30-015-39343

SURFACE USE PLAN

OGX RESOURCES, LLC.
COOPER "31" FEDERAL COM. #4H
UNIT "I" SECTION 31
T25S-R29E EDDY CO. NM

RECEIVED
AUG 18 2011
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1. EXISTING AND PROPOSED ROADS:

A. Exhibit "B" is a reporduction of a County General Hi-way map showing existing roads. Exhibit "C" is a reproduction of a USGS topographic map showing existing roads and and proposed roads. All existing roads will be maintained in a condition equal to or better than current conditions. All new roads will be constructed to BLM specifications.

B. Exhibit "A" shows the proposed well site as staked.

C. Directions to location: From Malaga New Mexico take U. S. Hi-way 285 South for 12.5 miles, turn Left on Whitehorn Road, go 3.8 cross Pecos River continue .2 miles, turn Left (NOrtheast), go 1.8 miles turn Left (Northwest), go .25 miles, turn Left (West & Northwest) go 1.7 miles, bear Left (West) follow main lease road 1.2 miles, turn Left (East) go 1200' to location.

D. Exhibit "C" shows existing roads and proposed roads. Flowline route to Cooper "31" Federal Com. # 2H.

2. PLANNED ACCESS ROADS: Approximately 1200' of new road will be constructed.

A. The access roads will be crowned and sitched to a 14' wide travel surface, within a ~~30' R-O-W.~~ 20' ROW → See Conditions of Approval

B. Gradient of all roads will be less than 5%.

C. Turn-outs will be constructed where necessary.

D. If require new access roads will be surface with a minimum of 4-6" of caliche. this material will be obtained from a local source.

E. Center line for new roads will be flagged, road construction will be done as field conditions require.

F. Culverts will be placed in the access road as drainage conditions require. Roads will be constructed to use low water crossings for drainage as required by the topographic conditions.

3. LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS: EXHIBIT "A-1"

A. Water wells - none known

B. Disposal wells - None known

C. Drilling wells - None known

D. Producing wells - As shown on Exhibit "A-1" (one mile radius map)

E. Abandoned wells - As shown on Exhibit "A-1"

4. If on completion this well is successful the operator will complete it as a producer. The operator will lay flow lines to an existing tank battery located on lease as indicated on Exhibit"C". If a power line is required to operate facilities they will be constructed along existing R-O-W's, or obtained R-O-W's. These are shown on Exhibit "C".

5. LOCATION AND TYPE OF WATER SUPPLY:

Water will be purchased locally from a commercial source and transported by transport or piped to location by flexible flowlines laid on top of the ground.

6. SOURCE OF CONSTRUCTION MATERIAL:

If possible construction material will be obtained from the ~~excavition~~ leveling of the drill site. If additional material will will be require it will be obtained from a local source and transported over access roads shown on Exhibit "C".

7. METHODS OF HANDLING WASTE MATERIAL:

A. In case this well is drilled using a closed mud system the cuttings will be collected in containers and disposed of in a state approved disposal site. Drilling fluids likewise will be contained in tanks and disposed of in state approved disposal sites.

B. All trash, junk and other waste material will be contained in trash cages or trash bins to prevent scattering. When job is complete all contents will be taken from location and disposed of in a state approved disposal site.

C. Salts and other mud material remaining after completion of the well will be collected by the supplier and be removed from the location.

D. Waste water from living quaters will be directed into an onsite sewage treat--ment unit and when well is completed residue will be removed and disposed of in a state approved disposal site. Porto-johns will be on location for rig crews, completion crews and other contract personnel, this equipment will be properly maintained during drilling and completion. When all operations are complete the residue will be removed and disposed of in a state approved disposal site and the equipment removed by supplier.

E. Any fluids produced during the completion phasewill be seperated and the oil sold and water will be disposed of in an apporved disposal site.

