

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: ☒ DRILL ☐ REENTER			5. Lease Serial No. NM-114979					
1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone			6. If Indian, Allottee or Tribe Name -----					
2. Name of Operator OGX RESOURCES, LLC. (JEFF BIRKELBACH 432-685-1287)			7. If Unit or CA Agreement, Name and No. -----					
3a. Address P. O. BOX 2064 MIDLAND, TEXAS 79702			8. Lease Name and Well No. (38689) CANVASBACK "13" FED. 1H					
3b. Phone No. (include area code) 432-685-1287			9. API Well No. 30-015-3719					
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 330' FNL & 480' FWL SECTION 13 T24S-R31E At proposed prod. zone 330' FSL & 480' FWL SECTION 13 T24S-R31E			10. Field and Pool, or Exploratory (96556) COTTON DRAW EAST-BONE SP					
14. Distance in miles and direction from nearest town or post office* Approximately 50 miles South Southwest of Eunice New Mexico			11. Sec., T. R. M. or Blk. and Survey or Area SECTION 13 T24S-R31E					
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 330'			12. County or Parish EDDY CO.					
16. No. of acres in lease 640			13. State NM					
17. Spacing Unit dedicated to this well 160			RECEIVED JUN 27 2011 MOCD ARTESIA					
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. NA						19. Proposed Depth 8250' TVD 12,674' MD		
20. BLM/BIA Bond No. on file NMB_000244						21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3569' GL		
22. Approximate date work will start* WHEN APPROVED						23. Estimated duration 35 Days		

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature <i>Joe T. Janica</i>		Name (Printed/Typed) Joe T. Janica		Date 04/01/11	
Title Permit Eng.					
Approved by (Signature) /s/ Linda S.C. Rundell		Name (Printed/Typed)		Date JUN 14 2011	
Title STATE DIRECTOR		Office NM STATE OFFICE			

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

APPROVAL FOR TWO YEARS

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

*(Instructions on page 2)

CARLSBAD CONTROLLED WATER BASIN

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

K2 07/06/11

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

APD

APPLICATION TO DRILL

OGX RESOURCES, LLC.
 CANVAS BACK "13" FEDERAL # 1H
 UNIT "D" SECTION 13
 T24S-R31E EEA CO. NM

Eddy

In response to questions asked under Section II of Bulletin NTL-6, the following information on the above well will be provided.

1. LOCATION: 330' FNL & 480' FWL Section 13 T24S-R31E EDDY CO. NM
2. ELEVATION ABOVE SEA LEVEL: 3569' GL:
3. GEOLOGICAL NAME OF SURFACE FORMATION: Quaternary Aeolian Deposits;
4. DRILLING TOOLS AND ASSOCIATED EQUIPMENT: Conventional rotary drilling rig using drilling mud as a circulating medium for the removal of solids from the hole.
5. PROPOSED DRILLING DEPTH: 8250' TVD 12674' MD

6. ESTIMATED TOPS OF GEOLOGICAL FORMATIONS:

~~Rustler Anhydrite 780' Cherry Canyon 5478'~~
~~Delaware Lime 4600' Brushy Canyon 6740'~~
~~Bell Canyon 4630' Bone Spring 8460'~~

See ATTACHED OGX drilling program

7. POSSIBLE MINERAL BEARING FORMATIONS:

Bell Canyon Oil, Gas, Water Brushy Canyon Oil, Gas, Water
 Cherry Canyon Oil, Gas, Water Bone Spring Oil, Gas, Water

Possible Fresh Water 375'

8. CASING PROGRAM:

HOLE SIZE	INTERVAL	CASING OD	WEIGHT	THREAD	COLLAR	GRADE	CONDITION
26"	0-40'	20"	NA	NA	NA	Conductor	New
17 1/2" <i>See COA</i>	0-825'	13 3/8"	48#	8-R	ST&C	H-40	New
11"	0-4500'	8 5/8"	32#	8-R	LT&C	J-55	New
7 7/8"	0-7500'	5 1/2"	17#	8-R	LT&C	P-110	New
7 7/8"	7500-12,674'	5 1/2"	17#	Buttress	BT&C	P-110	New

CASING SAFETY FACTORS: Collapse 1.125 Burst 1.00 Body Yield 1.5
 Joint Strength 8-Round 1.8
 Buttress 1.6

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UNIT "D" SECTION 13
T24S-R31E LEA CO. NM

9. CASING CEMENTING & SETTING DEPTHS:

20"	Conductor	Drill 26" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
13 3/8"	Surface	Run and set 825" of 13 3/8" 48# H-40 ST&C casing. Cement with 500 Sx. of Class "C" cement + 4% Gel, + 1% CaCl, + 0.25# Celloflakes/Sx. Yield 1.73, tail in with 200 Sx. of Class "C" cement + 2% CaCl, Yield 1.34 circulate cement to surface. Excess 100%
11"	Intermediate	Run and set 4500' of 8 5/8" 32# J-55 ST&C casing. Cement with 900 Sx. of 35/65 Class "C" Premium Plus POZ cement + 4% Bentonite, + 5% Salt, + 5% MPA-5, + 0.7% Sodium Metasilicate, + 5# LCM/Sx. Yield 2.19, Tail in with 200 Sx. of Class "C" cement + 2% CaCl, Yield 1.34 circulate cement to surface. Excess 100%
7 7/8"	Production	Run and set 12,674' of 5 1/2" casing as follows: 4500' ^{5174'} of 5 1/2" 17# LT&C P-110 casing, 4500' ^{4500'} of 5 1/2" 17# BT&C P-110 casing. Cement with 500 Sx. of 35/65 Premium Plus Class "C" POZ cement + 4% Bentonite, + 5% Salt, + 5% MPA-5, + 0.7% Sodium Metasilicate, + 5# LCM/Sx.. Yield 2.02. Tail in with 600 Sx. of Class "C" cement + 2% CaCl, Yield 1.34. Top of cement 4000' from surface. Excess 20%.

** per
Attached Drilling
Program*

7500'

10. PRESSURE CONTROL EQUIPMENT:

Exhibit "E" shows a 900 series 3000 PSI working pressure B. O. P. , consisting of an annular bag type preventor, middle blind rams, and bottom pipe rams. The B. O. P. will be nipple up on the 13 3/8" casing and tested to API specification. The B. O. P. will be operated at least once in each 24 hour period, and the blind rams will be operated when the drill pipe is out of the hole on trips. Full opening stabbing valve and upper kelly cock with proper threads will be available on the rig floor at all times. Exhibit "E-1" shows a hydraulically operated closing unit and a 3000PSI working pressure choke manifold with dual adjustable chokes. No abnormal pressures or temperatures are expected while drilling this well. The B.O.P. is a 13 5/8" and will be tested according to Onshore Order #2 & API specifications.

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OGX RESOURCES, LLC.
CANVAS BACK "13" FEDERAL # 1H
UNIT "D" SECTION 13
T24S-R31E LEA CO. NM

11. PROPOSED MUD CIRCULATING SYSTRM:

DEPTH	MUD WT.	VISC.	FLUID LOSS	TYPE MUD SYSTEM
40-825' <i>see COA</i>	8.6-8.8	36-38	NC	Fresh water Spud Mud, use paper to control seepage.
825-4500'	10.0-10.1	29-30	NC	Brine water use paper to control seepage and high viscosity sweeps to clean hole.
4500-7500'	8.4-9.1	28-29	NC	Fresh water use paper to control seepage and high viscosity sweeps to clean hole.
7500-12674'	8.4-9.1	34-36	12-15 cc or less	Same as above use Dynazan HB-41 and starch to control fluid loss and hole stability.

A closed mud system will be employed during the drilling of this well all cuttings and fluids will be disposed in a State approved disposal facility.

Sufficient mud materials will be kept on location at all times in order to combat lost circulation, or unexpected kicks. In order to run DST's, open hole logs, cut cores and casing, the viscosity, water loss and other properties may have to be altered to meet these requirements.

