

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication

☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection Disposal - Pressure Increase - Enhanced Oil Recovery

☒ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

2006 DEC 26 PM 1 13

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO

U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Certification

I hereby certify that I, or personnel under my supervision, have reviewed the applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common.

I understand that any omission of data (including API numbers, pool codes, etc.), pertinent information and any required notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Ann E. Ritchie

Print or Type Name

Ann E. Ritchie

Signature

Regulatory Agent

Title

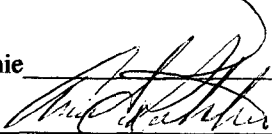
12-18-06

Date

ann.ritchie@utor.net

e-mail Address

APPLICATION FOR AUTHORIZATION TO INJECT

- I. PURPOSE: _____ Secondary Recovery _____ Pressure Maintenance _____ ☒ Disposal _____ Storage
Application qualifies for administrative approval? _____ ☒ Yes _____ No
- II. OPERATOR: _____ OGX Resources, LLC _____
ADDRESS: _____ c/o P.O. Box 953, Midland, TX 79702 _____
CONTACT PARTY: _____ Ann Ritchie, Regulatory Agent _____ PHONE: _____ 432 684-6381 _____
- III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.
Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? _____ Yes _____ ☒ No
If yes, give the Division order number authorizing the project: _____
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII. Attach data on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
 2. Whether the system is open or closed;
 3. Proposed average and maximum injection pressure;
 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- *VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- *X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
- *XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
- NAME: _____ Ann E. Ritchie _____ TITLE: _____ Regulatory Agent _____
SIGNATURE: _____  _____ DATE: _____ 12-12-06 _____
E-MAIL ADDRESS: _____ ann.ritchie@wtor.net _____
- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

III. WELL DATA

- A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

- B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and,
- (4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

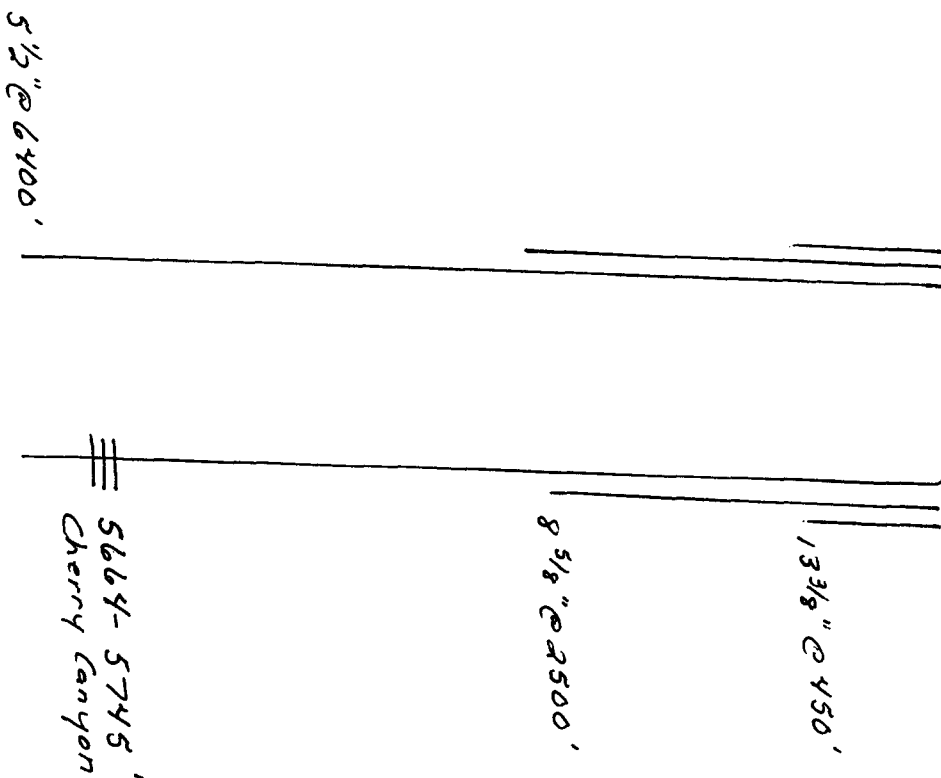
NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

INJECTION WELL DATA SHEET

OPERATOR: OGX Resources, LLCWELL NAME & NUMBER: Pardue Farms, Well #1WELL LOCATION: 754' FNL & 2013' FEL

FOOTAGE LOCATION

(B)
UNIT LETTERSec 29
SECTION TOWNSHIP~~R38E~~
RANGEWELLBORE SCHEMATICWELL CONSTRUCTION DATASurface CasingHole Size: 17 1/2"Casing Size: 13 3/8" @ 450'Cemented with: 576 sx sx.or ft³Top of Cement: surfaceMethod Determined: circulationIntermediate CasingHole Size: 12 1/4"Casing Size: 8 5/8" @ 2500'Cemented with: 900 sx sx.or ft³Top of Cement: surfaceMethod Determined: circulationProduction CasingHole Size: 7 7/8"Casing Size: 5 1/2" @ 6400'Cemented with: 1800 sx.or ft³Top of Cement: 2000'Method Determined: calculationTotal Depth: 6400' P8TD: 6230'Injection Interval5123' feet to 6102' - perfs

(Perforated or Open Hole; indicate which)

INJECTION WELL DATA SHEET

Tubing Size: 2 7/8" Lining Material: _____

Type of Packer: Baker AD-1 Tension

Packer Setting Depth: within 100' of current top perf: 5664'

Other Type of Tubing/Casing Seal (if applicable): _____

Additional Data

1. Is this a new well drilled for injection? _____ Yes X No

If no, for what purpose was the well originally drilled? Production - uneconomical

2. Name of the Injection Formation: Brushy Canyon

3. Name of Field or Pool (if applicable): Undesignated, Brushy Canyon

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. _____ No _____

(log on file - 2-16-06)

