

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-43299
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name SIMPSON 15 B
8. Well Number #4
9. OGRID Number 277558
10. Pool name or Wildcat Atoka, Glorieta-Yeso (3250)
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3336' GL

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
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 <u>B</u> : <u>230</u> feet from the <u>North</u> line and <u>1760</u> feet from the <u>East</u> line Section <u>15</u> Township <u>18-S</u> Range <u>26-E</u> NMPM <u>Eddy</u> County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3336' GL	

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input checked="" type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL. <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input checked="" type="checkbox"/>			
OTHER: Change Appr. APD to 3 Strings Csg & Move Loc. 100' <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

In order to comply with the anticipated new rules for wells in the Exhibit "A" area of E-42 and not release our contracted drilling rig, Lime Rock Resources II-A, L.P. recommends the following csg & cmt changes to our approved APD:

HOLE SIZE	CSG SIZE	DEPTH	CMT
26"	20"	80'	100
17-1/2"	13-3/8"	400'	400 sx
11 5/16" 45	8-5/8"	895'	400 sx
7-7/8"	5-1/2"	4000'	200 sx lead & 625 sx tail

NM OIL CONSERVATION
ARTESIA DISTRICT
MAY 26 2016

RECEIVED

Our Geology dept. has estimated that the top oil show will be ~946' as per mud logs & the top of the San Andres. If the highest oil show is above 946', the csg will be raised accordingly so as to stay 50' above the highest oil show. The surface & intermediate csqs will be drilled with fresh water mud.

This well's location has been moved 100' west from the original APD.
See the attached new drilling plan & new C-102 & supporting 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 5/25/16

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

For State Use Only

APPROVED BY: [Signature] TITLE Geologist DATE 6/2/16

Conditions of Approval (if any):

**Lime Rock Resources II-A, L.P.
Drilling Plan**

**Simpson 15B #4
230' FNL 1760' FEL
(B) 15-18S-26E
Eddy County, NM**

1. The elevation of the unprepared ground is 3335.7 feet above sea level.
2. The geologic name of the surface formation is Quaternary – Alluvium.
3. A rotary rig will be utilized to drill the well to 4000' and run casing. This equipment will be rigged down and the well will be completed with a workover rig.
4. Well will be drilled to a total proposed depth of 4000' MD.

5. Estimated tops of geologic markers:

	MD	TVD
Quaternary – Alluvium	Surface	Surface
Yates	NA	NA
7 Rivers	NA	NA
Queen	260	260
Grayburg	637	637
Premier	906	906
San Andres	946	946
Glorieta	2305	2305
Yeso	2395	2395
Tubb	3808	3808
TD	4000	4000

6. Estimated depths at which anticipated oil, gas, or other mineral bearing formations are expected to be encountered:

	MD	TVD
Yates	NA	NA
7 Rivers	NA	NA
Queen	260	260
Grayburg	637	637
Premier	906	906
San Andres	946	946
Glorieta	2305	2305
Yeso	2395	2395
Tubb	3808	3808
TD	4000	4000

7. Proposed Casing and Cement program is as follows:

Type	Hole	Casing	Wt	Grade	Thread	Depth	Sx	Density	Yield	Components
Conductor	26"	20"	91.5	B	Welded	80	100			Ready Mix
Surface	17-1/2"	13-3/8"	54.5	J-55	ST&C	400	400	14.8	1.35	Cl C Cmt + 0.25 lbs/sk Cello Flake + 2% CaCl ₂
Intermediate	11 5/8" (C)	8-5/8"	24	J-55	ST&C	895	400		1.4	Cl C Cmt + 0.25 lbs/sk Cello Flake + 2% CaCl ₂
Production	7-7/8"	5-1/2"	17	J-55	LT&C	4000	200	12.8	1.903	(35.65) Poz/Cl C Cmt + 5% NaCl + 0.25 lbs/sk Cello Flake + 5 lbs/sk LCM-1 + 0.2% R-3 + 6% Gel
							625	14.8	1.33	Cl H w/ 0.6% R-3, 0.125% Cello Flake, 2% Gel