APPLICATION TO DRILL

OGX RESOURCES, LLC.
CANVAS BACK "13" FEDERAL # 1H
UNIT "D" SECTION 13
T24S-R31E LEA CO. NM

see
COA
12. LOGGING, CORING, AND TESTING PROGRAM: * See COA

- A. Open hole logs: Dual Laterolog, Neutron Density, Caliper, Gamma Ray from 7750±' back to 8 5/8" casing shoe, run Gamma Ray, Neutron back to surface.
- B. Mud logger will be rigged up on the hole after drilling out the 13 3/8" casing shoe.
- C. No DST's or cores are planned at this time.

13. POTENTIAL HAZARDS:

No abnormal pressures or temperatures 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. No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Estimated BHP 3550 PSI, and Estimated BHT 155°.

14. ANTICIPATED STARTING DATE AND DURATION OF OPERATION:

Road and location construction will begin after the BLM has approved the APD. Anticipated spud date will be as soon after BLM approval and as soon as a rig will be available. Move in operation and drilling is expected to take 35 days. If production casing is run then an additional 30 days will be needed to complete well and construct surface facilities and/or lay flowlines in order to place well on production.

15. OTHER FACETS OF OPERATIONS:

After running casing, cased hole Gamma Ray, Neutron Collar logs will be run from TD back to all possible productive zones. The BONE SPRING formation will be perforated and stimulated in order to establish production. The well will be swab tested and potentialized as AN OIL WELL.

DRILLING PROGRAM**Geologic Name of Surface Formation:**

Permian

FORMATION TOPS

Formation	Depth	Frm Pres	Remarks
Rustler	950'	411#	Water
Salado	2050'	888#	Water
Lamar	2800'	1212#	Water
Bell Canyon	2830'	1225#	Oil / Gas / Formation water / Poss. H ₂ S
Cherry Canyon	3650'	1580#	Oil / Gas / Formation water
Brushy Canyon	4800'	2078#	Oil / Gas / Formation water

See COA

No other formations are expected to yield oil, gas or fresh water in measurable volumes. The surface fresh water sands will be protected by setting 13 3/8" casing at 825' and circulating cement back to surface. Potash/ fresh water sands will be protected by setting 8 5/8" casing at 4500' / circulating cement on the 8 5/8" string. The hydrocarbon producing intervals will be isolated by setting a 5 1/2" production string and circulating cement 500' above the 8 5/8" csg. shoe (4000').

CASING PROGRAM:

See COA

HOLE SIZE	DEPTH	OD Csg	WEIGHT	COLLAR	GRADE	NEW/USED
17 1/2"	0-825'	13 3/8"	48	STC	H40	New
11"	0-4500'	8 5/8"	32	LTC	J55	New
7 7/8"	0-7500'	5 1/2"	17	LTC	P110	New
7 7/8"	7500-12600'	5 1/2"	17	BTC	P110	New - *

Casing weight and grades are minimum – higher weights & better grades may be substituted

See COA

DEPTH	OD Csg	WEIGHT	factors: Burst / Collapse / Tension
0-825'	13 3/8"	48	1.91 1.79 12.9
0-4500'	8 5/8"	32	1.24 1.15* 2.95
0-12600'	5 1/2"	17	1.32 2.01 3.55

(8 5/8" 32# will be special drift to 7.921)
 * (5 1/2" BTC will be run thru the curve & Lateral)

** The Intermediate hole will never be evacuated**

(51/2 Burst & Collapse Calculated @ 8300' TVD)

13 3/8" Surface

Cement Properties	Lead	Tail
Est Volume (sacks)	500	200
Density (ppg)	13.50	14.80
Yield (ft3/sx)	1.73	1.34
Mix Water, gps		6.36
Thickening Time, hrs:min		~3:30
Free Water, %		0
Fluid Loss, cc's		~850
Top of Cement	surface	

Spacer	30 bbls of fresh water
Lead	35:65 – Poz: Prem Plus C + 4% Bentonite + 5% salt + 5% MPA-5 + .7% Sodium Metasilicate + 5 lbs LCM + 99.6% fresh water
Tail	C + 2% CaCl ₂ + 56.4% fresh water

	<u>Lead</u>	<u>Tail</u>
Est Volume (sacks)	900	200
Density (ppg)	12.4	14.8
Yield (ft ³ /sx)	2.19	1.34
Mix Water, gps	10.39	6.36
Thickening Time, hrs:min	4:07	3:32
Free Water, %	2.0	0
Fluid Loss, cc's	~750	~600
Top of Cement	surface	

6

5 1/2" Production

Spacer30 bbls of fresh water
Lead 35:65 – Poz: Prem Plus C + 4% Bentonite + 5% salt + 5% MPA-5 + .7%
Sodium Metasilicate + 5 lbs LCM + 99.6% fresh water
TailC + 2% CaCl₂ + 56.4% fresh water

Cement Properties

	<u>Lead</u>	<u>Tail</u>
Est Volume (sacks)	500	600
Density (ppg)	12.7	14.8
Yield (ft ³ /sx)	2.02	1.34
Mix Water, gps	10.39	6.36
Thickening Time, hrs:min	4:07	3:32
Free Water, %	2.0	0
Fluid Loss, cc's	~750	~600
Top of Cement	surface	

The above cement volumes will be revised pending fluid and open hole caliper measurements.

Kick-Off plug in Pilot Hole for Horizontal

No Plug Required

MUD PROPERTIES SUMMARY:

see COA

Depth (feet)	Weight (ppg)	Viscosity (sec/1000cc)	Fluid Loss (cc/30min)	PV (cps)	YP (lb/100ft ²)	Mud Type
0' - 825' <i>see COA</i> Set 13-3/8" Casing	8.6 - 8.8	36 - 38	N/C	6 - 10	6 - 20	Spud Mud
825' - 4,500' Set 8-5/8" Casing	10.0 - 10.1	29 - 30	N/C	0 - 1	0 - 1	Brine
4,500' - 7,500'	8.4 - 9.1	28 - 29	N/C	0 - 1	0 - 1	Fresh Water
7,500' - 12600' MD Set 5-1/2"	8.4 - 9.10	34 - 36	12 - 15	4 - 8	4 - 8	Dynazan / Starch HB 411

Auxiliary Well Control & Monitoring Equipment:

A Kelly cock will be in the drill string at all times.

A full opening drill pipe stabbing valve having the appropriate connections will be on the floor at all times.

H₂S detection equipment will be in operation after drilling out the 13 3/8" casing shoe until the 5 1/2" csg is cemented.

LOGGING, CORING, AND TESTING

** See COA*

No logs at surface.

Mud loggers on below 13 3/8" casing shoe - no electric logs at intermediate depth

The Vertical @ KO pt. (Production) hole will be logged: Gyro (Thru DP) & GR / Dual Laterolog / Neutron-Density / Caliper

No DST's or pressure testing is anticipated.

The horizontal lateral will be mud logged and GR via MWD.

Potential Hazards:

No abnormal pressures or temperatures 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 & Gas Order No.6. No loss circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Estimated BHP is 3550 psi. & BHT is 155° F.

Anticipated Starting Date & Duration:

Road and location construction will begin after the BLM has approved the APD. Anticipated spud date will be ASAP subsequent to APD approval. Move in and drilling operations will take 35 days with an additional 25 days to complete the well and construct production facilities.