8. ANCILLARY FACILITIES:

A. No camps, airstrips, or staging areas will be constructed on location.

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9. WELL SITE LAYOUT:

A. Exhibit "D" shows a generic well site for a well drilled using a closed mud system.

10. PLANS FOR RESTORATION OF SURFACE:

Rehabilition of the surface will start after the well has been completed, if the well is completed as a producer production facilities will be consturcted on the location. What area is not required for the operation of this project will be reclaimed and restored as near as possible to the original grade and vegetation.

If in case this well is unsuccessful and is a dry hole the drilling pad and the access roads will be reclaimed according to specifications provided by The Bureau of Land Management. Caliche or other road material will be removed for the possible use in another location or deposited in an approved reclaimation site.

Drill cuttings and mud used to drill this well will be removed and disposed of at an approved disposal site. All trash and any other debree will be collected disposed of as the above.

11. ADDITIONAL INFORMATION:

A. Topogrsphy consists of ridge-hill tops, and side slopes, with open exposure and varied drainage patterns draining into the Pecos River.

B Vegetation consists of typical desert shrub, such as snakeweed, prickley pear, Cat Claw, Cholla, creosote, and native grasses.

C. The surface and minerals are owned by The U. S. Department of Interior and is administered by The Bureau of Land Management. The surface is used for the grazing of livestock and for the production of Oil and Gas.

D. An archaeological survey will be conducted and the results will be filed with the Carlsbad Field Office of The Bureau of Land Management.

E. There are no dwellings with in 2 miles of this location.

Operator Certification

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in the APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

OPERATOR'S REPRESENTATIVES:

BEFORE CONSTRUCTION

TIERRA EXPLORATION, INC
P. O. BOX 2188
HOBBS, NEW MEXICO 88241
JOE JANICA 575-391-8503
CELL 575-390-1598

DURING & AFTER CONSTRUCTION

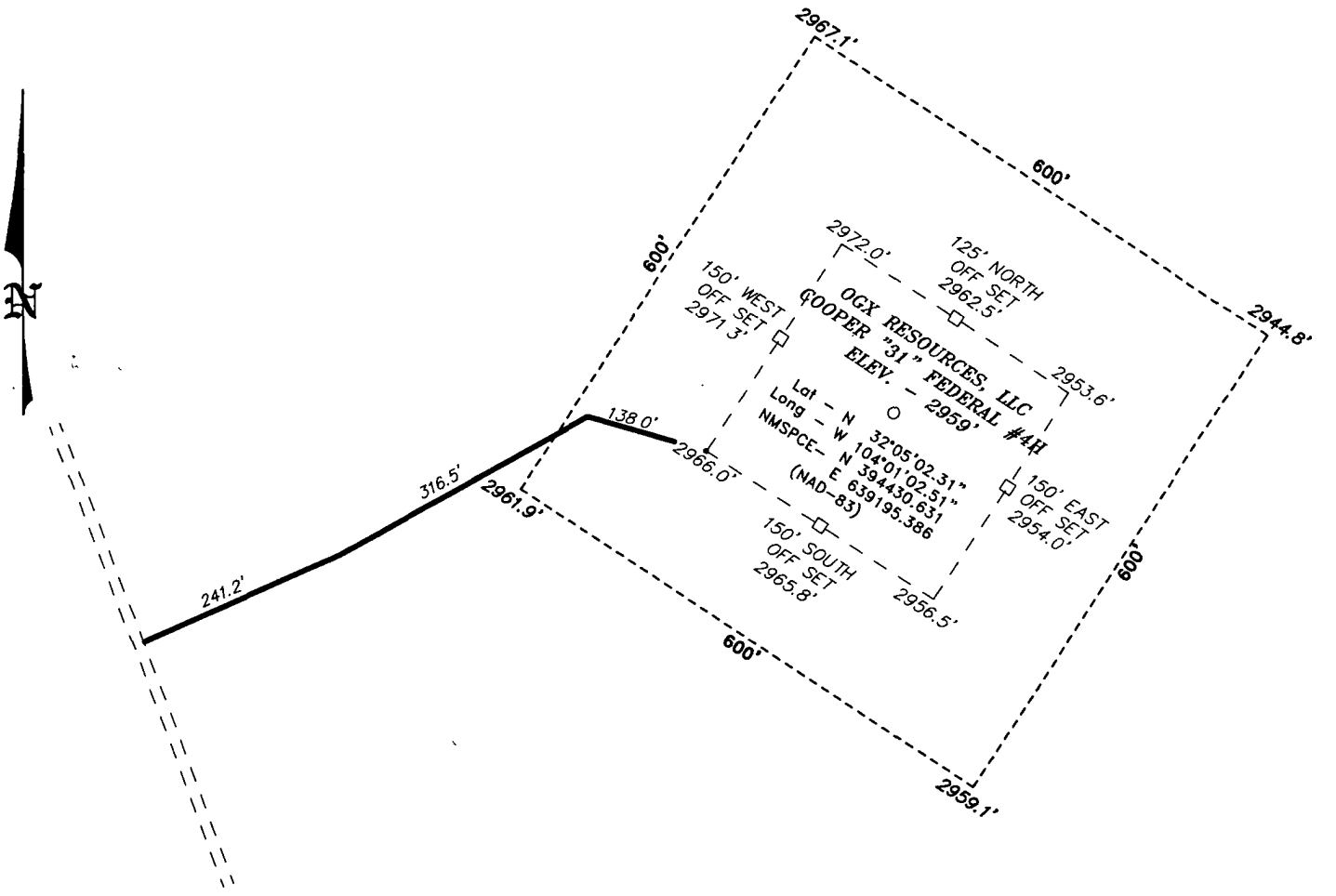
OGX RESOURCES, LLC.
P. O. BOX 2064
MIDLAND, TEXAS 79701
JEFF BIRKELBACH 432-685-1287
CELL 432-553-0391