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: Willow Lake, Bone Spring @ 6200' -

Non-productive in this well

5. Next High oil/gas zone: Delaware @ 2470 which is non-productive.
Next Lower oil/gas zone: Cisco @ 11,000'.

IV. This is not an expansion of an existing project.

V. Map attached with 2 mile radius designated, listing of operators within 2 mile
Radius attached.

VI. Tabulation of wells within 1/2 mile radius attached, along with map.

VII. Operation Data:

1. Proposed average daily injection volume: 1000 bbls/day
Proposed maximum daily injection volume: 3000 bbls/day

OGX Resources, LLC
Pardue Farms "29", Well #1
Section 29, T24S, R28E (B)
Eddy County, New Mexico

ATTACHMENT A

III. Well Data

Section A:

1. Lease Name: Pardue Farms "29", Well #1, 754' FNL & 2013' FEL
2. Casing & Cement: Completion, Data Sheet w/wellbore attached
3. Tubing: 2 7/8" w/Baker AD-1 Tension packer set approx. 70-80' above top perforation @ 5664'.

Section B:

1. Injection formation: Brushy Canyon
Pool: Undesignated; Brushy Canyon
2. Injection Interval: Top Brushy Canyon @ 5123 to bottom @ 6102'.
Current perforated interval is 5664-5745'.
3. Original purpose of well: Drilled for production oil/gas.
4. No other perforated intervals.
5. Next High oil/gas zone: Delaware @ 2470 which is non-productive.
Next Lower oil/gas zone: Cisco @ 11,000'.

IV. This is not an expansion of an existing project.

V. Map attached with 2 mile radius designated, listing of operators within 2 mile Radius attached.

VI. Tabulation of wells within 1/2 mile radius attached, along with map.

VII. Operation Data:

1. Proposed average daily injection volume: 1000 bbls/day
Proposed maximum daily injection volume: 3000 bbls/day

2. The well will operate within a closed system.
3. Proposed average daily injection pressure: 600 psi.
Proposed maximum daily injection pressure: 1130 psi (.2/ft to current top perf)
4. Sources of injection water will be OGX Resources, LLC offsetting production from the Bone Springs and Cisco formations.
5. Chlorides are as listed on the attached water analysis from offsetting wells enclosed in this application.

VIII. Geological Data:

Statement: The Proposed injection zone is the Brushy Canyon which is a sandstone. Generally the pay thickness ranges from 80-200' is within the Delaware Sand formation, solution gas drive. This zone has historically taken produced formation water at relatively low pressures and is a common zone for waterflood and injection. There is no known source of drinking water underlying the proposed injection interval.

IX: Stimulation Program: At this time there is no further stimulation program proposed for this injection interval.

X. Logs: the log for this well was submitted to the Oil Conservation Division along With the Form C-105 on 2-16-06.

XI: The fresh water is estimated to be at approximately 350-400' in this area. The closest fresh water well is located approximately 1 mile SW in Section 30, as designated on the map enclosed with this application.

XII: Statement: To the best of current knowledge of this area there is no evidence of open faults or other hydrologic connection between the injection zone and any underground sources of drinking water.

XIII: Proof of Notice: Newspaper notice and certification of publication attached.

XIV: Certification: See NMOCD form C-108 "Application for Authorization to Inject".

-proposed injection well-

Submit To Appropriate District Office
State Lease - 6 copies
Fee Lease - 5 copies

District I
1625 N. French Dr., Hobbs, NM 87240
District II
811 South First, Artesia, NM 87210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-105
Revised March 25, 1999

WELL API NO.

30-015-33537

5. Indicate Type of Lease

STATE ☐ FEE ☒

State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:

OIL WELL ☒ GAS WELL ☐ DRY ☐ OTHER ☐

b. Type of Completion:

NEW ☒ WORK ☐ PLUG ☐ DIFF. ☐
WELL ☐ OVER ☐ DEEPEN ☐ BACK ☐ RESVR. ☐ OTHER ☐

2. Name of Operator

Morexco, Inc.

3. Address of Operator

P. O. Box 1591 Roswell, NM 88202-1591

7. Lease Name or Unit Agreement Name

Pardue Farms "29"

8. Well No.

1

9. Pool name or Wildcat

und

4. Well Location

Unit Letter B 754 Feet From The N Line and 2013 Feet From The E Line

Section 29 Township 24S Range 28E NMPM Eddy County

10. Date Spudded

11/9/04

11. Date T.D. Reached

11/29/04

12. Date Compl. (Ready to Prod.)

2/19/05

13. Elevations (DF& RKB, RT, GR, etc.)

3029 GR

14. Elev. Casinghead

15. Total Depth

6270

16. Plug Back T.D.

6230

17. If Multiple Compl. How Many Zones?

18. Intervals Drilled By

Rotary Tools

All

Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name

5664 - 5745 Brushy Canyon

20. Was Directional Survey Made

Yes

21. Type Electric and Other Logs Run

DLL w/ micro & FD & CNL

22. Was Well Cored

No

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13 3/8	54.5#	450'	17 1/2	576 SXS	
8 5/8	24 & 32#	2500'	12 1/4	900 SXS	
5 1/2	17#	6400'	7 7/8	1800 SXS	

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

25. TUBING RECORD

SIZE	DEPTH SET	PACKER SET

26. Perforation record (interval, size, and number)

RECEIVED
FEB 17 2006
OIL-ARTESIA

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED
5664 - 5745 35,358 gals + 54,220 20/40

28. PRODUCTION

Date First Production

2/21/05

Production Method (Flowing, gas lift, pumping - Size and type pump)

pumping

Well Status (Prod. or Shut-in)

shut-in

Date of Test

2/21/05

Hours Tested

24 hrs

Choke Size

NA

Prod'n For Test Period

Oil - Bbl

Gas - MCF

67

Water - Bbl.

TSTM

Gas - Oil Ratio

585

NA

Flow Tubing Press.