8. Proposed Mud Program is as follows

Depth	0-895	895-3850	3850-4000
Mud Type	Fresh Water Mud	Brine	Brine, Salt Gel, & Starch
Properties			
MW	8.4-9.2	9.8-10.1	9.9-10.1
pH	9.0-10.5	10.0-12.0	10.0-12.0
WL	NC	NC	20-30
Vis	28-34	28-29	32-34
MC	NC	NC	<2
Solids	NC	<2%	<3%
Pump Rate	300-500 gpm	375-425 gpm	400-425 gpm
Special		Use Poymers sticks and MF-55 Hi-Vis Sweeps as necessary	Hi Vis Sweeps, add acid and starch as req. Raise Vis to 35 for log.

9. Pressure Control Equipment: See Attached Description and diagram of Pressure Control Equipment.

10. Testing, Logging and Coring Program

Testing Program: No drill stem tests are anticipated

Electric Logging Program: SGR-DLL-CDL-CNL Quad Combo from 4000 to surf. Csg. SGR-CNL to Surf.

Coring Program: No full or sidewall cores are anticipated.

11. Potential Hazards:

No abnormal temperatures or pressures are expected. There is no known presence of H₂S in this area. If H₂S is encountered the operator will comply with the provisions of Onshore Oil and Gas Order No. 6. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Estimated BHP 1760 psi based on 0.44 x TD. The estimated BHT is 125 degrees F.

12. Duration of Operations:

Anticipated spud date will be soon after approval and as soon as a rig will be available. Move in operations and drilling is expected to take 10 days. An additional 14 days will be needed to complete the well and to construct surface facilities.

NM OIL CONSERVATION ARTESTA DISTRICT

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

MAY 26 2016

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-43399	² Pool Code 3250	³ Pool Name ATOKA, GLORIETA - YESO
⁴ Property Code 309030	⁵ Property Name SIMPSON 15B	
⁶ OGRID No. 277558	⁷ Operator Name LIME ROCK RESOURCES II-A, L.P.	
		⁸ Well Number 4
		⁹ Elevation 3335.7

" Surface Location

UTL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	15	18 S	26 E		230	NORTH	1760	EAST	EDDY

