

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. 30-025-29998 ✓
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 ARREGUY AVM ✓
8. Well Number 001 ✓
9. OGRID Number 255333 ✓
10. Pool name or Wildcat

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 type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other ✓	
2. Name of Operator LIME ROCK RESOURCES A LP ✓	
3. Address of Operator Heritage Plaza, 1111 Bagby St., Suite 4600, Houston, TX 77002	
4. Well Location SURF:810 SURF:510 Unit Letter A: BHL:919 feet from the North line and BHL:445 feet from the East line Section 25 Township 15S Range 34E NMPM LEA County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4035.5	

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 ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐

OTHER: Perf. Atoka & Commingle w/Morrow Zone ☒

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.

SEE ATTACHED

NOV 07 2008

HOBBS OIL

Spud Date:

Rig Release Date:

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

SIGNATURE Gaye Heard TITLE \_\_\_\_\_ AGENT \_\_\_\_\_ DATE 11/07/08

Type or print name GAYE HEARD E-mail address: gheard@oilreportsinc.com PHONE: 575-393-2727

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE NOV 12 2008

Conditions of Approval (if any):

**LIME ROCK RESOURCES A LP**

**ARREGUY AVM #1**

5/27/2008 SIWHP 225#

BLACK WARRIOR ARRIVE LOCATION RIG UP TO MAKE JUNK BSKT RUN W/ 2 71 GA  
START RIH TO MAKE JUNK BSKT RUN TO 12,410'  
POOH WITH CCL GAMA RAY AND JUNK BSKT  
MAKE UP BRIDGE PLUG, GAMMA RAY & CCL RIH SET BP AT 12350' POOH  
GAMMA RAY QUIT WORKING WAITING ON GAMMA RAY TOOL  
TOOL ARRIVED ON LOC MAKE-UP TOOLS WITH 2 1/8 CASING GUN LOADED  
WITH PREMIUM DP CHARGES 4 SPF AND 60 DEGREE PHASING GR AND CCL  
RUN COROLATION STRIP POSITION GUN PERFORATE ATOKA 12,210-18' OBSERVE  
PRESSURE GAUGE 10-MIN NO INCREASE IN PRESSURE  
START POOH  
OUT HOLE RIG DOWN BLACK WARRIOR E LINE

5/28/2008 SIWHP 670#

OPEN WELL THRU PROD EQUIPT TO SALES ON 8/64 CHOKE  
14/64 670 MCF CONTINUE TO INCREASE  
CONTINUE TO OPEN CHOKE CHOKE SIZE AS WELL PRESSURE AND RATE DROPPED  
WELL PRESSURE DOWN TO LINE PRESSURE W/ RATE TO 0 MCF.  
WELL HOOKED UP TO FLOW BACK TANK WELL HEAD PRESSURE DOWN TO 30#.  
RIG UP SWAB RIH TAG FLUID 5800' PULL FROM 6800' RECOVERED CONDENSATE  
MADE TOTAL 6 SWAB RUNS LAST 2 RUNS FROM 12300' SCATTERED FLUID TOTAL  
CONDNSATE RECOVERED 17 5 BBL  
RIG DOWN SWAB RIG. SWITCH WELL THRU PROD EQUIPT TO SALES

5/29/2008 WELL OPEN TO SALES OVER NIGHT FLOWING AT RATE 54 MCF DIFERENTIAL PRESS

149#. ESTIMATED FLOWING WHP 160#  
RU BJ COILTECH REMOVE TOP SECTION TREE DOWN TO BTM MASTER  
VALVE STAB 1-3/4 COIL INTO INJECTOR HEAD  
PULL TEST CONNECTOR TO 12000# OK.  
PICK BOPS AND INJECTOR INSTALL ON WELL TEST TO 250# & 5000# OK  
START RIH WITH CT AND WASH NOZZLE RIH TAG BP AT 12,353'. PICK UP TO  
12,210' DISPLACE 1,000 GALS 15% HCL ACID INTO FORM WAIT 30 MIN AND START  
PUMPING NITROGEN AT 650 SCF MIN POOH BLOWING WELL DRY.  
CHANGE STRIPER RUBER CONTINUE POOH  
OUT OF HOLE WITH COIL TUBING BLOW DOWN COIL  
RIG DOWN INJECTOR HEAD AND BOPS FROM WELL  
MAKE UP FLANGES ON WELL TO HOOK LINE TO FLOW BACK TANK  
OPEN TO TANK AND FLOW OVERNIGHT

5/30/2008 SI WELL CK BUILD UP PRESSURE BUILD UP 30# IN 45 MIN

RIG DOWN TESTERS FROM WELL  
BJ COILTECH RIGGING BACK ON WELL MAKE UP BAKER DOWHOLE MOTOR  
WITH 2 800" MILL TO COIL LOAD COIL BREAK CIRCULATION  
START RIH WITH MOTOR AND COIL PUMPING FOAMED 3% KCL  
TAG BP AT 12,347' CTM START MILL ON BP  
BP START MOVING DOWN HOLE. PUSH DOWN TO  
13,274' (582' BELOW MORROW PERFS)  
START POOH UP TO 12,180' ABOVE ATOKA  
PERFS COULD NOT GO DOWN PICK UP AND  
MADE SEVERAL MORE ATEMPTS COULD NOT GO DOWN NO DRAG WHEN PICK UP  
POOH RIG OFF WELL FOUND RUBBER LODGED IN MILL  
SECURE WELL SDON

5/31/2008 SIWHP 526# (POSSIBLE TRAPPED NITROGEN)

BJ RIG UP TO WELL MAKE UP WASH TOOL. RIH INJECTING N2 AT 300 SCF. RUN TO  
13,200' INC N2 TO 600 SCFM WAIT 30 MIN START POOH AT 45 FPM N2 AT 400 SCF  
PU 11,000' STOP COIL FOR 15 MIN TO CREATE BUBBLE CONTINUE POOH AT 80 FPM  
OUT HOLE RIG OFF WELL.  
INSTALL HANGER FOR SIPHON SECURE WELL SDON

6/1/2008 SIWHP 856# PICK UP INJECTOR HEAD INSTALL PUMP OUT PLUG INSTALL INJ HEAD

START RIH WITH SIPHON STRING TO 12,200'. LAND SIPHON STRING SET SLIPS AND  
LOCK DOWN [REMOVE HAND WHEEL FROM BTM MASTER VALVE]  
INSTALL TREE RIG DOWN BJ COILTECH FROM WELL  
START NITROGEN DOWN COIL TO BLOW PLUG FROM SIPHON STRING PRESSURE TO  
1932# TO 1500#.  
START BLOWING BACK TO FLOW BACK TANK  
CSG 1000# TUB 750#  
CSG 700# TUB OPEN CHOKE  
CSG 75# TUB OPEN CHOKE  
CSG 90# TUB OPEN CHOKE  
CLOSE WELL IN FOR BUILD-UP

SI CSG PRESSURE 6-2-08 635#  
TURN OVER TO PRODUCTION

6/8/2008 3 BOPD

NO WATER  
186 MCFPD  
FTP: 150#  
CHOKE: 25/64"  
INSTANTANEOUS RATE: 200 MCFPD