OGX Resources, LLC

Eddy County, NM (NAD 27)

Sec. 13, T24S, R31E

Canvasback "13" Federal #1H

Wellbore #1

Plan: Design #1

DDC Curve Report

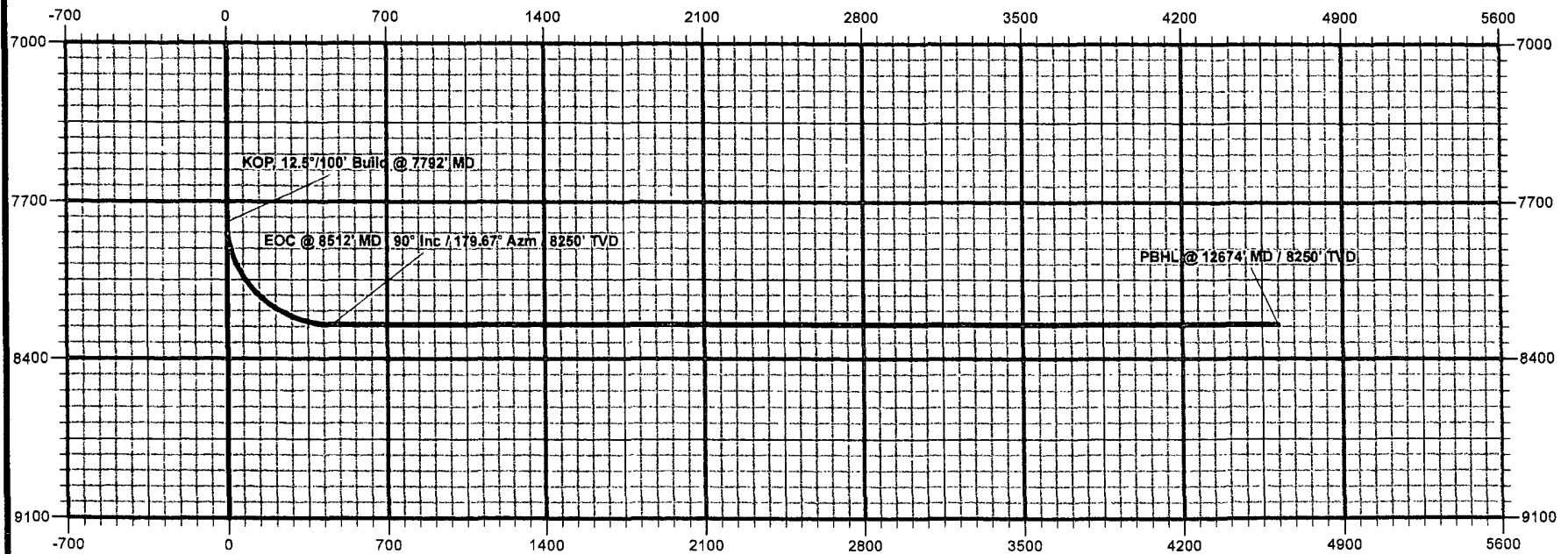
09 March, 2011



OGX Resources, LLC

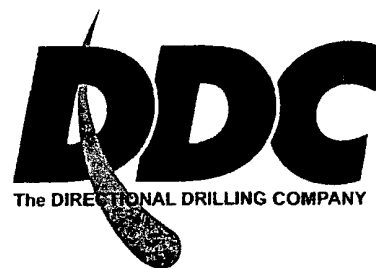


Eddy County, NM (NAD 27)
Sec. 13, T24S, R31E
Canvasback "13" Federal #1H
Design #1

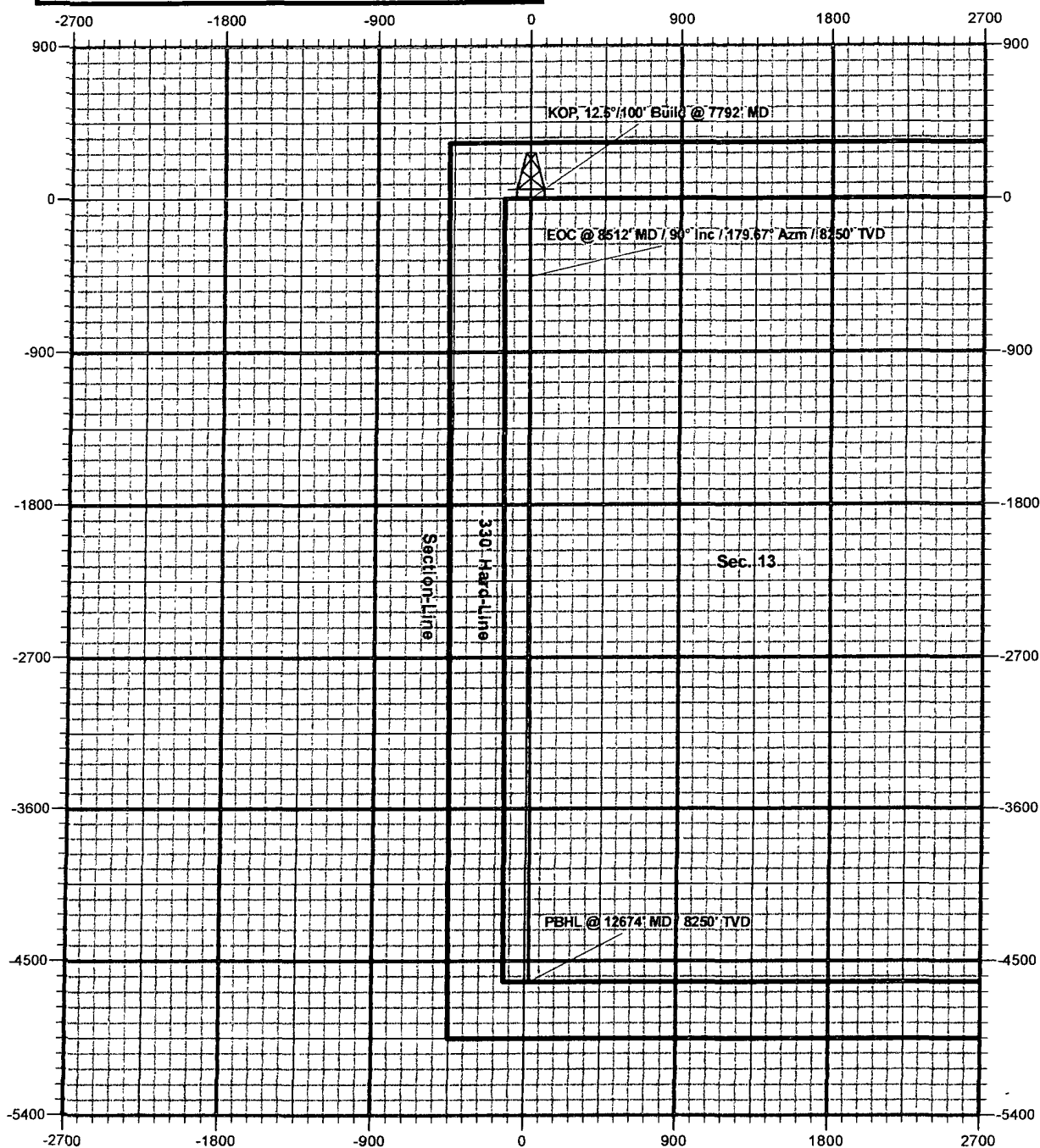


Vertical Section at 179.67° (700 usft/in)

OGX Resources, LLC



Eddy County, NM (NAD 27)
Sec. 13, T24S, R31E
Canvasback "13" Federal #1H
Wellbore #1
Design #1



DDC Curve Report



Database: EDM 5000.1 Single User Db
Company: OGX Resources, LLC
Project: Eddy County, NM (NAD 27)
Site: Sec 13, T24S, R31E
Well: Canvasback "13" Federal #1H
Wellbore: Wellbore #1
Design: Design #1

Local Co-ordinate Reference: Well Canvasback "13" Federal #1H
TVD Reference: WELL @ 3586.0usft (Silver Oak #11)
MD Reference: WELL @ 3586.0usft (Silver Oak #11)
North Reference: Grid
Survey Calculation Method: Minimum Curvature

Project	Eddy County, NM (NAD 27)		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site	Sec. 13, T24S, R31E		
Site Position:	From:	Map	
Position Uncertainty:	0.0 usft	Slot Radius:	13-3/16 "
	Northing:	445,577.00 usft	Latitude: 32° 13' 24.983 N
	Easting:	684,092.60 usft	Longitude: 103° 44' 16.913 W
			Grid Convergence: 0.32 °

Well	Canvasback "13" Federal #1H		
Well Position	+N/-S	0.0 usft	Northing: 445,577.00 usft
	+E/-W	0.0 usft	Easting: 684,092.60 usft
Position Uncertainty	0.0 usft	Wellhead Elevation:	Ground Level: 3,569.0 usft
			Latitude: 32° 13' 24.983 N
			Longitude: 103° 44' 16.913 W