" Bottom Hole Location If Different From Surface

UTL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

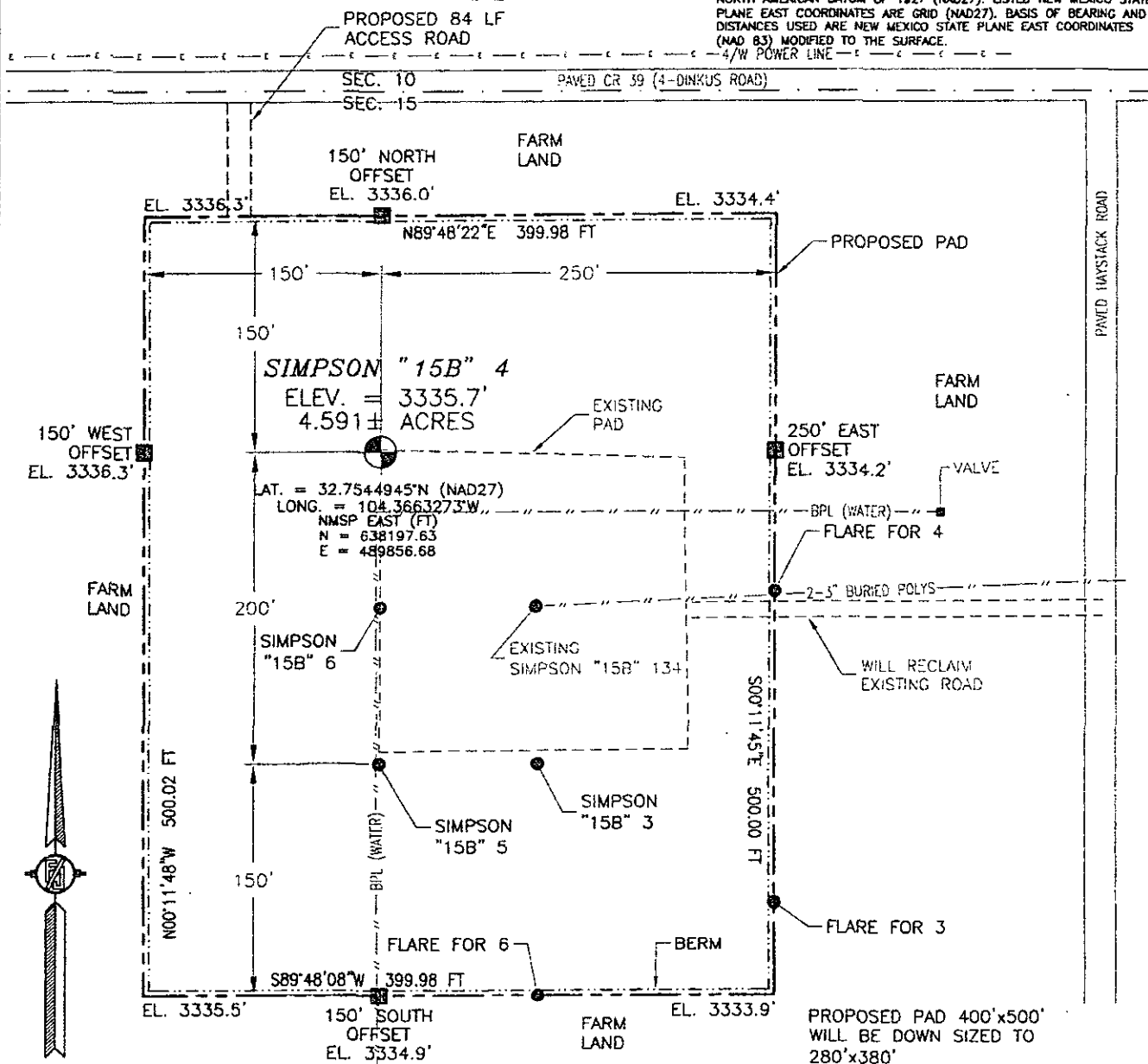
¹⁰ Dedicated Acres	¹¹ Joint or Infill	¹² Consolidation Code	¹³ Order No.

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.

<p>89°56'45"E 2645.71 FT</p> <p>NW CORNER SEC. 15 LAT. = 32.7551324°N LONG. = 104.3776141°W NMSP EAST (FT) N = 638430.97 E = 486325.39</p>		<p>89°56'45"E 2645.71 FT</p> <p>NE CORNER SEC. 15 LAT. = 32.7551234°N LONG. = 104.360667°W NMSP EAST (FT) N = 638425.92 E = 491615.44</p>		<p>" OPERATOR CERTIFICATION</p> <p>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 undivided 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><i>Mike Pippin</i> 5/29/16 Signature Date MIKE PIPPIN Printed Name MIKE@PIPPINLLC.COM E-mail Address</p>
<p>SW CORNER SEC. 15 LAT. = 32.7406052°N LONG. = 104.3776091°W NMSP EAST (FT) N = 633146.00 E = 486293.97</p>		<p>S/4 CORNER SEC. 15 LAT. = 32.7405229°N LONG. = 104.3692841°W NMSP EAST (FT) N = 633115.06 E = 486945.96</p>		<p>" SURVEYOR CERTIFICATION</p> <p>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>APR 11 6 2016 Date of Survey <i>James E. Jaramila</i> Signature and Seal of Professional Surveyor Certificate Number: M110011 JARAMILA O. PLS 12797 SURVEY NO. 3169B</p>
<p>89°19'55"W 2652.86 FT</p>		<p>89°50'40"W 2689.83 FT</p>		

SITE MAP

NOTE: LATITUDE AND LONGITUDE COORDINATES ARE SHOWN USING THE NORTH AMERICAN DATUM OF 1927 (NAD27). LISTED NEW MEXICO STATE PLANE EAST COORDINATES ARE GRID (NAD27). BASIS OF BEARING AND DISTANCES USED ARE NEW MEXICO STATE PLANE EAST COORDINATES (NAD 83) MODIFIED TO THE SURFACE.



