

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

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

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.)		WELL API NO. 30-015-37313
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator LIME ROCK RESOURCES A, L.P.		6. State Oil & Gas Lease No.
3. Address of Operator c/o Mike Pippin LLC, 3104 N. Sullivan, Farmington, NM 87404		7. Lease Name or Unit Agreement Name RESLER STATE
4. Well Location Unit Letter <u>P</u> : <u>990</u> feet from the <u>SOUTH</u> line and <u>510</u> feet from the <u>EAST</u> line Section <u>25</u> Township <u>17-S</u> Range <u>27-E</u> NMPM <u>Eddy</u> County		8. Well Number <u>#3</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3586' GL		9. OGRID Number <u>255333</u>
10. Pool name or Wildcat: (96836) Red Lake, Glorieta-Yeso NE		

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: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ P AND A ☐
 CASING/CEMENT JOB ☒

OTHER: Spud & Surface & Production 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 1/5/10. Drilled 12-1/4" hole to 445'. Landed 8-5/8" 24# J-55 csg @ 434'. Cmted lead w/175 sx (236 cf) C cmt w/2% Cacl2 & 1/8# p-e-flake. Tailed w/200 sx (270 cf) C cmt w/2% Cacl2. Circ 102 sx cmt to surface. On 1/7/10, PT 8-5/8" csg to 1000 psi for 30 min - OK.

Drilled 7-7/8" hole to TD3855' on 1/15/10. Ran open hole logs. Landed 5-1/2" 17# J-55 csg @ 3843'. Cmted lead w/400 sx (756 cf) 35/65 poz C cmt w/0.125# p-e-flake, 3# salt, & 3# gilsonite & tailed w/400 sx (532 cf) C cmt w/0.125# p-e-flake, 0.4% Lap-1, 0.5% CFR-3, & 1/4# D-air. Circ 153 sx cmt to pit. Released drilling rig on 1/16/10. We plan to pressure test the 5-1/2" csg during completion operations.

Spud Date: 1/5/10

Drilling Rig Release Date: 1/16/10

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 1/19/10

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 1/21/2010

Conditions of Approval (if any):