30

Casing Pressure

30

Calculated 24-Hour Rate

Oil - Bbl.

67

Gas - MCF

TSTM

Water - Bbl.

585

Oil Gravity - API - (Corr.)

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

Test Witnessed By

30. List Attachments

31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief

Signature

Printed

Name

Donald G. Becker Title Pres

Date 2/16/06

INSTRUCTIONS

C-105

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

T. Anhy
T. Salt 1700
B. Salt
T. Yates
T. 7 Rivers
T. Queen
T. Grayburg
T. San Andres
T. Glorieta
T. Paddock
T. Blinebry
T. Tubb
T. Drinkard
T. Abo
T. Wolfcamp
T. Penn
T. Cisco (Bough C)

Northwestern New Mexico

T. Canyon
T. Strawn
T. Atoka
T. Miss
T. Devonian
T. Silurian
T. Montoya
T. Simpson
T. McKee
T. Ellenburger
T. Gr. Wash
T. Delaware Sand 2470
T. Bone Springs 6222
T.
T.
T.
T.

T. Ojo Alamo _____
T. Kirtland-Fruitland _____
T. Pictured Cliffs _____
T. Cliff House _____
T. Menefee _____
T. Point Lookout _____
T. Mancos _____
T. Gallup _____
Base Greenhorn _____
T. Dakota _____
T. Morrison _____
T. Todilto _____
T. Entrada _____
T. Wingate _____
T. Chinle _____
T. Permian _____
T. Penn "A" _____

T. Penn. "B"
T. Penn. "C"
T. Penn. "D"
T. Leadville
T. Madison
T. Elbert
T. McCracken
T. Ignacio Otzte
T. Granite
T.
T.
T.
T.
T.
T.
T.

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....
No. 2, from.....to.....

No. 3, from.....to.....
No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....	to.....	feet.....
No. 2, from.....	to.....	feet.....
No. 3, from.....	to.....	feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology

From	To	Thickness In Feet	Lithology

Affidavit of Publication

NO. 19466

STATE OF NEW MEXICO

County of Eddy:

Gary D. Scott being duly

sworn, says: That he is the Publisher of The

Artesia Daily Press, a daily newspaper of general

circulation, published in English at Artesia, said county

and county and state, and that the here to attached

Legal Notice

was published in a regular and entire issue of the said

Artesia Daily Press, a daily newspaper duly qualified

for that purpose within the meaning of Chapter 167 of

the 1937 Session Laws of the state of New Mexico for

1 Consecutiv week/days on the same

day as follows:

First Publication October 25 2006

Second Publication

Third Publication

Fourth Publication

Subscribed and sworn to before me this

25th Day October 2006

Bachman Boars

Notary Public, Eddy County, New Mexico

My Commission expires September ; 23, 2007

Copy of Publication:

LEGAL NOTICE

OGX Resources, LLC, c/o P.O. Box 953, Midland, TX 79702 will file the New Mexico Oil Conservation Division Form C-108, Application for Authorization to Inject, with the NMOCD seeking administrative approval for water injection into their Pardue Farms 29, Well #1, located 754' FNL & 2013' FEL of Sec 29, T24S, R28E, Eddy County, NM. The proposed injection interval is from 5123-6102'. The proposed maximum surface pressure is 1280 psi, with a maximum injection rate of 3000 bbls water per day. The injection water will be sourced from the Brushy Canyon formation on lease produced water.

All interested parties opposing the application must file objection with the New Mexico Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, NM 87505 within 15 days of this notice. Additional information can be obtained by contacting Ann Ritchie, Regulatory Agent, OGX Resources, LLC, c/o P.O. Box 953, Midland, TX 79702, (432) 684-6381.

Published in the Artesia Daily Press, Artesia, N.M. October 25, 2006.

Legal 19466

2
OGX Resources, LLC
Injection Application: Pardue Farms 29, Well #1
Section 29, T24S, R28E (B)
API # 30-015-33537
Eddy County, New Mexico

Wells within a 1/2 mile radius:

Morexco, Inc., Pardue Farms 29, Well #2 - Sec 29, T24S, R28E (F)
TD: 6250', perfs: 5900-5982', spud: 10-22-05, producing
Completion Attached

OGX Resources, LLC, EKG Fee, Well #1 - Sec 29, T24S, R28E (E)
TD: 12,445', perfs: 11010-11256', spud: 2-8-05, producing
Completion Attached

Operators within a 2 mile radius:

Chi Operating, Inc., Box 1799, Midland, TX 79702
EOG Resources, Inc., Box 4362, Houston, TX 77210
Marbob Energy, Box 227, Artesia, NM 88211
Morexco, Inc., Box 1591, Roswell, NM 88202
Mesquite SWD, Inc., Box 1479, Carlsbad, NM 88221
Nadel & Gussman Permian, LLC, 601 N. Marienfeld #508, Midland, TX 79701
Occidental Permian, Ltd., Box 4294, Houston, TX 77210
OGX Resources, Box 2064, Midland, TX 79702
OXY USA WTP, LP, Box 50250, Midland, TX 79710
Pogo Producing Company, Box 2504, Houston, TX 77252

