N.M. Oil Cons. DIV-Dist. 2 RECEIVED UNITED STATES 1301 W. Grand Avenue FORM APPROVED Form 3160 AUG 1 3 2010 OMB No. 1004-0137 (August 20 DEPARTMENT OF THE INTARTESIA. NM 88210 Expires: July 31, 2010 NMOCD APPESIA OF LAND MANAGEMENT 5. Lease Serial No. NM 90509 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. 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. 1. Type of Well Oil Well ✓ Gas Well Other Michael BBS Federal Com 1 2. Name of Operator 9. API Well No. 30-005-63544 Lime Rock Resources A, L.P. 3a. Address 3b. Phone No. (include area code) 10. Field and Pool or Exploratory Area Heritage Plaza, 1111 Bagby, Suite 4600, Houston, TX, 77002 Pecos Slope Abo Gas (713) 292-9514 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. Country or Parish, State 1,980' FNL & 660' FWL Section 3 T5S-R-25E Chaves County, NM Unit E: SWNW 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA ...TYPE.OF. ACTION_ T-YPE-OF-SUBMISSION- - -Acidize Deenen Production (Start/Resume) Water Shut-Off ✓ Notice of Intent Alter Casing Fracture Treat Reclamation Well Integrity **New Construction** Recomplete Casing Repair Subsequent Report Change Plans ✓ Plug and Abandon Temporarily Abandon Water Disposal Convert to Injection Plug Back Final Abandonment Notice 13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If 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.) Plugging Procedure: 1. Pull 2-3/8" production tubing. 2. Place 35' cement on top of previously set composite bridge plug at 4,700'. 2. Set CIBP at 3,650' and place 35' of cement on top of plug, 3. TIH with tubing and load hole with mud. POOH with tubing. 4. Spot 200' cement plug from 1,026' to 826'. WOC and tag plug. 5. Perforate 5/1/2" casing at 60' and circulate casing full of cement back to surface. 6. Cut off wellhead and install dry hole marker. Cut off anchors, fill in cellar, and restore location. CA NM-109709 Will Be Subject To Termination After Well No. 1-Michael BBS Federal Is Plugged. Please Call David Glass At (575) 627-0275 If You Have Any Questions Regarding The CA.

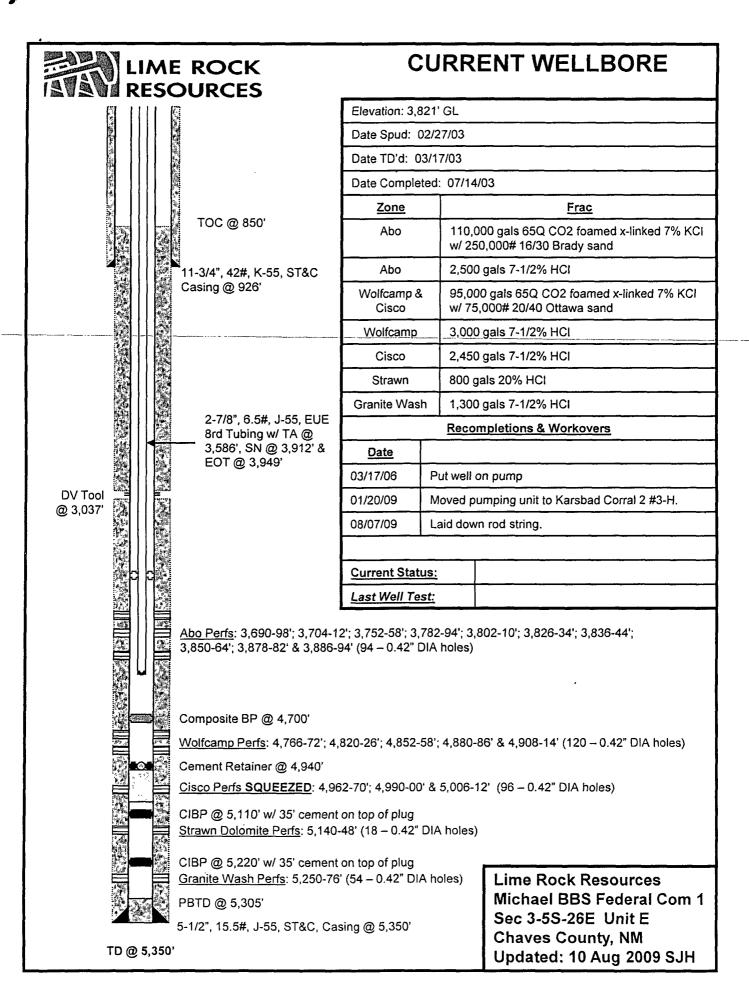
I hereby certify that the foregoing is true and correct Name (Printed/Typed) C. Tim Miller Vice President - Operations 07/09/2010 Signature

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| Approved by | /S/ DAVID R. GLASS | PETROLEUM ENGINEER | Date AUG 0 6 2010 | |
|-------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------------------|--|
| | proval, if any, are attached. Approval of this notice does not warrant or certify holds legal or equitable title to those rights in the subject lease which would | Office NAV ROS | WELL FIELD OFFICE | |

entitle the applicant to conduct operations thereon.