NAME Joe T. Janica Joe T. Janica

TITLE Permit Eng. DATE 11/04/10

SECTION 31, TOWNSHIP 25 SOUTH, RANGE 29 EAST, N.M.P.M.,

EDDY COUNTY, **NEW MEXICO.**



200 0 200 400 FEET

SCALE: 1" = 200'

Directions to Location:

FROM MILE MARKER 8 OF HWY 285, GO SOUTH 800' TO LONG HORN, GO EAST ON LONGHORN FOR 3.9 MILES TURNING NORTH 1.7 MILES TO A "Y", CONTINUE NORTH 0.2 MILES TO A "Y", GO WEST 1.7 MILES TO ANOTHER "Y" STAY LEFT ND CONTINUE FOR 1.3 MILES TO PROPOSED LEASE ROAD.

BASIN SURVEYS P.O. BOX 1786 – HOBBS, NEW MEXICO

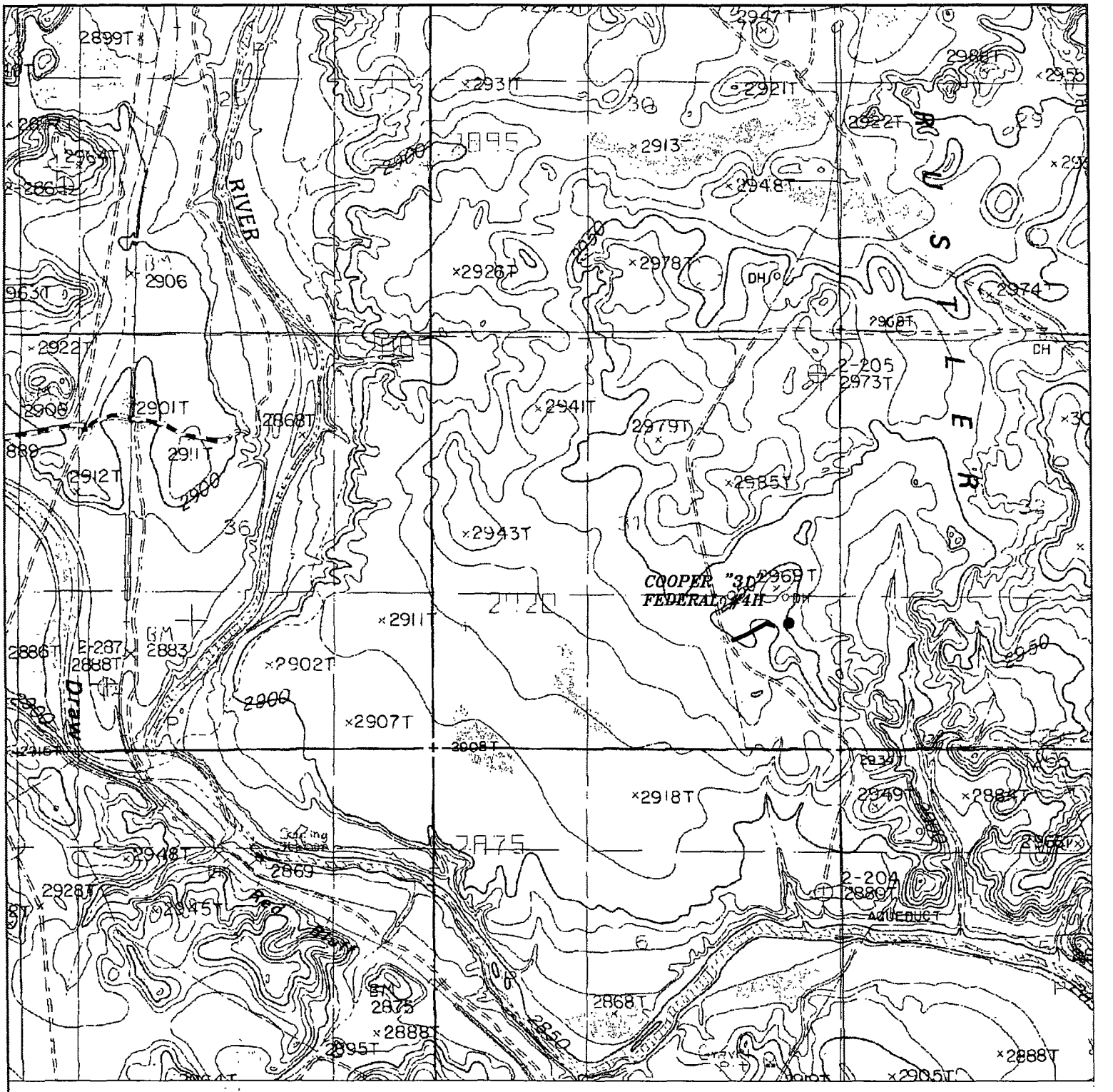
W.O. Number: 24905	Drawn By: J. SMALL
Date: 07-15-2011	Disk: JMS 24905

OGX RESOURCES, LLC

REF: COOPER "31" FEDERAL #4H / WELL PAD TOPO

THE COOPER "31" FEDERAL #4H LOCATED 1830' FROM THE SOUTH LINE AND 730' FROM THE EAST LINE OF SECTION 31, TOWNSHIP 25 SOUTH, RANGE 29 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date: 07-07-2011 | Sheet 1 of 1 Sheets



COOPER "31" FEDERAL #4H
Located 1830' FSL and 730' FEL
Section 31, Township 25 South, Range 29 East,
N.M.P.M., Eddy County, New Mexico.

basin surveys
focused on excellence in the oilfield
P.O. Box 1786
1120 N. West County Rd.
Hobbs, New Mexico 88241
(575) 393-7316 - Office
(575) 392-2206 - Fax
basinsurveys.com

W.O. Number: JMS 24905
Survey Date: 07-07-2011
Scale: 1" = 2000'
Date: 07-15-2011