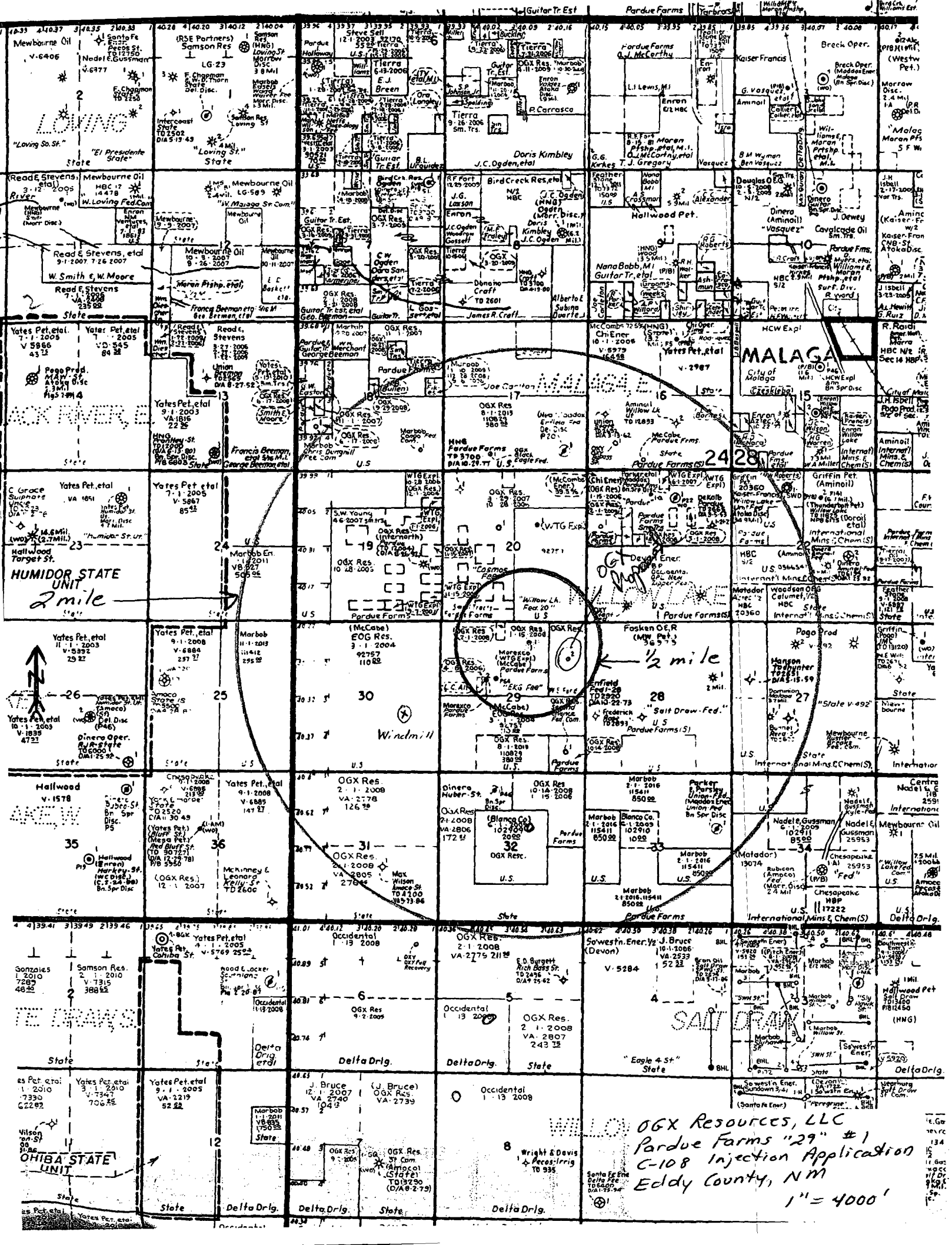
Surface Owner:

Pardue LTD, Co., Box 2018, Carlsbad, NM 88221

Copies of the C-108 and data sheet have been sent to the above stated parties on this the 18th day of December 2006.



Ann E. Ritchie, Regulatory Agent
OGX Resources, LLC
c/o Box 953
Midland, TX 79702
432 684-6381
ann.ritchie@wtor.net



OGX Resources, LLC
 NMOCD Injection Application
 Pardue Farms "29", Well #1
 Sec 29, T24S, R28E (B)
 Eddy County, Texas

Pardue Farms 29 #1

Producing wells within 1/4 mile radius.

API#	Operator
30-015-34366	MOREXCO INC
30-015-33967	OGX Resources

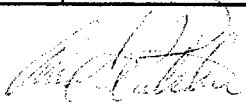
Operators within a 2 mile radius.

API#	Operator
30-015-34386	MARBOB ENERGY CORP
30-015-24013	OGX RESOURCES, LLC
30-015-33209	MOREXCO INC
30-015-31360	CHI OPERATING INC
30-015-33531	OCCIDENTAL PERMIAN LP
30-015-34333	OCCIDENTAL PERMIAN LP
30-015-21499	MESQUITE SWD, INC
30-015-32466	POGO PRODUCING COMPANY
30-015-34366	MOREXCO INC
30-015-34348	OXY USA WTP LIMITED PARTNERSHIP
30-015-34386	MARBOB ENERGY CORP
30-015-34333	OCCIDENTAL PERMIAN LP

Lease	Well#	Legal
PARDUE FARMS 29 - BS. OK		2 S:29, T:24S, R:28E
EKG — OK Calc TOP 300		1 Sec. 29, T:24S, R:28E

Lease	Well#	Legal
CONGO FEDERAL COM		1 S:18, T:24S, R:28E
PARDUE 19 COM		1 S:19, T:24S, R:28E
WILLOW LAKE 20 FEDERAL		1 S:20, T:24S, R:28E
PARDUE	001Q	S:21, T:24S, R:28E
OPL NEW ZIPPER FEDERAL		1 S:21, T:24S, R:28E
OXY STENT FEDERAL		1 S:21, T:24S, R:28E
WILLOW LAKE		1 S:22, T:24S, R:28E
STATE V 492		2 S:27, T:24S, R:28E
PARDUE FARMS 29		2 S:29, T:24S, R:28E
OXY BYPASS 16 STATE		1 S:16, T:24S, R:28E
CONGO FEDERAL COM		1 S:18, T:24S, R:28E
OXY STENT FEDERAL		1 S:21, T:24S, R:28E