Wellbore	Wellbore #1		
Magnetics	Model Name	Sample Date	Declination
	IGRF2010	3/9/2011	7.70
			Dip Angle
			60.16
			Field Strength
			48,624

Design	Design #1		
Audit Notes:			
Version:	Phase:	PLAN	Tie On Depth: 0.0
Vertical Section:	Depth From (TVD)	+N/-S	+E/-W
	(usft)	(usft)	(usft)
	0.0	0.0	0.0
			Direction
			(°)
			179.67

Plan Sections										
Measured	Inclination	Azimuth	Vertical	+N/-S	+E/-W	Dogleg	Build	Turn	TFO	Target
Depth	(°)	(°)	Depth	(usft)	(usft)	Rate	Rate	Rate	(°)	
(usft)			(usft)			(°/100usft)	(°/100usft)	(°/100usft)		
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
7,791.6	0.00	0.00	7,791.6	0.0	0.0	0.00	0.00	0.00	0.00	
8,511.6	90.00	179.67	8,250.0	-458.4	2.6	12.50	12.50	24.95	179.67	
12,674.4	90.00	179.67	8,250.0	-4,621.1	26.3	0.00	0.00	0.00	0.00	PBHL - Canvasback

DDC
Well Planning Report



Database: EDM 5000.1 Single User Db
Company: OGX Resources, LLC
Project: Eddy County, NM (NAD 27)
Site: Sec. 13, T24S, R31E
Well: Canvasback "13" Federal #1H
Wellbore: Wellbore #1
Design: Design #1

Local Co-ordinate Reference:
TVD Reference:
MD Reference:
North Reference:
Survey Calculation Method:

Well Canvasback "13" Federal #1H
WELL @ 3586.0usft (Silver Oak #11)
WELL @ 3586.0usft (Silver Oak #11)
Grid
Minimum Curvature

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.0	0.00	0.00	0.00
1,600.0	0.00	0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	0.00
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	0.00
1,800.0	0.00	0.00	1,800.0	0.0	0.0	0.0	0.00	0.00	0.00
1,900.0	0.00	0.00	1,900.0	0.0	0.0	0.0	0.00	0.00	0.00
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.0	0.00	0.00	0.00
2,100.0	0.00	0.00	2,100.0	0.0	0.0	0.0	0.00	0.00	0.00
2,200.0	0.00	0.00	2,200.0	0.0	0.0	0.0	0.00	0.00	0.00
2,300.0	0.00	0.00	2,300.0	0.0	0.0	0.0	0.00	0.00	0.00
2,400.0	0.00	0.00	2,400.0	0.0	0.0	0.0	0.00	0.00	0.00
2,500.0	0.00	0.00	2,500.0	0.0	0.0	0.0	0.00	0.00	0.00
2,600.0	0.00	0.00	2,600.0	0.0	0.0	0.0	0.00	0.00	0.00
2,700.0	0.00	0.00	2,700.0	0.0	0.0	0.0	0.00	0.00	0.00
2,800.0	0.00	0.00	2,800.0	0.0	0.0	0.0	0.00	0.00	0.00
2,900.0	0.00	0.00	2,900.0	0.0	0.0	0.0	0.00	0.00	0.00
3,000.0	0.00	0.00	3,000.0	0.0	0.0	0.0	0.00	0.00	0.00
3,100.0	0.00	0.00	3,100.0	0.0	0.0	0.0	0.00	0.00	0.00
3,200.0	0.00	0.00	3,200.0	0.0	0.0	0.0	0.00	0.00	0.00
3,300.0	0.00	0.00	3,300.0	0.0	0.0	0.0	0.00	0.00	0.00
3,400.0	0.00	0.00	3,400.0	0.0	0.0	0.0	0.00	0.00	0.00
3,500.0	0.00	0.00	3,500.0	0.0	0.0	0.0	0.00	0.00	0.00
3,600.0	0.00	0.00	3,600.0	0.0	0.0	0.0	0.00	0.00	0.00
3,700.0	0.00	0.00	3,700.0	0.0	0.0	0.0	0.00	0.00	0.00
3,800.0	0.00	0.00	3,800.0	0.0	0.0	0.0	0.00	0.00	0.00
3,900.0	0.00	0.00	3,900.0	0.0	0.0	0.0	0.00	0.00	0.00
4,000.0	0.00	0.00	4,000.0	0.0	0.0	0.0	0.00	0.00	0.00
4,100.0	0.00	0.00	4,100.0	0.0	0.0	0.0	0.00	0.00	0.00
4,200.0	0.00	0.00	4,200.0	0.0	0.0	0.0	0.00	0.00	0.00
4,300.0	0.00	0.00	4,300.0	0.0	0.0	0.0	0.00	0.00	0.00
4,400.0	0.00	0.00	4,400.0	0.0	0.0	0.0	0.00	0.00	0.00
4,500.0	0.00	0.00	4,500.0	0.0	0.0	0.0	0.00	0.00	0.00
4,600.0	0.00	0.00	4,600.0	0.0	0.0	0.0	0.00	0.00	0.00
4,700.0	0.00	0.00	4,700.0	0.0	0.0	0.0	0.00	0.00	0.00
4,800.0	0.00	0.00	4,800.0	0.0	0.0	0.0	0.00	0.00	0.00
4,900.0	0.00	0.00	4,900.0	0.0	0.0	0.0	0.00	0.00	0.00
5,000.0	0.00	0.00	5,000.0	0.0	0.0	0.0	0.00	0.00	0.00
5,100.0	0.00	0.00	5,100.0	0.0	0.0	0.0	0.00	0.00	0.00
5,200.0	0.00	0.00	5,200.0	0.0	0.0	0.0	0.00	0.00	0.00
5,300.0	0.00	0.00	5,300.0	0.0	0.0	0.0	0.00	0.00	0.00

DDC Well Planning Report



Database: EDM 5000.1 Single User Db
Company: OGX Resources, LLC
Project: Eddy County, NM (NAD 27)
Site: Sec. 13, T24S, R31E
Well: Canvasback "13" Federal #1H
Wellbore: Wellbore #1
Design: Design #1

Local Co-ordinate Reference:
TVD Reference:
MD Reference:
North Reference:
Survey Calculation Method:

Well Canvasback "13" Federal #1H
 WELL @ 3586.0usft (Silver Oak #11)
 WELL @ 3586.0usft (Silver Oak #11)
 Grid
 Minimum Curvature

