -92.55' | 115.54'                        | 147.71'  | 0.13°      |                   |         |                     |          |          |
| 20.                                      | 2197.00 | 2.00  | 321.20 | 2,184.68' | -89.66' | 113.64'                        | 144.50'  | 0.38°      |                   |         |                     |          |          |
| 21.                                      | 2292.00 | 1.80  | 317.00 | 2,279.62' | -87.28' | 111.59'                        | 141.45'  | 0.26°      |                   |         |                     |          |          |
| 22.                                      | 2388.00 | 2.00  | 347.20 | 2,375.57' | -84.54' | 110.19'                        | 138.74'  | 1.05°      |                   |         |                     |          |          |
| 23.                                      | 2483.00 | 2.30  | 351.90 | 2,470.51' | -81.04' | 109.55'                        | 136.21'  | 0.37°      |                   |         |                     |          |          |
| 24.                                      | 2579.00 | 2.20  | 350.00 | 2,566.43' | -77.32' | 108.96'                        | 133.60'  | 0.13°      |                   |         |                     |          |          |
| 25.                                      | 2675.00 | 2.80  | 27.30  | 2,662.35' | -73.42' | 109.71'                        | 131.99'  | 1.77°      |                   |         |                     |          |          |
| 26.                                      | 2771.00 | 2.80  | 27.60  | 2,758.23' | -69.26' | 111.88'                        | 131.38'  | 0.02°      |                   |         |                     |          |          |
| 27.                                      | 2867.00 | 3.00  | 55.40  | 2,854.11' | -65.75' | 115.03'                        | 131.97'  | 1.46°      |                   |         |                     |          |          |
| 28.                                      | 2963.00 | 2.90  | 86.50  | 2,949.99' | -64.18' | 119.52'                        | 134.75'  | 1.65°      |                   |         |                     |          |          |
| 29.                                      | 3059.00 | 2.60  | 109.20 | 3,045.88' | -64.75' | 124.00'                        | 138.75'  | 1.17°      |                   |         |                     |          |          |
| 30.                                      | 3155.00 | 2.10  | 111.80 | 3,141.80' | -66.12' | 127.69'                        | 142.56'  | 0.53°      |                   |         |                     |          |          |
| 31.                                      | 3251.00 | 2.10  | 111.70 | 3,237.74' | -67.42' | 130.96'                        | 145.98'  | 0.00°      |                   |         |                     |          |          |
| 32.                                      | 3348.00 | 2.00  | 108.50 | 3,334.68' | -68.61' | 134.22'                        | 149.34'  | 0.16°      |                   |         |                     |          |          |
| 33.                                      | 3443.00 | 1.80  | 109.00 | 3,429.62' | -69.63' | 137.20'                        | 152.36'  | 0.21°      |                   |         |                     |          |          |
| 34.                                      | 3540.00 | 1.80  | 171.60 | 3,526.59' | -71.63' | 138.86'                        | 154.87'  | 1.93°      |                   |         |                     |          |          |
| 35.                                      | 3636.00 | 1.90  | 182.30 | 3,622.54' | -74.71' | 139.02'                        | 156.76'  | 0.37°      |                   |         |                     |          |          |
| 36.                                      | 3732.00 | 2.70  | 256.00 | 3,718.48' | -76.85' | 136.76'                        | 156.13'  | 2.95°      |                   |         |                     |          |          |
| 37.                                      | 3828.00 | 2.90  | 259.50 | 3,814.36' | -77.84' | 132.18'                        | 152.94'  | 0.27°      |                   |         |                     |          |          |

|            |         |      |        |           |         |         |         |       |  |  |  |  |  |
|------------|---------|------|--------|-----------|---------|---------|---------|-------|--|--|--|--|--|
| 38.        | 3888.00 | 3.30 | 287.10 | 3,874.28' | -77.61' | 129.04' | 150.23' | 2.55° |  |  |  |  |  |
| <u>PTB</u> | 3935.00 | 3.30 | 287.10 | 3,921.20' | -76.81' | 126.45' | 147.66' | 0.00° |  |  |  |  |  |

The above survey data is true and correct, complete and within the limitations of the tool as set forth by Childress Directional Drilling, LLC; that I am authorized and qualified to make this report; that this survey was conducted at the request of Lime Rock Resources; that I reviewed these MWD Surveys and find they conform to the principles and procedures as set forth by Childress Directional Drilling.