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PROPOSED ABANDONMENT

Perforate @ 60' and circulate cement back to surface

TOC @ 850'

11-3/4", 42#, K-55, ST&C Surface Casing @ 926'

Spot cement plug from 1,026' to 826' (tag top of plug)

| Formation | - <u>Top</u> - |
|------------|----------------|
| San Andres | 690' |
| Glorieta | 1,522' |
| Yeso | 1,640' |
| Tubb | 3,014' |
| Abo | 3,646' |
| Wolfcamp | 4,402' |

DV Tool @ 3,037'

Set CIBP @ 3,650' and place 35' cement on top of plug

<u>Abo Perfs</u>: 3,690-98'; 3,704-12'; 3,752-58'; 3,782-94'; 3,802-10'; 3,826-34'; 3,836-44'; 3,850-64'; 3,878-82' & 3,886-94' (94 – 0.42" DIA holes)

Place 35' cement on top of previously set composite bridge plug at 4,700' Composite BP @ 4,700'

Wolfcamp Perfs: 4,766-72'; 4,820-26'; 4,852-58'; 4,880-86' & 4,908-14' (120 - 0.42" DIA holes)

Cement Retainer @ 4,940'

<u>Cisco Perfs SQUEEZED</u>: 4,962-70'; 4,990-00' & 5,006-12' (96 – 0.42" DIA holes)

CIBP @ 5,110' w/ 35' cement on top of plug Strawn Dolomite Perfs: 5,140-48' (18 – 0.42" DIA holes)

CIBP @ 5,220' w/ 35' cement on top of plug <u>Granite Wash Perfs</u>: 5,250-76' (54 – 0.42" DIA holes)

PBTD @ 5,305'

5-1/2", 15.5#, J-55, ST&C, Casing @ 5,350'

TD @ 5,350'

Lime Rock Resources Michael BBS Federal Com 1 Sec 3-5S-26E Unit E Chaves County, NM Updated: 09 July 2010

BUREAU OF LAND MANAGEMENT

Roswell Field Office 2909 West Second Street Roswell, New Mexico 88201 (575) 627-0272

Permanent Abandonment of Federal Wells Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

- 1. Plugging operations shall commence within ninety (90) days from the approval date of this Notice of Intent to Abandon. If you are unable to plug the well by the 90th day provide the BLM Roswell Field Office, prior to the 90th day, with the reason for not meeting the deadline and a date when the BLM Roswell Field Office can expect the well to be plugged. Failure to do so will result in enforcement action.
- 2. <u>Notification</u>: Contact the BLM Roswell Field Office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, during office hours call (575) 627-0205 or after office hours call (575) 420-2832. Engineer on call during office hours phone (575) 627-0275 or phone (after hours) call (575) 626-5749.
- 3. <u>Blowout Preventers:</u> A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The minimum BOP requirement is a 2M system for a well not deeper than 9090 feet; a 3M system for a well not deeper than 13636 feet; and a 5M system for a well not deeper than 22727 feet.
- 4. <u>Mud Requirement:</u> Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at a rate of 25 sacks (50 pounds each) of gel per 100 barrels of water. Minimum nine (9) pounds per gallon.
- 5. <u>Cement Requirement:</u> Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 50 feet of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either class "C" for up to 7500 feet of depth, mixed at 14.8 lbs./gal with 6.3 gallons of fresh water per sack or class "H" for deeper than 7500 feet plugs, mixed at 16.4 lbs./gal with 4.3 gallons of fresh water per sack.

- 6. <u>Dry Hole Marker:</u> All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10 feet in length, 4 feet above the ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: Well name and number, the name of the operator, the lease serial number, the surveyed location (the quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer; such as metes and bounds).
- 7. <u>Subsequent Plugging Reporting:</u> Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to the BLM Roswell Field Office. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**

Following the submittal and approval of the Subsequent Report of Abandonment, a Notice of Intent for Final Abandonment with the proposed surface restoration procedure must be submitted for approval.