1/2 mile radius well

Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, 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 Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505		Form C-105 Revised June 10, 2003 WELL API NO. : 30 015 33907 5. Indicate Type of Lease STATE FEE X State Oil & Gas Lease No.	
WELL COMPLETION OR RECOMPLETION REPORT AND LOG					
1a. Type of Well: OIL WELL GAS WELL X DRY <input type="checkbox"/> OTHER _____ b. Type of Completion: NEW WORK <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input type="checkbox"/> DIFF. WELL OVER BACK RESVR. OTHER: DHC				7. Lease Name or Unit Agreement Name EKG Fee	
2. Name of Operator: OGX Resources, LLC 217955				8. Well No.: 1	
3. Address of Operator P.O. Box 2064, Midland, TX 79702				9. Pool name or Wildcat: Wildcat, Cisco Gas	
4. Well Location Unit Letter <u>E</u> : <u>1980'</u> Feet From The <u>South</u> Line and <u>1980'</u> Feet From The <u>West</u> Line Section <u>29</u> Township <u>24S</u> Range <u>28E</u> NMPM Eddy County					
10. Date Spudded 2-8-05		11. Date T.D. Reached 4-2-05		12. Date Compl. (Ready to Prod.) 7-1-06	
13. Elevations (DF& RKB, RT, GR, etc.) 3049' GR		14. Elev. Casinghead			
15. Total Depth: 12,445'		16. Plug Back T.D.: 11,734'		17. If Multiple Compl. How Many Zones? 18. Intervals Drilled By	
19. Producing Interval(s), of this completion - Top, Bottom, Name 11,010-11,256' - Cisco				20. Was Directional Survey Made No	
21. Type Electric and Other Logs Run: GR/CCL				22. Was Well Cored: No	
23. CASING RECORD (Report all strings set in well)					
CASING SIZE		WEIGHT LB. FT.		DEPTH SET	
13 3/8"		48#		650'	
9 5/8"		36#		2490'	
7 5/8"		39#		9736'	
24. LINER RECORD					
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	
5 1/2"	9430'	12,348'	360 sx		
25. TUBING RECORD					
SIZE	DEPTH SET	PACKER SET			
2 7/8"	10,950'				
26. Perforation record (interval, size, and number): Strawn: 11,010-11,256' w/2 shots per ft.					
27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 11,010-11,256' 4000 gals 15% HCL 283,000 gal frac w/190,000# sand					
28. PRODUCTION					
Date First Production: 5-23-06		Production Method (Flowing, gas lift, pumping - Size and type pump) pumping			Well Status (Prod. or Shut-in) Producing
Date of Test 7-1-06	Hours Tested 24	Choke Size	Prod'n For Test Period	Oil - Bbl 3	Gas - MCF 260
Flow Tubing Press.		Casing Pressure 850	Calculated 24-Hour Rate	Water - Bbl.	Oil Gravity - API - (Corr.) 86.666
29. Disposition of Gas (Sold, used for fuel, vented, etc.)					Test Witnessed By
30. List Attachments Logs & inclination previously submitted. C-104 attached.					
Signature  Name : Ann E. Ritchie Title: Regulatory Agent Date: 12-7-06 E-mail Address: ann.ritchie@wtor.net					

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests

1/2 mile radius well

Submit To Appropriate District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Energy, Minerals and Natural Resources

Form C-105
Revised March 25, 1999

District I
1625 N. French Dr., Hobbs, NM 87240
District II
811 South First, Artesia, NM 87210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

WELL API NO. 30-015-34366
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG									
1a. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER <input type="checkbox"/>					7. Lease Name or Unit Agreement Name Pardue Farms "29"				
b. Type of Completion: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> OTHER <input type="checkbox"/>					8. Well No. 2				
2. Name of Operator Morexco, Inc.					JAN 31 2006				
3. Address of Operator P. O. Box 1591 Roswell, NM 88202-1591					A. Pool name or Wildcat Undes. Willow Lake Bone Springs				
4. Well Location Unit Letter F : 1980 Feet From The N Line and 1650 Feet From The W Line Section 29 Township 24S Range 28E NMPM Eddy County									
10. Date Spudded 10/22/05	11. Date T.D. Reached 11/15/05	12. Date Compl. (Ready to Prod.) 1/23/06	13. Elevations (DF& RKB, RT, GR, etc.) 3051 GR		14. Elev. Casinghead				
15. Total Depth 6250	16. Plug Back T.D. 6205	17. If Multiple Compl. How Many Zones? 1	18. Intervals Drilled By All	Rotary Tools		Cable Tools			
19. Producing Interval(s), of this completion - Top, Bottom, Name 5900 - 5982 Brushy Canyon						20. Was Directional Survey Made Yes			
21. Type Electric and Other Logs Run FDL - CNL - DLL w/ micro						22. Was Well Cored no			
23. CASING RECORD (Report all strings set in well)									
CASING SIZE		WEIGHT LB/FT.		DEPTH SET		HOLE SIZE		CEMENTING RECORD	
8 5/8		24#		682		12 1/4		833 sxs class C	
5 1/2		15.5		6243		7 7/8		875 sxs class H	
24. LINER RECORD									
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN		25. TUBING RECORD			
						SIZE	DEPTH SET	PACKER SET	
						2 7/8	6032	TA	
26. Perforation record (interval, size, and number)						27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.			
						DEPTH INTERVAL			
						AMOUNT AND KIND MATERIAL USED			
						5900-5982 3000 gals 10% NEFE, 47,104 gals			
						prod. water & 10,000 lbs. lite prop			
						+ 7,000 lbs of 16/30			
28. PRODUCTION									
Date First Production 1/24/06		Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping				Well Status (Prod. or Shut-in) Prod			
Date of Test 1/24	Hours Tested 18	Choke Size NA	Prod'n For Test Period	Oil - Bbl 48	Gas - MCF TSTM	Water - Bbl. 262	Gas - Oil Ratio		
Flow Tubing Press. -0-	Casing Pressure 150	Calculated 24-Hour Rate	Oil - Bbl. 64	Gas - MCF TSTM	Water - Bbl. 349	Oil Gravity - API - (Corr.) 45			
29. Disposition of Gas (Sold, used for fuel, vented, etc.) vented						Test Witnessed By D. G. Becker			
30. List Attachments Log, Directional Survey									
31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief									
Signature Donald G. Becker, Jr.		Printed Donald G. Becker, Jr.				Title President		Date 1-30-06	