010 50 100 200

FROM STATE ROAD 229 (HALDEMAN) AND CR 39 (FOUR DINKUS) GO WEST ON CR 39 0.3 OF A MILE TO A PROPOSED ROAD SURVEY AND FOLLOW FLAGS SOUTH 84' TO THE PROPOSED NORTHWEST PAD CORNER FOR THIS LOCATION.

SIMPSON "15B" 4

LOCATED 230 FT. FROM THE NORTH LINE
AND 1760 FT. FROM THE EAST LINE OF
SECTION 15, TOWNSHIP 18 SOUTH,
RANGE 26 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO

APRIL 6, 2016

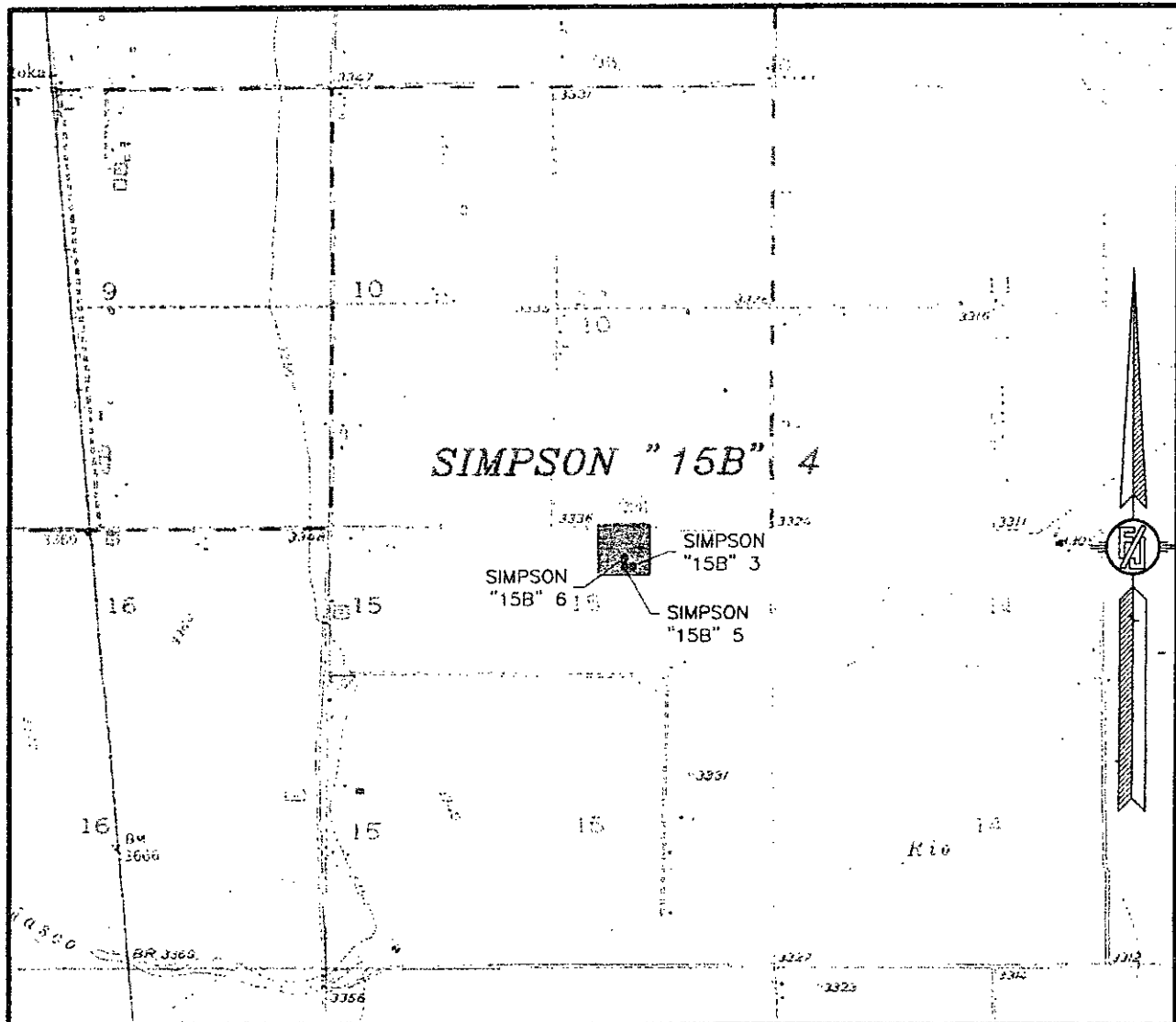
SURVEY NO. 3169B