Regards,



Art Poffenroth  
MWD Manager  
Childress Directional Drilling, LLC

NEW MEXICO OIL CONSERVATION DIVISION  
DISTRICT 2 OFFICE  
811 S. FIRST STREET  
ARTESIA, NM 88210  
(575)748-1283

**CONDITIONS OF APPROVAL FOR PLUGGING & ABANDONMENT**

Operator: Lime Rock Resources II

Well Name & Number: Barnard Gas Com #1

API #: 30-015-10178

1. Produced water **will not** be used during any part of the plugging & abandonment operation.
2. Notify NMOCD Dist. 2 office at least 24 hrs before beginning work.
3. Closed Loop System is to be used for entire plugging operation. Upon completion, contents of steel pit are to be hauled to a permitted disposal location.
4. Trucking companies being used to haul oilfield waste fluids to a disposal – commercial or private – shall have an approved NMOCD C-133 permit. A copy of this permit shall be available in each truck used to haul waste products. It is the responsibility of the operator, as well as the contractor, to verify that this permit is place prior to performing work. Drivers shall produce a copy upon request of NMOCD Field Inspectors.
5. A subsequent C-103 will serve as notification that the well bore has been plugged ONLY. A C-103 FINAL shall be filed before any bonding can be released on the well. Upon receipt of the Final, an inspection will be performed to verify that the location has been satisfactorily cleaned to NMOCD standards.
6. If work has not begun within 90 days of the approval of this procedure, an extension request must be filed, stating reason that well has not been plugged.
7. Every attempt must be made to clean the well bore out to below the perfs, before any plugs can be set, by whatever means possible.
8. Cement Retainers may not be used.

9. Squeeze pressures are not to exceed 500 PSI, unless approval is given by NMOCD.
10. Plugs may be combined after consulting with and getting approval from NMOCD.
11. Minimum WOC time for tag plugs will be 4 Hrs.

DATE: 5/9/2014

APPROVED BY:

A handwritten signature in black ink, appearing to be 'JDS' or similar, written in a cursive style.

## GUIDELINES FOR PLUGGING AND ABANDONMENT

### DISTRICT II / ARTESIA

- All cement plugs will be a minimum of 100' in length or a minimum of 25 sacks of cement, whichever is greater.
- Mud laden fluids must be placed between all cement plugs.
- Mud laden fluids must be mixed at 25 sacks of gel per 100 bbls of water.
- A cement plug is required to be set 50' below and 50' above all casing shoes and casing stub plugs. These plugs must be tagged.
- A CIBP with 35' of cement on top may be set in lieu of 100' cement plug.
- A plug as indicated above must be placed within 100' of top perforation. This plug must be tagged.
- Plugs set below and above salt zones must be tagged.
- No more than 2000' is to be allowed between cement plugs in open hole and no more than 3000' in cased hole.
- DV tools are required to have a 100' cement plug set 50' above and below the tool and must be tagged.
- Formations to be isolated with plugs placed at the top of each formation are:
  - Fusselman
  - Devonian
  - Morrow
  - Wolfcamp
  - Bone Spring
  - Delaware
  - Any Salt Section (Plug at top and bottom)
  - Abo
  - Glorieta
  - Yates (this plug is usually at base of salt section)
- If cement does not exist behind casing strings at recommended formation depths, the casing must be cut and pulled with plugs set at these depths or casing must be perforated and cement squeezed behind casing at the formation depths.
- In the R-111-P area (Potash Mine area) a solid cement plug must be set across the salt section. Fluid used to mix the cement shall be saturated with the salts common to the section penetrated and in suitable proportions, but not more than a 3% calcium chloride by weight of cement will be considered the desired mixture whenever possible (50' below and 50' above).