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
5,400.0	0.00	0.00	5,400.0	0.0	0.0	0.0	0.00	0.00	0.00
5,500.0	0.00	0.00	5,500.0	0.0	0.0	0.0	0.00	0.00	0.00
5,600.0	0.00	0.00	5,600.0	0.0	0.0	0.0	0.00	0.00	0.00
5,700.0	0.00	0.00	5,700.0	0.0	0.0	0.0	0.00	0.00	0.00
5,800.0	0.00	0.00	5,800.0	0.0	0.0	0.0	0.00	0.00	0.00
5,900.0	0.00	0.00	5,900.0	0.0	0.0	0.0	0.00	0.00	0.00
6,000.0	0.00	0.00	6,000.0	0.0	0.0	0.0	0.00	0.00	0.00
6,100.0	0.00	0.00	6,100.0	0.0	0.0	0.0	0.00	0.00	0.00
6,200.0	0.00	0.00	6,200.0	0.0	0.0	0.0	0.00	0.00	0.00
6,300.0	0.00	0.00	6,300.0	0.0	0.0	0.0	0.00	0.00	0.00
6,400.0	0.00	0.00	6,400.0	0.0	0.0	0.0	0.00	0.00	0.00
6,500.0	0.00	0.00	6,500.0	0.0	0.0	0.0	0.00	0.00	0.00
6,600.0	0.00	0.00	6,600.0	0.0	0.0	0.0	0.00	0.00	0.00
6,700.0	0.00	0.00	6,700.0	0.0	0.0	0.0	0.00	0.00	0.00
6,800.0	0.00	0.00	6,800.0	0.0	0.0	0.0	0.00	0.00	0.00
6,900.0	0.00	0.00	6,900.0	0.0	0.0	0.0	0.00	0.00	0.00
7,000.0	0.00	0.00	7,000.0	0.0	0.0	0.0	0.00	0.00	0.00
7,100.0	0.00	0.00	7,100.0	0.0	0.0	0.0	0.00	0.00	0.00
7,200.0	0.00	0.00	7,200.0	0.0	0.0	0.0	0.00	0.00	0.00
7,300.0	0.00	0.00	7,300.0	0.0	0.0	0.0	0.00	0.00	0.00
7,400.0	0.00	0.00	7,400.0	0.0	0.0	0.0	0.00	0.00	0.00
7,500.0	0.00	0.00	7,500.0	0.0	0.0	0.0	0.00	0.00	0.00
7,600.0	0.00	0.00	7,600.0	0.0	0.0	0.0	0.00	0.00	0.00
7,700.0	0.00	0.00	7,700.0	0.0	0.0	0.0	0.00	0.00	0.00
KOP, 12.5°/100' Build @ 7792' MD									
7,791.6	0.00	0.00	7,791.6	0.0	0.0	0.0	0.00	0.00	0.00
7,800.0	1.05	179.67	7,800.0	-0.1	0.0	0.1	12.48	12.48	0.00
7,900.0	13.55	179.67	7,899.0	-12.8	0.1	12.8	12.50	12.50	0.00
8,000.0	26.05	179.67	7,992.9	-46.6	0.3	46.6	12.50	12.50	0.00
8,100.0	38.55	179.67	8,077.3	-99.9	0.6	99.9	12.50	12.50	0.00
8,200.0	51.05	179.67	8,148.1	-170.2	1.0	170.2	12.50	12.50	0.00
8,300.0	63.55	179.67	8,202.0	-254.2	1.4	254.2	12.50	12.50	0.00
8,400.0	76.05	179.67	8,236.5	-347.8	2.0	347.9	12.50	12.50	0.00
8,500.0	88.55	179.67	8,249.8	-446.7	2.5	446.8	12.50	12.50	0.00
EOC @ 8512' MD / 90° Inc / 179.67° Azm / 8250' TVD									
8,511.6	90.00	179.67	8,250.0	-458.4	2.6	458.4	12.52	12.52	0.00
8,600.0	90.00	179.67	8,250.0	-546.7	3.1	546.8	0.00	0.00	0.00
8,700.0	90.00	179.67	8,250.0	-646.7	3.7	646.8	0.00	0.00	0.00
8,800.0	90.00	179.67	8,250.0	-746.7	4.2	746.8	0.00	0.00	0.00
8,900.0	90.00	179.67	8,250.0	-846.7	4.8	846.8	0.00	0.00	0.00
9,000.0	90.00	179.67	8,250.0	-946.7	5.4	946.8	0.00	0.00	0.00
9,100.0	90.00	179.67	8,250.0	-1,046.7	6.0	1,046.8	0.00	0.00	0.00
9,200.0	90.00	179.67	8,250.0	-1,146.7	6.5	1,146.8	0.00	0.00	0.00
9,300.0	90.00	179.67	8,250.0	-1,246.7	7.1	1,246.8	0.00	0.00	0.00
9,400.0	90.00	179.67	8,250.0	-1,346.7	7.7	1,346.8	0.00	0.00	0.00
9,500.0	90.00	179.67	8,250.0	-1,446.7	8.2	1,446.8	0.00	0.00	0.00
9,600.0	90.00	179.67	8,250.0	-1,546.7	8.8	1,546.8	0.00	0.00	0.00
9,700.0	90.00	179.67	8,250.0	-1,646.7	9.4	1,646.8	0.00	0.00	0.00
9,800.0	90.00	179.67	8,250.0	-1,746.7	9.9	1,746.8	0.00	0.00	0.00
9,900.0	90.00	179.67	8,250.0	-1,846.7	10.5	1,846.8	0.00	0.00	0.00
10,000.0	90.00	179.67	8,250.0	-1,946.7	11.1	1,946.8	0.00	0.00	0.00
10,100.0	90.00	179.67	8,250.0	-2,046.7	11.6	2,046.8	0.00	0.00	0.00
10,200.0	90.00	179.67	8,250.0	-2,146.7	12.2	2,146.8	0.00	0.00	0.00

DDC
Well Planning Report



Database: EDM 5000.1 Single User Db
Company: OGX Resources, LLC
Project: Eddy County, NM (NAD 27)
Site: Sec. 13, T24S, R31E
Well: Canvasback "13" Federal #1H
Wellbore: Wellbore #1
Design: Design #1

Local Co-ordinate Reference: Well Canvasback "13" Federal #1H
TVD Reference: WELL @ 3586.0usft (Silver Oak #11)
MD Reference: WELL @ 3586.0usft (Silver Oak #11)
North Reference: Grid
Survey Calculation Method: Minimum Curvature

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
10,300.0	90.00	179.67	8,250.0	-2,246.7	12.8	2,246.8	0.00	0.00	0.00
10,400.0	90.00	179.67	8,250.0	-2,346.7	13.4	2,346.8	0.00	0.00	0.00
10,500.0	90.00	179.67	8,250.0	-2,446.7	13.9	2,446.8	0.00	0.00	0.00
10,600.0	90.00	179.67	8,250.0	-2,546.7	14.5	2,546.8	0.00	0.00	0.00
10,700.0	90.00	179.67	8,250.0	-2,646.7	15.1	2,646.8	0.00	0.00	0.00
10,800.0	90.00	179.67	8,250.0	-2,746.7	15.6	2,746.8	0.00	0.00	0.00
10,900.0	90.00	179.67	8,250.0	-2,846.7	16.2	2,846.8	0.00	0.00	0.00
11,000.0	90.00	179.67	8,250.0	-2,946.7	16.8	2,946.8	0.00	0.00	0.00
11,100.0	90.00	179.67	8,250.0	-3,046.7	17.3	3,046.8	0.00	0.00	0.00
11,200.0	90.00	179.67	8,250.0	-3,146.7	17.9	3,146.8	0.00	0.00	0.00
11,300.0	90.00	179.67	8,250.0	-3,246.7	18.5	3,246.8	0.00	0.00	0.00
11,400.0	90.00	179.67	8,250.0	-3,346.7	19.0	3,346.8	0.00	0.00	0.00
11,500.0	90.00	179.67	8,250.0	-3,446.7	19.6	3,446.8	0.00	0.00	0.00
11,600.0	90.00	179.67	8,250.0	-3,546.7	20.2	3,546.8	0.00	0.00	0.00
11,700.0	90.00	179.67	8,250.0	-3,646.7	20.8	3,646.8	0.00	0.00	0.00
11,800.0	90.00	179.67	8,250.0	-3,746.7	21.3	3,746.8	0.00	0.00	0.00
11,900.0	90.00	179.67	8,250.0	-3,846.7	21.9	3,846.8	0.00	0.00	0.00
12,000.0	90.00	179.67	8,250.0	-3,946.7	22.5	3,946.8	0.00	0.00	0.00
12,100.0	90.00	179.67	8,250.0	-4,046.7	23.0	4,046.8	0.00	0.00	0.00
12,200.0	90.00	179.67	8,250.0	-4,146.7	23.6	4,146.8	0.00	0.00	0.00
12,300.0	90.00	179.67	8,250.0	-4,246.7	24.2	4,246.8	0.00	0.00	0.00
12,400.0	90.00	179.67	8,250.0	-4,346.7	24.7	4,346.8	0.00	0.00	0.00
12,500.0	90.00	179.67	8,250.0	-4,446.7	25.3	4,446.8	0.00	0.00	0.00
12,600.0	90.00	179.67	8,250.0	-4,546.7	25.9	4,546.8	0.00	0.00	0.00
PBHL @ 12674' MD / 8250' TVD									
12,674.4	90.00	179.67	8,250.0	-4,621.1	26.3	4,621.2	0.00	0.00	0.00

Design Targets

Target Name	hit/miss target	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
PBHL - Canvasback "	- plan hits target center	0.00	0.00	8,250.0	-4,621.1	26.3	440,955.90	684,118.90	32° 12' 39.252 N	103° 44' 16.905 W
	- Point									

