OCD-ARTESIA FORM APPROVED UNITED STATES **ED**DEPARTMENT OF THE INTERIOR OMB No 1004-0137 Expires July 31, 2010 **BUREAU OF LAND MANAGEMENT** 5. Lease Serial No NM15303 ŬNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name form for proposals to drill or to re-enter an Use Form 3160-3 (APD) for such proposals. 7 If Unit of CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2. N/A 1. Type of Well 8 Well Name and No Corral Fly Federal #1H Oil Well Gas Well Other 9. API Well No 30-015-35623 2. Name of Operator Lime Rock Resources A, L.P. 3a. Address 10. Field and Pool or Exploratory Area 3b Phone No. (include area code) Corral Canyon, Delaware, Northwest 575-623-8424 1111 Bagby Street Suite 4600, Houston, Texas 77002 4 Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. Country or Parish, State Eddy, New Mexico 2520' FNL & 1650' FEL, Section 10-25S-29E, Uint G 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Water Shut-Off Acidize Deepen Production (Start/Resume) ✓ Notice of Intent Reclamation Well Integrity Alter Casing Fracture Treat Other Flaring Gas Casing Repair New Construction Recomplete Subsequent Report Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Convert to Injection Water Disposal Plug Back 13. Describe Proposed or Completed Operation. Clearly state all pertunent details, including estimated starting date of any proposed work and approximate duration thereof. the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.) APPROVED Requesting to flare gas due to DCP Midstream Plant Repairs. Estimated Volume - 193 MCPFD Estimated Time - April 24, 2012 - May 7, 2012 (14 days) APR 2 8 2012 /s/ JD Wnitlock Jr Verbal approval has been given by Duncan Whitlock on 4/17/12. BUREAU OF LAND MANAGEMENT NMOCD 05/09/12 CARLSBAD FIELD OFFICE SEE ATTACHED FOR ** Wells in Battery: Corral Fly Federal #1H and Gorral Fly Federal #2H ** we (1 NOT A PPr oved or Dr. !!ed. CONDITIONS OF APPROVAL 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Michael Barrett **Production Supervisor** Date 04/18/2012 Signature THIS SPACE FOR FEDERAL OR STATE OFFICE USE Approved by Title Conditions of approval, if any, are attached Approval of this notice does not warrant or certify

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false,

entitle the applicant to conduct operations thereon

that the applicant holds legal or equitable title to those rights in the subject lease which would

fictitious or fraudulent statements or representations as to any matter within its jurisdiction

Corral Fly Federal 1H

Lime Rock resources A, L.P.

April 28, 2012

Condition of Approval to Flare Gas

- 1. Report all volumes on OGOR reports.
- 2. Comply with NTL-4A requirements
- 3. Subject to like approval from NMOCD
- 4. Flared volumes will still require payment of royalties
- 5. Install gas meter on vent/flare line to measure gas prior to venting/flaring operations if it is not equipped as such at this time. Gas meter to meet all requirements for sale meter as Federal Regulations and Onshore Order #5.
- 6. This approval does not authorize any additional surface disturbance.
- 7. Submit updated facility diagram as per Onshore Order #3.