MADRON SURVEYING, INC.

30: SOUTH CANAL
(575) 234 314:

CARLSBAD, NEW MEXICO

SECTION 15, TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M.
 EDDY COUNTY, STATE OF NEW MEXICO
 LOCATION VERIFICATION MAP



USGS QUAD MAP:
 SPRING LAKE

NOT TO SCALE

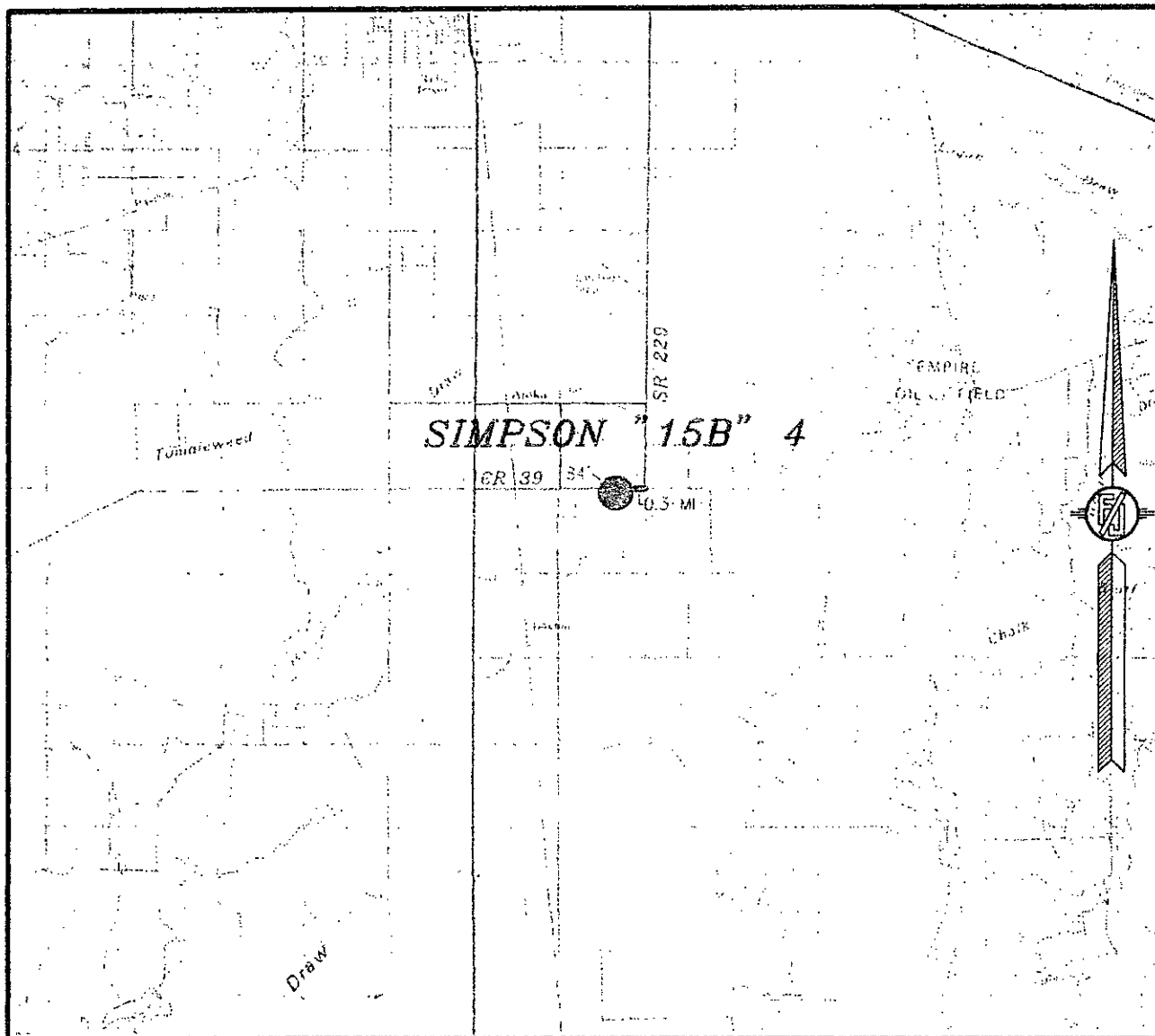
LIME ROCK RESOURCES II-A, L.P.
SIMPSON "15B" 4
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 SECTION 15, TOWNSHIP 18 SOUTH,
 RANGE 26 EAST, N.M.P.M.
 EDDY COUNTY, STATE OF NEW MEXICO

