

## OCD-ARTESIA

Form 3160-5  
(August 2007)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.**5. Lease Serial No.  
NMNM107373

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator  
OGX Resources LLC3a. Address  
P. O. Box 2064  
Midland, Texas 797023b. Phone No. (include area code)  
432-685-1287

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.  
Mongo 25 Fed Com #2H9. API Well No.  
30-015-3716410. Field and Pool or Exploratory Area  
Rock Spur; Delaware/Bone Spring

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1980' FNL &amp; 374' FEL, Sec 25, T24S, R28E

11. Country or Parish, State  
Eddy Co., New Mexico

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

| TYPE OF SUBMISSION                                   | TYPE OF ACTION                                   |   |  |   |
|--|--|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize                 | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report           | <input checked="" type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice    | <input type="checkbox"/> Casing Repair           | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input type="checkbox"/> Other _____    |
|  | <input type="checkbox"/> Change Plans            | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       |   |
|  | <input type="checkbox"/> Convert to Injection    | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            |   |

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 recompleat 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 recompleat 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.)

It is OGX's intent to install the Halliburton "swell packer & sleeve" system in the production lateral (see attached drawing). Our original plan was to cement the production 5 1/2" string in the hole. Silver Oak #11 will reach TD on or around March 10, 2011. Subsequently the hole will be conditioned and reamed. The HES system will be run about March 14th. An ECP will be set in the curve with an FO cementer on top. Silver Oak will be rigged down and a workover rig rigged up within seven days to cement the vertical part of the hole from the curve to 500' above the 8 5/8" csg shoe with; 300 sxs lead, 11.8# ppg, 2.43 yield & 200 sxs tail, 13 ppg, 1.42 yield or as determined by the Open Hole Caliper log. BLM will be notified 48 hrs prior to cementing. This well will be frac'd in April.

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

RECEIVED

MAR 09 2011

NMOCD ARTESIA

Accepted for record - NMOCD  
DJS

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Jeff Birkelbach

Title Drilling Manager

Signature

Date 02/16/2011

APPROVED

FEB 28 2011  
Is/ Chris Walls

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice 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.

Office

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

(Instructions on page 2)

**Mongo 25 Federal Com 2H  
30-015-37164  
OGX Resources LLC  
February 28, 2011  
Conditions of Approval**

- 1. Operator must verify that packer system has been set properly.**
- 2. Tubing head must be tested to pressure and documentation given to BLM**
- 3. Pressure gauges with pop off valves set at 150psi shall be put on both 8-5/8"x5-1/2" annulus and 5-1/2" casing. The BLM (575-361-2822) is to be notified immediately if pressure is detected on by either gauge during the time period while the rig is being moved and the well service unit is installed.**
- 4. Frac tank to be on location with bleed line from well leading to it if pop off valve does receive pressures greater than 150 psi.**
- 5. Gauges to be checked at a minimum 12 hour interval.**
- 6. Operator to notify BLM when drilling rig is removed and when well service unit is connected to the well.**
- 7. If operator takes more than the maximum 7 days to move on a well service rig, an Incidence of Non-Compliance will be issued immediately.**
- 8. A 2000 (2M) BOP/BOPE is to be used with workover rig.**
- 9. No variance for BOP/BOPE testing - BOP/BOPE to be tested per Onshore Order 2.**
- 10. If 75% or greater lost circulation occurs while drilling the intermediate casing hole, the cement on the production casing must come to surface.**
- 11. The minimum required fill of cement behind the 5-1/2 inch production casing is:**
  - Cement should tie-back at least 500 feet into previous casing string, provided item 10 above did not occur. Operator shall provide method of verification.**
- 12. Subsequent sundry to be submitted detailing work completed and both annular and casing pressure readings.**

**CRW 022811**