REACTION CHEMICAL ENTERPRISES, INC.
P.O. BOX 3868 ODESSA, TEXAS 79760-3868
432/332-4324 FAX 432/335-0618

WATER ANALYSIS

Company: OGX Resources Date of Analysis: 10/31/06
 Lease: Willow Lake (Bone Spring) Sample Date: 10/30/06
 Well #: Federal Lease

482

	Mg./L.	Mg./L.
Total Hardness - CaCO ₃	83,000	
Total Dissolved Solids - TDS	296,701	
Calcium - Ca	25,600	1,280
Magnesium - Mg	4,617	378
Sodium - Na	81,504	3,544
Barium - Ba	0	
Bicarbonate - HCO ₃	317.2	5
Carbonate - CO ₃	0	
Sulfate - SO ₄	663	14
Chloride - Cl	184,000	9,183
Carbon Dioxide - CO ₂	968.0	
Hydrogen Sulfide - H ₂ S	0	
Temperature	70.0	
pH	5.9	
Specific Gravity	1.190	
LBS/GAL	9.91	

STABILITY INDEX (Stiff-Davis)

SI = pH - pCa - pAlk - K		CaSO ₄	Mg./L.
		SOLUBILITY	: 93,314
Decrease %	S.I.	ACTUAL	: 940
77	1.02	SATURATION	: 1.0
100	1.31		
180	3.33		
Service Engineer:		Bo Mabon	
Analyzed By:		Branden Smith	

REACTION CHEMICAL ENTERPRISES, INC.
P.O. BOX 3868 ODESSA, TEXAS 79760-3868
432/332-4324 FAX 432/335-0618

WATER ANALYSIS

Company: OGX Resources
Lease: Morrow
Well #: Pay Zone

Date of Analysis: 10/31/06
Sample Date: 10/30/06

483

	Mg./L.	Meq./L.
Total Hardness - CaCO ₃	32,000	
Total Dissolved Solids - TDS	104,995	
Calcium - Ca	5,200	260
Magnesium - Mg	4,617	378
Sodium - Na	28,416	1,235
Barium - Ba	0	
Bicarbonate - HCO ₃	244.0	4
Carbonate - CO ₃	0	
Sulfate - SO ₄	518	11
Chloride - Cl	66,000	1,859
Carbon Dioxide - CO ₂	616.0	
Hydrogen Sulfide - H ₂ S	0	
Temperature	70.0	
pH	6.5	
Specific Gravity	1.060	
LB/GAL	8.83	

STABILITY INDEX (Stiff-Davis)

SI-PH-pCa-pAlk-K

Degrees F.	S.I.
77	-0.06
100	0.15
180	1.65

CaSO₄ Mg./L.

SOLUBILITY : 19,320

ACTUAL : 734

SATURATION # : 3.8

Service Engineer:
Analyzed By:

Bo Maben
Brandon Smith

REACTION CHEMICAL ENTERPRISES, INC.
P.O. BOX 3868 ODESSA, TEXAS 79760-3868
432/332-4324 FAX 432/335-0618

WATER ANALYSIS

Company: OGX Resources
 Lease: 20% Willow Lake
 Well #: 80% Morrow

Date of Analysis: 10/31/06
 Sample Date: 10/30/06

404

	Mg./L.	Mg./L.
Total Hardness - CaCO ₃	36,000	
Total Dissolved Solids - TDS	136,709	
Calcium - Ca	13,200	660
Magnesium - Mg	729	60
Sodium - Na	38,142	1,658
Barium - Ba	0	
Bicarbonate - HCO ₃	317.2	5
Carbonate - CO ₃	0	
Sulfate - SO ₄	321	7
Chloride - Cl	84,000	2,366
Carbon Dioxide - CO ₂	704.0	
Hydrogen Sulfide - H ₂ S	0	
Temperature	70.0	
pH	6.3	
Specific Gravity	1.040	
LB/GAL	8.66	

STABILITY INDEX (Stiff-Davis)

SI = pH - pCa - pAlk - K

Dissolved Ca	S.I.
77	0.51
100	0.71
180	2.31

CaSO₄ **Mg./L.**

SOLUBILITY : 48,482

ACTUAL : 456

SATURATION % : 0.9

Service Engineer:
 Analyzed By:

Bo Mobon
 Brandon Smith

7006 0100 0001 2459 8836

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$.39
Certified Fee	2.40
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 2.79

Sent To **Nadel & Gussman Permian, LLC**
 Street, Apt. No.;
 or PO Box No. **601 N. Marienfeld #508**
 City, State, ZIP+4 **Midland, TX 79701**

PS Form 3800, June 2002

See Reverse for Instructions

2199 6542 1000 0010 9002

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$.39
Certified Fee	2.40
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 2.79

Sent To **Occidental Permian, Ltd.**
 Street, Apt. No.;
 or PO Box No. **Box 4294**
 City, State, ZIP+4 **Houston, TX 77210**

PS Form 3800, June 2002

See Reverse for Instructions

7006 0100 0001 2459 8782

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$.39
Certified Fee	2.40
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 2.79

Sent To **Parue LTD, Co.**
 Street, Apt. No.;
 or PO Box No. **Box 2018**
 City, State, ZIP+4 **Carlsbad, NM 88221**

PS Form 3800, June 2002

See Reverse for Instructions

5089 6542 1000 0010 9002

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$.39
Certified Fee	2.40
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 2.79

Sent To **OXY USA WTP, LP**
 Street, Apt. No.;
 or PO Box No. **Box 50250**
 City, State, ZIP+4 **Midland, TX 79710**