Plan Annotations

Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates +N/-S (usft)	+E/-W (usft)	Comment
7,791.6	7,791.6	0.0	0.0	KOP, 12.5°/100' Build @ 7792' MD
8,511.6	8,250.0	-458.4	2.6	EOC @ 8512' MD / 90° Inc / 179.67° Azm / 8250' TVD
12,674.4	8,250.0	-4,621.1	26.3	PBHL @ 12674' MD / 8250' TVD

Eddy Count NM (NAD 27)

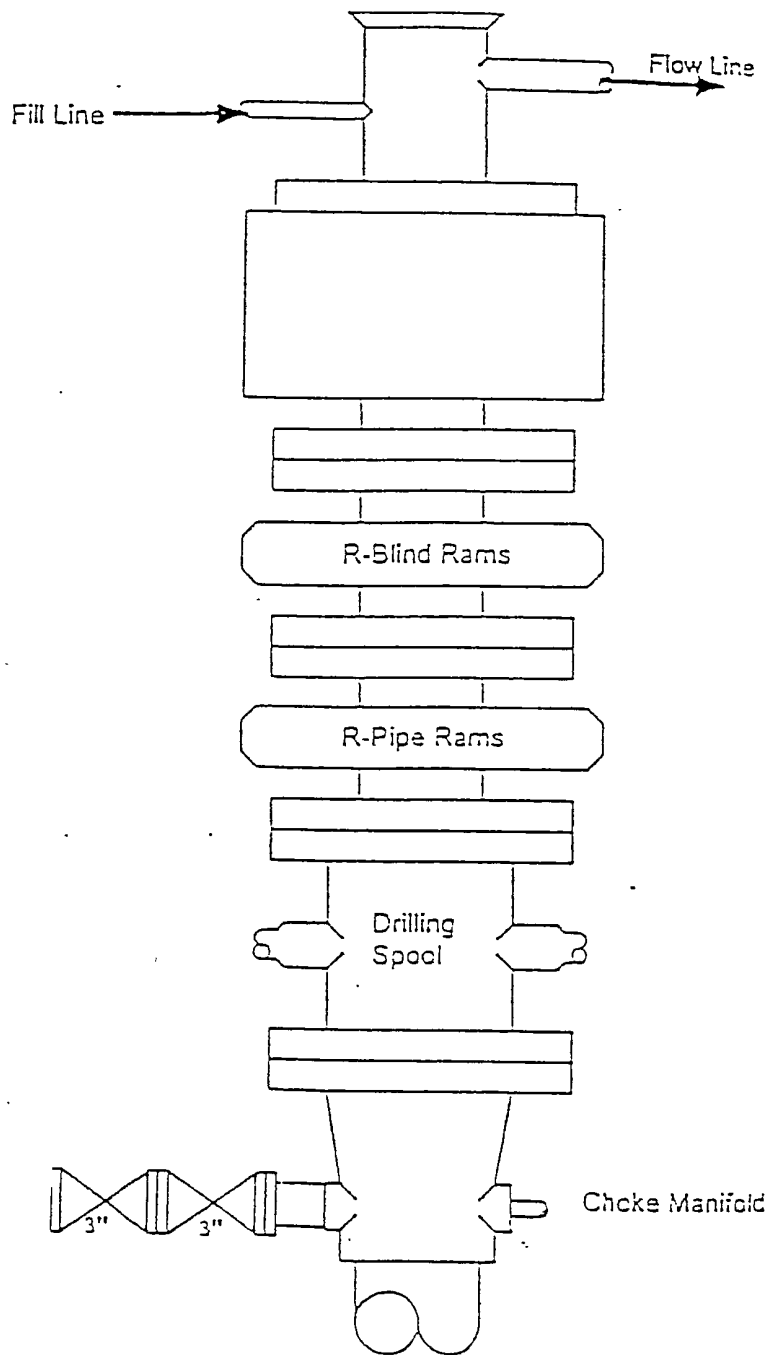
Canvasback "13" Federal #1H

MD (ft)	Inc (Deg)	Azim. (Deg)	SSTVD (ft)	TVD (ft)	N/S (ft)	E/W (ft)
0	0	0	-3586	0	0 N	0 E
7791.614	0	0	4205.614	7791.614	0 N	0 E
7800	1.046	179.674	4214	7800	0.077 S	0 E
7900	13.546	179.674	4312.993	7898.993	12.755 S	0.073 E
8000	26.046	179.674	4406.895	7992.895	46.558 S	0.265 E
8100	38.546	179.674	4491.256	8077.256	99.884 S	0.568 E
8200	51.046	179.674	4562.074	8148.074	170.204 S	0.969 E
8300	63.546	179.674	4615.994	8201.994	254.186 S	1.447 E
8400	76.046	179.674	4650.458	8236.458	347.846 S	1.98 E
8500	88.546	179.674	4663.833	8249.833	446.746 S	2.543 E
8511.613	90	179.674	4663.98	8249.98	458.357 S	2.609 E
8600	90	179.674	4663.98	8249.98	546.743 S	3.112 E
8700	90	179.674	4663.98	8249.98	646.742 S	3.681 E
8800	90	179.674	4663.98	8249.98	746.74 S	4.25 E
8900	90	179.674	4663.98	8249.98	846.739 S	4.819 E
9000	90	179.674	4663.98	8249.98	946.737 S	5.388 E
9100	90	179.674	4663.98	8249.98	1046.735 S	5.957 E
9200	90	179.674	4663.98	8249.98	1146.734 S	6.526 E
9300	90	179.674	4663.98	8249.98	1246.732 S	7.096 E
9400	90	179.674	4663.981	8249.981	1346.731 S	7.665 E
9500	90	179.674	4663.981	8249.981	1446.729 S	8.234 E
9600	90	179.674	4663.981	8249.981	1546.727 S	8.803 E
9700	90	179.674	4663.981	8249.981	1646.726 S	9.372 E
9800	90	179.674	4663.981	8249.981	1746.724 S	9.941 E
9900	90	179.674	4663.981	8249.981	1846.722 S	10.51 E
10000	90	179.674	4663.981	8249.981	1946.721 S	11.079 E
10100	90	179.674	4663.981	8249.981	2046.719 S	11.648 E
10200	90	179.674	4663.981	8249.981	2146.718 S	12.218 E
10300	90	179.674	4663.981	8249.981	2246.716 S	12.787 E
10400	90	179.674	4663.981	8249.981	2346.714 S	13.356 E
10500	90	179.674	4663.982	8249.982	2446.713 S	13.925 E
10600	90	179.674	4663.982	8249.982	2546.711 S	14.494 E
10700	90	179.674	4663.982	8249.982	2646.709 S	15.063 E
10800	90	179.674	4663.982	8249.982	2746.708 S	15.632 E
10900	90	179.674	4663.982	8249.982	2846.706 S	16.201 E
11000	90	179.674	4663.982	8249.982	2946.705 S	16.771 E
11100	90	179.674	4663.982	8249.982	3046.703 S	17.34 E
11200	90	179.674	4663.982	8249.982	3146.701 S	17.909 E
11300	90	179.674	4663.982	8249.982	3246.7 S	18.478 E
11400	90	179.674	4663.982	8249.982	3346.698 S	19.047 E
11500	90	179.674	4663.982	8249.982	3446.697 S	19.616 E
11600	90	179.674	4663.983	8249.983	3546.695 S	20.185 E

11700	90	179.674	4663.983	8249.983	3646.693 S	20.754 E
11800	90	179.674	4663.983	8249.983	3746.692 S	21.323 E
11900	90	179.674	4663.983	8249.983	3846.69 S	21.893 E
12000	90	179.674	4663.983	8249.983	3946.688 S	22.462 E
12100	90	179.674	4663.983	8249.983	4046.687 S	23.031 E
12200	90	179.674	4663.983	8249.983	4146.685 S	23.6 E
12300	90	179.674	4663.983	8249.983	4246.684 S	24.169 E
12400	90	179.674	4663.983	8249.983	4346.682 S	24.738 E
12500	90	179.674	4663.983	8249.983	4446.68 S	25.307 E
12600	90	179.674	4663.983	8249.983	4546.679 S	25.876 E
12674.42	90	179.674	4663.984	8249.984	4621.1 S	26.3 E

