

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
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
Permit 2399

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address OGX RESOURCES, LLC PO Box 2064 Midland, TX 79702		OGRID Number 217955
		API Number 30-015-33852
Property Code 34400	Property Name SECOND CHANCE FEDERAL COM	Well No. 001

Surface Location

UL or Lot P	Section 29	Township 24S	Range 28E	Lot Idn P	Feet From 700	N/S Line S	Feet From 700	E/W Line E	County Eddy
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Proposed Pools

WILDCAT;MORROW (GAS) 96070

Work Type New Well	Well Type GAS	Cable/Rotary	Lease Type Private	Ground Level Elevation 2978
Multiple N	Proposed Depth 13000	Formation Morrow	Contractor	Spud Date 01/01/2005

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	650	700	0
Intl	12.25	9.625	36	2600	920	0
Prod	8.75	7	26	10000	1430	1000
Liner1	6.125	4.5	11.6	13000	250	9600

Casing/Cement Program: Additional Comments

Cement production casing w/ DV tool @ +/- 5000, cement 1st stage with 500sx IFH & 200 sx PP. Cement 2nd stage w/ 530 sx IFH & 200 sx PP cement. Cement volumes may need to be adjusted to hole caliper. No H2S is anticipated.
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Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	5000	

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

Electronically Signed By: Frank Agar

Title: Member

Date: 11/05/2004

Phone: 432-685-1287

OIL CONSERVATION DIVISION

Electronically Approved By: Bryan Arrant

Title: Geologist

Approval Date: 01/06/2005

Expiration Date: 01/06/2006

Conditions of Approval:
No Conditions