APRIL 6, 2016

SURVEY NO. 3169B

MADRON SURVEYING, INC. 301 SOUTH CANAL CARLSBAD, NEW MEXICO
 (575) 234-3341

SECTION 15, TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M.
 EDDY COUNTY, STATE OF NEW MEXICO
 VICINITY MAP



DISTANCES IN MILES

NOT TO SCALE

DIRECTIONS TO LOCATION

FROM STATE ROAD 229 (HALDEMAN) AND CR 39 (FOUR DINKUS) GO WEST ON CR 39 0.3 OF A MILE TO A PROPOSED ROAD SURVEY AND FOLLOW FLAGS SOUTH 84° TO THE PROPOSED NORTHWEST PAD CORNER FOR THIS LOCATION.

LIME ROCK RESOURCES II-A, L.P.
SIMPSON "15B" 4

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 AND 1760 FT. FROM THE EAST LINE OF
 SECTION 15, TOWNSHIP 18 SOUTH,
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 EDDY COUNTY, STATE OF NEW MEXICO

APRIL 6, 2016

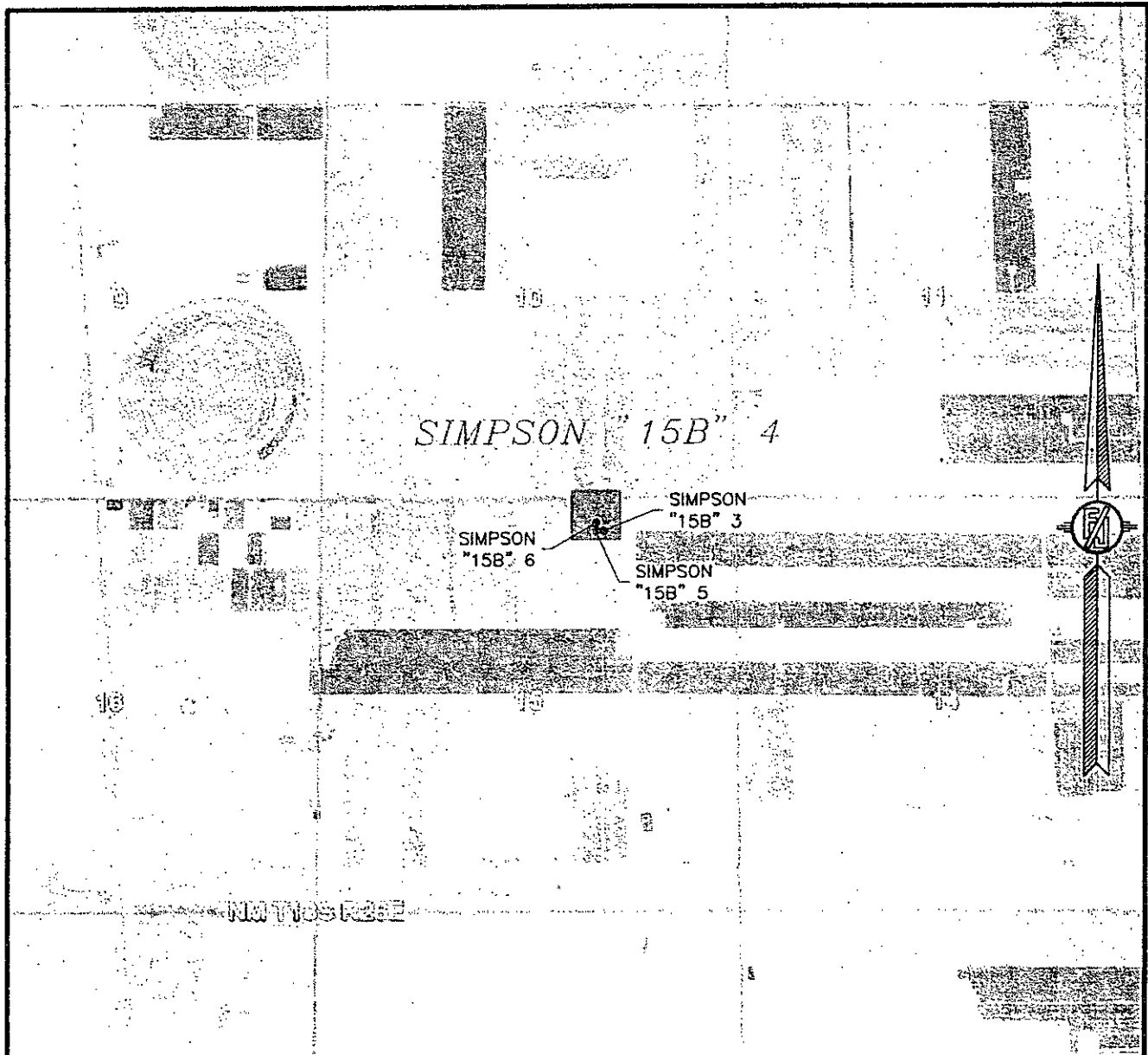
SURVEY NO. 3169B

MADRON SURVEYING, INC.