PS Form 3800, June 2002

See Reverse for Instructions

7006 0100 0001 2459 8935

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$.39
Certified Fee	2.40
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 2.79

Sent To **Pogo Producing Company**
 Street, Apt. No.;
 or PO Box No. **Box 2504**
 City, State, ZIP+4 **Houston, TX 77252**

PS Form 3800, June 2002

See Reverse for Instructions

7006 0100 0001 2459 8850

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$.39
Certified Fee	2.40
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 2.79

Postmark Here

Sent To: Morexco, Inc.
 Street, Apt. No., or PO Box No.: Box 1591
 City, State, ZIP+4: Roswell, NM 88202

PS Form 3800, June 2002 See Reverse for Instructions

9268 6542 1000 0001 2459 8820

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$.39
Certified Fee	2.40
Return Receipt Fee (Endorsement Required)	\$0.00
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total Postage & Fees	\$ 2.79

Postmark Here

Sent To: Morexco, Inc.
 Street, Apt. No., or PO Box No.: Box 1591
 City, State, ZIP+4: Roswell, NM 88202

PS Form 3800, June 2002 See Reverse for Instructions

7006 0100 0001 2459 8904

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$.39
Certified Fee	2.40
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 2.79

Postmark Here

Sent To: Marbob Energy
 Street, Apt. No., or PO Box No.: Box 227
 City, State, ZIP+4: Artesia, NM 88211

PS Form 3800, June 2002 See Reverse for Instructions

7006 0100 0001 2459 8848

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$.39
Certified Fee	2.40
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 2.79

Postmark Here

Sent To: Mesquite SWD, Inc.
 Street, Apt. No., or PO Box No.: Box 1479
 City, State, ZIP+4: Carlsbad, NM 88221

PS Form 3800, June 2002 See Reverse for Instructions

7006 0100 0001 2459 8867

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$.39
Certified Fee	2.40
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 2.79

Postmark Here

Sent To: EOG Resources, Inc.
 Street, Apt. No., or PO Box No.: Box 4362
 City, State, ZIP+4: Houston, TX 77210

PS Form 3800, June 2002 See Reverse for Instructions

7006 0100 0001 2459 8874

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$.39
Certified Fee	2.40
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 2.79

Postmark Here

Sent To: Chi Operating, Inc.
 Street, Apt. No., or PO Box No.: Box 1799
 City, State, ZIP+4: Midland, TX 79702

PS Form 3800, June 2002 See Reverse for Instructions

Well Selection Criteria Quick Print

(WH_SEC = 29 and WH_TWPN = 24 and WH_TWPD Like 'S' and WH_RNGN = 28 and WH_RNGD Like 'E')

API Well #	Well Name and No.	Operator Name	Typ	Stat	County	Surf	UL	Sec	Twp	Rng	Ft N/S	Ft E/W	UICPrmt	Lst Insp Dt
30-015-34705-00-00	EKG FEE	002	OGX RESOURCES, LLC	G	N	Eddy	P	A	29	24 S	28 E	1310 N	660 E	8/31/2006
30-015-26901-00-00	PRE-ONGARD WELL	001	PRE-ONGARD WELL OPERATOR	O	C	Eddy		A	29	24 S	28 E	467 N	467 E	
30-015-33537-00-00	PARDUE FARMS 29	001	MOREXCO INC	O	A	Eddy	P	B	29	24 S	28 E	754 N	2013 E	9/1/2006
30-015-34858-00-00	PARDUE FARMS 29	003	MOREXCO INC	O	A	Eddy	P	D	29	24 S	28 E	660 N	660 W	7/31/2006
30-015-34858-00-00	PARDUE FARMS 29	003	MOREXCO INC	O	A	Eddy	P	D	29	24 S	28 E	660 N	660 W	7/31/2006
30-015-33907-00-00	EKG FEE	001	OGX RESOURCES, LLC	G	A	Eddy	P	F	29	24 S	28 E	1980 N	1980 W	10/5/2006
30-015-34366-00-00	PARDUE FARMS 29	002	MOREXCO INC	O	A	Eddy	P	F	29	24 S	28 E	1980 N	1650 W	7/28/2006
30-015-33852-00-00	SECOND CHANCE FEDERAL	001	OGX RESOURCES, LLC	G	A	Eddy	P	P	29	24 S	28 E	700 S	700 E	5/8/2006
30-015-33852-00-00	SECOND CHANCE FEDERAL	001	OGX RESOURCES, LLC	G	A	Eddy	P	P	29	24 S	28 E	700 S	700 E	5/8/2006

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Monday, January 22, 2007 4:10 PM
To: 'Ann Ritchie'
Cc: Ezeanyim, Richard, EMNRD
Subject: RE: OGX Resources, Pardue 29 Farms, Well #1 Injection

Hello Ms. Ritchie:
After reviewing your application, here are some questions...

- 1) Please have a geologist pick the tops of the Bell Canyon, Cherry Canyon, and Brushy Canyon.
- 2) Let us know what happened to the production in this well. Did it decline down to nothing? When did it last produce?
- 3) Send an "after conversion" wellbore diagram.
- 4) There are numerous wells proposed in this area - has anyone been concerned about this injection proposal?
- 5) Do you want the permit to read: 5664 - 5745 or 5123 - 6102? If you want the larger interval, which areas are you proposing to perforate in the future and what is the formation names at those depths?

Thank You,

William V. Jones PE
New Mexico Oil Conservation Division
1220 South St. Francis
Santa Fe, NM 87505
505-476-3448

From: Jones, William V., EMNRD
Sent: Friday, January 19, 2007 10:48 AM
To: 'Ann Ritchie'
Cc: Ezeanyim, Richard, EMNRD
Subject: RE: OGX Resources, Pardue 29 Farms, Well #1 Injection

Ann:
I'll let you know if you need anything else sometime next week.