Y (ft)	X (ft)	DLS (-/100ft)	V.S. (ft)	Comment
445577 N	684092.6 E	0	0	
445577 N	684092.6 E	0	0 KOP	12.5-/100' Build @ 77
445576.9 N	684092.6 E	12.477	0.077	
445564.2 N	684092.7 E	12.5	12.755	
445530.4 N	684092.9 E	12.5	46.559	
445477.1 N	684093.2 E	12.5	99.885	
445406.8 N	684093.6 E	12.5	170.207	
445322.8 N	684094 E	12.5	254.19	
445229.2 N	684094.6 E	12.5	347.852	
445130.3 N	684095.1 E	12.5	446.754	
445118.6 N	684095.2 E	12.518	458.365	EOC @ 8512' MD / 90- Inc / 179.6
445030.3 N	684095.7 E	0	546.752	
444930.3 N	684096.3 E	0	646.752	
444830.3 N	684096.9 E	0	746.752	
444730.3 N	684097.4 E	0	846.752	
444630.3 N	684098 E	0	946.752	
444530.3 N	684098.6 E	0	1046.752	
444430.3 N	684099.1 E	0	1146.752	
444330.3 N	684099.7 E	0	1246.752	
444230.3 N	684100.3 E	0	1346.752	
444130.3 N	684100.8 E	0	1446.752	
444030.3 N	684101.4 E	0	1546.752	
443930.3 N	684102 E	0	1646.752	
443830.3 N	684102.5 E	0	1746.752	
443730.3 N	684103.1 E	0	1846.752	
443630.3 N	684103.7 E	0	1946.752	
443530.3 N	684104.2 E	0	2046.752	
443430.3 N	684104.8 E	0	2146.752	
443330.3 N	684105.4 E	0	2246.752	
443230.3 N	684106 E	0	2346.752	
443130.3 N	684106.5 E	0	2446.752	
443030.3 N	684107.1 E	0	2546.752	
442930.3 N	684107.7 E	0	2646.752	
442830.3 N	684108.2 E	0	2746.752	
442730.3 N	684108.8 E	0	2846.752	
442630.3 N	684109.4 E	0	2946.752	
442530.3 N	684109.9 E	0	3046.752	
442430.3 N	684110.5 E	0	3146.752	
442330.3 N	684111.1 E	0	3246.752	
442230.3 N	684111.6 E	0	3346.752	
442130.3 N	684112.2 E	0	3446.752	
442030.3 N	684112.8 E	0	3546.752	

441930.3 N	684113.4 E	0 3646.752
441830.3 N	684113.9 E	0 3746.752
441730.3 N	684114.5 E	0 3846.752
441630.3 N	684115.1 E	0 3946.752
441530.3 N	684115.6 E	0 4046.752
441430.3 N	684116.2 E	0 4146.752
441330.3 N	684116.8 E	0 4246.752
441230.3 N	684117.3 E	0 4346.752
441130.3 N	684117.9 E	0 4446.752
441030.3 N	684118.5 E	0 4546.752
440955.9 N	684118.9 E	0 4621.175 PBHL @ 12674' MD / 8250' TVD - I



Type 900 Series
3000 psi WP

EXHIBIT "E"
SKETCH OF B.O.P. TO BE USED ON

OGX RESOURCES, LLC.
CANVASBACK "13" FEDERAL # 1H
UNIT "D" SECTION 13
T24S-R31E LEA CO. NM

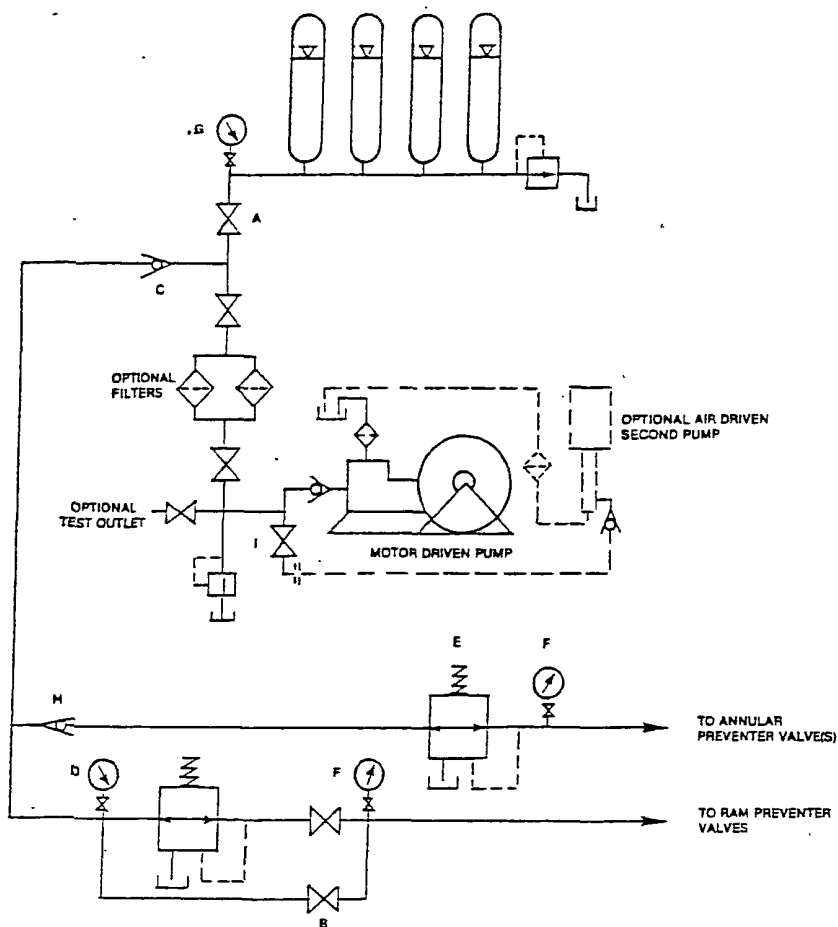


FIGURE K6-1. The schematic sketch of an accumulator system shows required and optional components.