301 SOUTH CANAL
 (575) 234-3341

CARLSBAD, NEW MEXICO

SECTION 15, TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
AERIAL PHOTO



NOT TO SCALE
AERIAL PHOTO:
GOOGLE EARTH
MAY 2014

LIME ROCK RESOURCES II-A, L.P.
SIMPSON "15B" 4

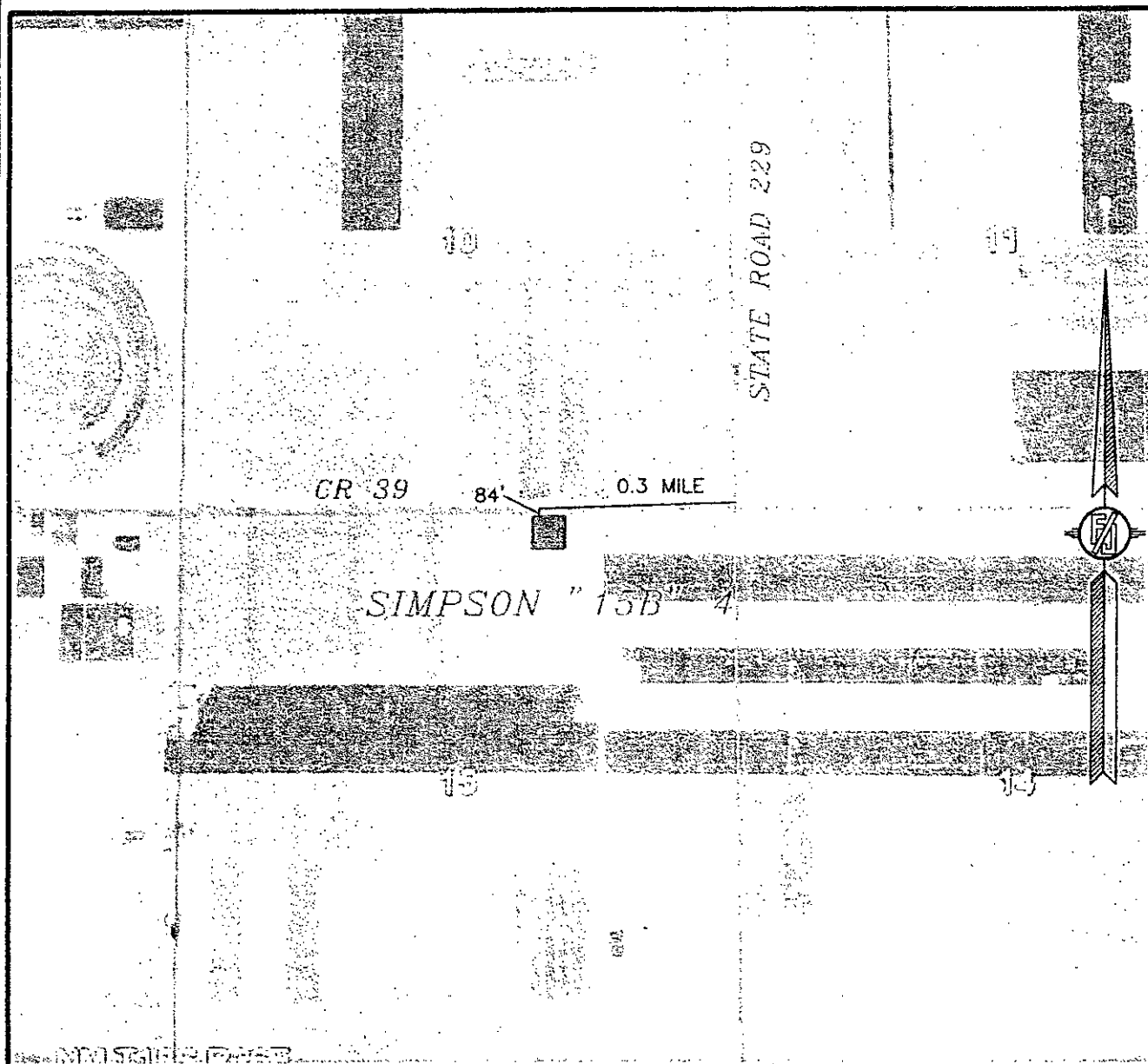
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EDDY COUNTY, STATE OF NEW MEXICO

APRIL 6, 2016

SURVEY NO. 3169B

MADRON SURVEYING, INC. 301 SOUTH CANAL (575) 234-3341 CARLSBAD, NEW MEXICO

SECTION 15, TOWNSHIP 18 SOUTH, RANGE 26 EAST, N.M.P.M.
EDDY COUNTY, STATE OF NEW MEXICO
ACCESS AERIAL ROUTE MAP



NOT TO SCALE
AERIAL PHOTO:
GOOGLE EARTH
MAY 2014

LIME ROCK RESOURCES II-A, L.P.
SIMPSON "15B" 4

LOCATED 230 FT. FROM THE NORTH LINE
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