Will

William V. Jones PE
New Mexico Oil Conservation Division
1220 South St. Francis
Santa Fe, NM 87505
505-476-3448

From: Catanach, David, EMNRD
Sent: Friday, January 19, 2007 8:12 AM
To: Ann Ritchie
Cc: Jones, William V., EMNRD
Subject: RE: OGX Resources, Pardue 29 Farms, Well #1 Injection

Jones, William V., EMNRD

From: Ann Ritchie [ann.ritchie@wtor.net]
Sent: Monday, January 29, 2007 8:36 AM
To: Jones, William V., EMNRD
Subject: OGX Resources, Pardue 29 Farms, Well #1 injection application
Attachments: OGX Pardue 29 Farms 1 wellbore.tif

Mr. Jones,
I apologize if I have already e-mailed this information to you. I had it on my desk and did not find in my "sent" file that I had e-mailed you, so I thought it best to send it.

Concerning the questions that you had in your e-mail of January 22, 2007 concerning the Pardue Farms 29, Well #1 (API 30 015 33537):

1. The formation tops are: Bell Canyon @ 2510'; Cherry Canyon @ 3250', Brushy Canyon @ 4470'.
2. The last production according to our records was in April of 2005. The well was a prolific water producer with only a skim of oil.
3. Please see the wellbore schematic attached.
4. OGX & Morexco are the closest operators in the area and currently filing for drilling location to be permitted. OGX & Morexco will both be interest holders in this proposed injection well for the purposes of disposing of their own produced water. It will not be a commercial facility. We have had no protests/notifications since the publication and mail-out.
5. The permitted injection interval is sufficient for 5664-5745', which are the current perforations.

I will put this in letter form also and mail along with the diagram, if you prefer.

Thank you,
Ann Ritchie, Agent for OGX Resources, LLC

WEST TEXAS OIL REPORTS
P.O. Box 953
Midland, TX 79702
432 684-6381; 682-1458-fax
ann.ritchie@wtor.net

Anne,

Will Jones is handling this application. You'll need to contact him.

David

From: Ann Ritchie [mailto:ann.ritchie@wtor.net]
Sent: Friday, January 19, 2007 8:09 AM
To: Catanach, David, EMNRD
Subject: OGX Resources, Pardue 29 Farms, Well #1 Injection

Mr. Catanach,
I submitted an injection application for OGX Resources for the subject well on 12-18-06.
It is located in Section 29, T24S, R28E, Eddy County, NM - API # 30 015 33437.
Could you please let me know the status of this injection application?
Thank you,
Ann Ritchie, for OGX Resources, LLC
WEST TEXAS OIL REPORTS
P.O. Box 953
Midland, TX 79702
432 684-6381; 682-1458-fax
ann.ritchie@wtor.net

1/22/2007

Inactive Well List

Total Well Count:15 Inactive Well Count:0 Since:10/29/2005

Printed On: Monday, January 22 2007

District	API	Well	ULSTR	OCD Unit	OGRID	Operator	Lease Type	Well Type	Last Production	Formation/Notes	Status	Days in TA
----------	-----	------	-------	----------	-------	----------	------------	-----------	-----------------	-----------------	--------	------------

WHERE Ogrid:217955, County:All, District:All, Township:All, Range:All, Section:All, Production(months):15

Injection Permit Checklist 12/7/06

SWD Order Number 107 **Dates:** Division Approved _____ District Approved _____

Well Name/Num: Pardue Farms #1 **Date Spudded:** 11/04

API Num: (30-) 015-23537 **County:** Eddy

Footages 154 FNL/2013 FEL **Sec** 29 **Tsp** 245 **Rge** 28E

Operator Name: OGX RESOURCES, LLC **Contact** Ann E. Ritchie

Operator Address: P.O. Box 953 MIDLAND TX 79702

Current Status of Well: _____ **Planned Work:** _____ **Inj. Tubing Size:** _____

	Hole/Pipe Sizes	Depths	Cement	Top/Method
Surface	17 1/2 13 3/8	450'	576	Surf.
Intermediate	12 1/4 8 5/8	2500'	900	Surf.
Production	7 1/8 5 1/2	6400'	1800	~ 2000'
Last DV Tool				
Open Hole/Liner				
Plug Back Depth				

Diagrams Included (Y/N): Before Conversion ☒ After Conversion ☒

Checks (Y/N): Well File Reviewed ☒ ELogs in Imaging ☒

Intervals:	Depths	Formation	Producing (Yes/No)
Salt/Potash	1700' top		
Capitan Reef			
Cliff House, Etc.			
Formation Above	2470'	Delmar TOP	
Top Inj Interval	564'	Apurty	it was
Bottom Inj Interval	5745'	Apurty	it was
Formation Below	6222'	B.S.	

2/21/05 Taped
67' / 06/585 w

Fresh Water: Exists (Y/N) Yes Wells (Y/N) Yes Analysis Included (Y/N): NO Affirmative Statement ☒

Salt Water Analysis: Injection Zone (Y/N/NA) NO DispWaters (Y/N/NA) Yes Types: BS. & Cisco & Morrow

Notice: Newspaper (Y/N) ☒ Surface Owner Pardue LTD CO Mineral Owner(s) ?

Other Affected Parties: Chf, EOG, Marib, Morano, Masquid, N & Gum, OXY, Pogo

AOR/Repairs: NumActiveWells 2 Repairs? NO Producing in Injection Interval in AOR NO

AOR Num of P&A Wells 0 **Repairs?** — **Diagrams Included?** —

Required Work to this Well: _____

Well Table Adequate (Y/N) Yes **AOR STRs:** Sec _____ Tsp _____ Rge _____ **RBDMS Updated (Y/N)** _____

New AOR Table Filename _____ **Sec** _____ **Tsp** _____ **Rge** _____ **UIC Form Completed (Y/N)** ☒

Conditions of Approval: Sec _____ Tsp _____ Rge _____ **This Form completed** _____

after cover W.B.D.
TOPS of members of Delmar
County of B.S.

Several Proposed
wells in TALS area