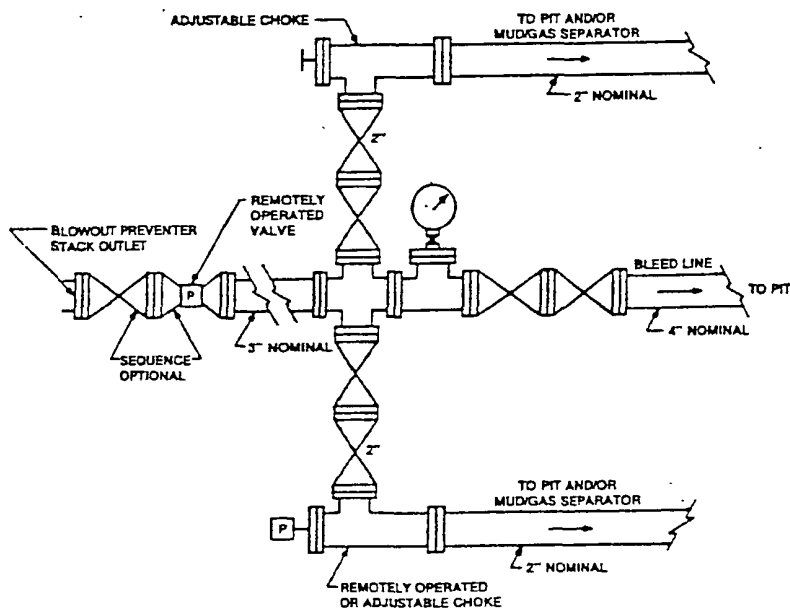
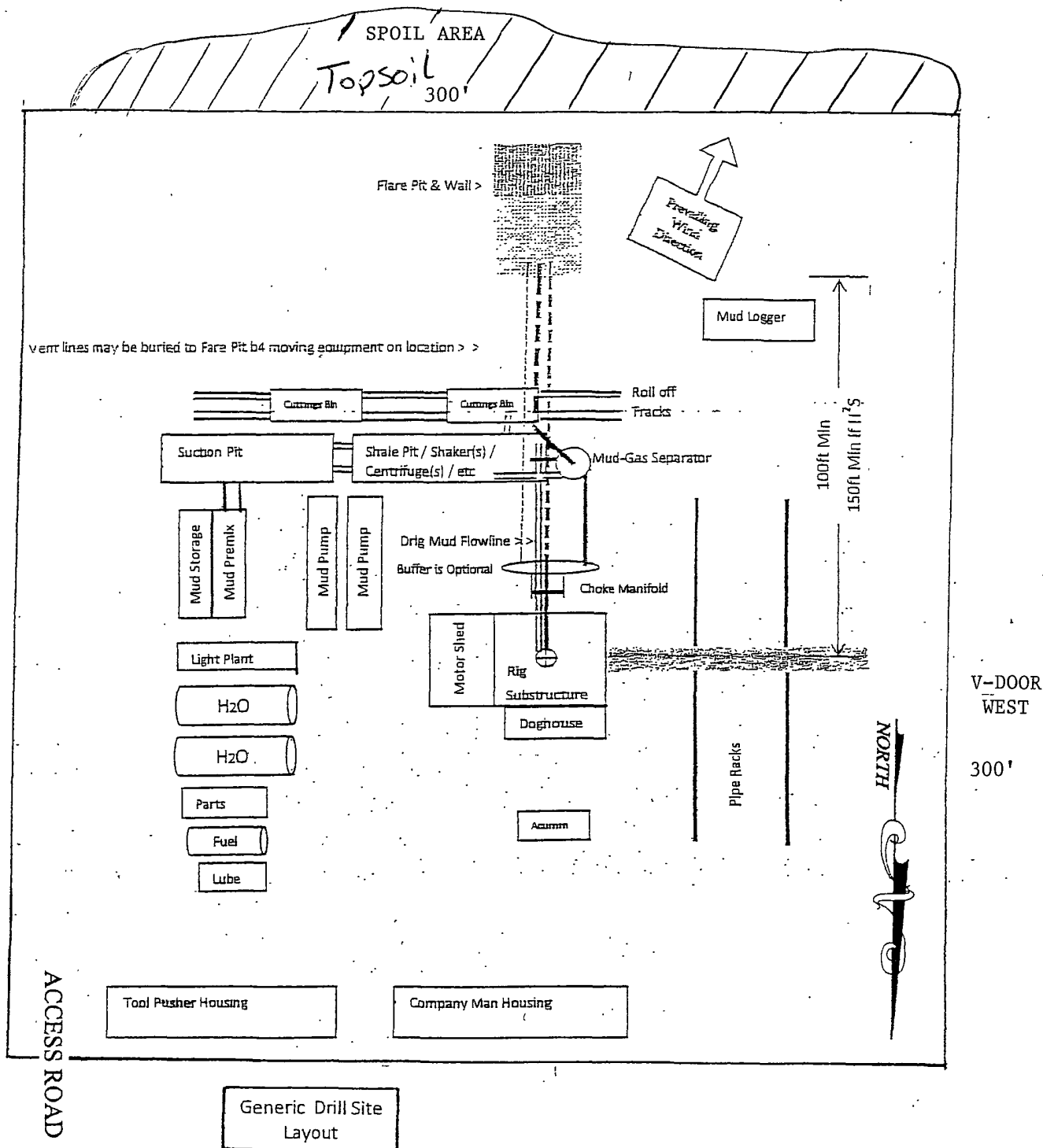


FIGURE K4-2. Typical choke manifold assembly for SM rated working pressure service — surface installation.

EXHIBIT "E-1"
CHOKE MANIFOLD & CLOSING UNIT

OGX RESOURCES, LLC.
CANVASBACK "13" FEDERAL #1H
UNIT "D" SECTION 13
T24S-R31E LEA CO. NM



Preplanning reasonable spacing accommodations for a useable "Closed Loop" drillsite layout is challenging. Particular site specific conflicts need to be resolved. This generic APD plat was prepared to demonstrate several necessary elements. The plat should include: a north arrow, prevailing wind direction, spacing access for truck removal of cutting bins, flare pit location, and piping provision to vent all combustible gas to the flare pit. Include the choke manifold and mud-gas separator location and their connection routing.

EXHIBIT "D" RIG LAY OUT PLAT

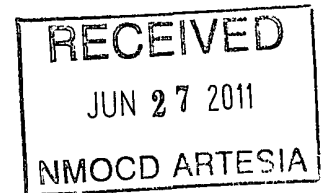
OGX RESOURCES, LLC.
CANVASBACK "13" FEDERAL # 1H
UNIT "D" SECTION 13
T24S-R31E LEA CO. NM

TEN 4/1/10

OGX RESOURCES, LLC.

HYDROGEN SULFIDE CONTINGENCY PLAN
FOR DRILLING/WORKOVER/FACILITY

This well and its anticipated facility are not expected to have Hydrogen Sulfide releases. However, there may be Hydrogen Sulfide production in the nearby area. There are no Private residences in the area but a contingency plan has been orchestrated. OGX RESOURCES, LLC. Will have a company representative available to rig personnel throughout drilling or production operations. If Hydrogen Sulfide is detected or suspected, monitoring equipment will be acquired for monitoring and/or testing.



OGX RESOURCES, LLC.

HYDROGEN SULFIDE CONTINGENCY PLAN
FOR DRILLING/WORKOVER/FACILITY

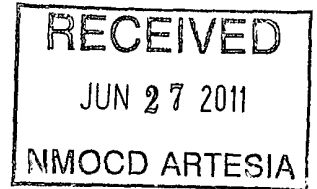


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DISTRICT I --- CHECKLIST FOR INTENTS TO DRILL

Operator DEX RESOURCES LLC OGRID # 217955
 38689 Well Name & # CANVASBACK 13 FEB #1H Surface Type (F) (S) (P)
 Location: UL D, Sect 13, Twnship 24s, RNG 31e, Sub-surface Type (F) (S) (P)
M 13 - 24 - 31

A. Date C101 rec'd / / C101 reviewed / /

B. 1. Check mark, Information is OK on Forms:

OGRID X, BONDING FEB, PROP CODE X, WELL # X, SIGNATURE X

2. Inactive Well list as of: 2/6/11 # wells 37, # Inactive wells 0

a. District Grant APD but see number of inactive wells:

No letter required X; Sent Letter to Operator , to Santa Fe

3. Additional Bonding as of: 2/6/11

a. District Denial because operator needs addition bonding:

No Letter required X; Sent Letter to Operator , To Santa Fe

b. District Denial because of Inactive well list and Financial Assurance:

No Letter required X; Sent Letter to Operator , To Santa Fe

C. C102 YES X, NO , Signature X

1. Pool COTTON DRAU BS, EAST, Code 96556

a. Dedicated acreage 100, What Units DELM

b. SUR. Location Standard X; Non-Standard Location

c. Well shares acres: Yes , No X, # of wells plus this well #

2. 2nd. Operator in same acreage, Yes , No X

Agreement Letter , Disagreement letter

3. Intent to Directional Drill Yes X, No

a. Dedicated acreage 100, What Units DELM

b. Bottomhole Location Standard X, Non-Standard Bottomhole

4. Downhole Commingle: Yes , No X

a. Pool #2 , Code , Acres

Pool #3 , Code , Acres

Pool #4 , Code , Acres

5. POTASH Area Yes , No X

D. Blowout Preventer Yes X, No

E. H2S Yes X, No

F. C144 Pit Registration Yes , No , need

G. Does APD require Santa Fe Approval:

1. Non-Standard Location: Yes , No X, NSL #

2. Non-Standard Proration: Yes , No X, NSP #

3. Simultaneous Dedication: Yes , No X, SD #

Number of wells Plus #

4. Injection order Yes , No X; PMX # or WFX #

5. SWD order Yes , NO X; SWD #

6. DHC from SF ; DHC-HOB ; Holding

7. OCD Approval Date 2/6/11

API # 30-015-39181

8. Reviewers