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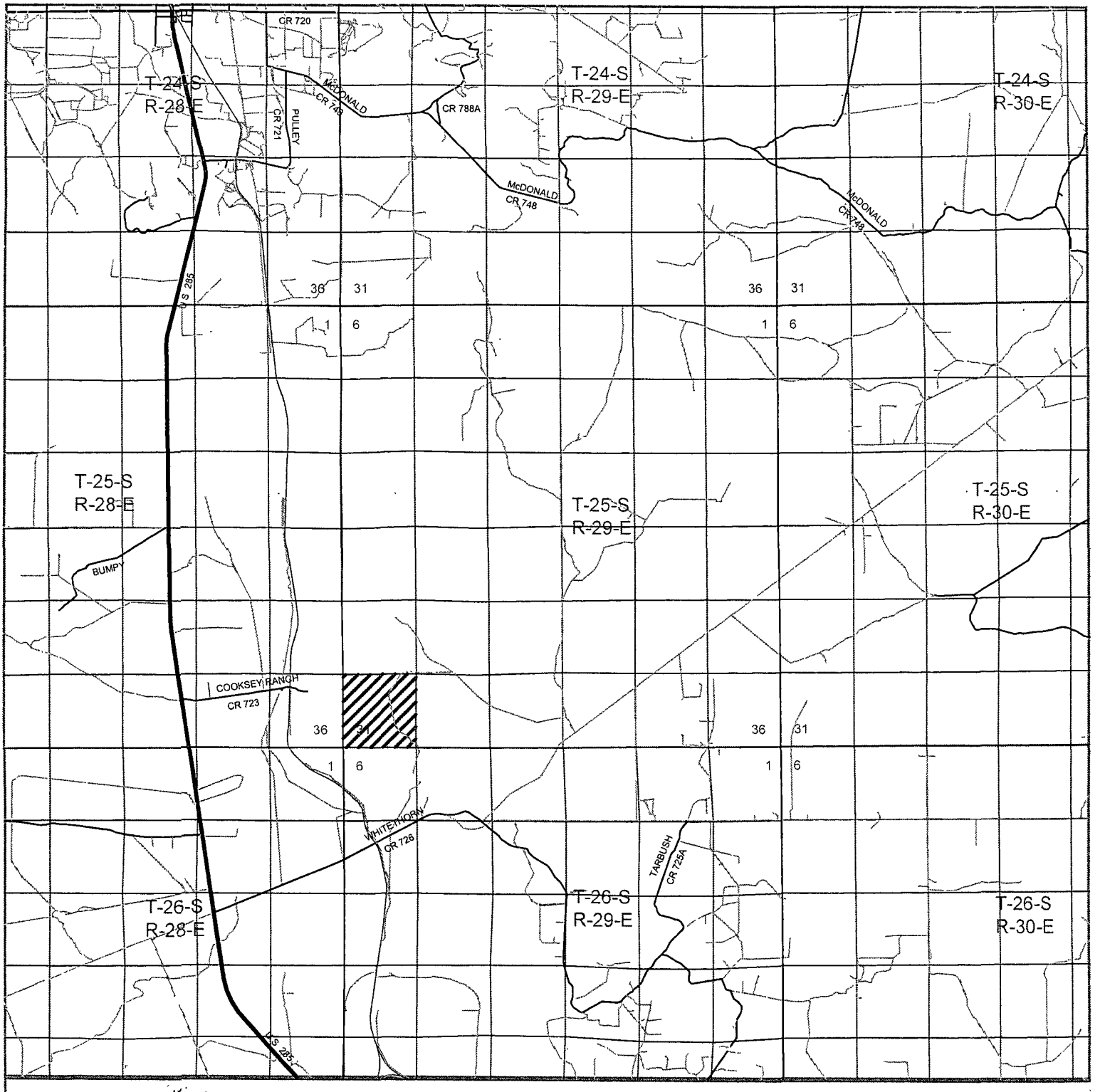
OGX RESOURCES, LLC



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W.O. Number: JMS 24905
Survey Date: 07-07-2011
Scale: 1" = 2 Miles
Date: 07-15-2011

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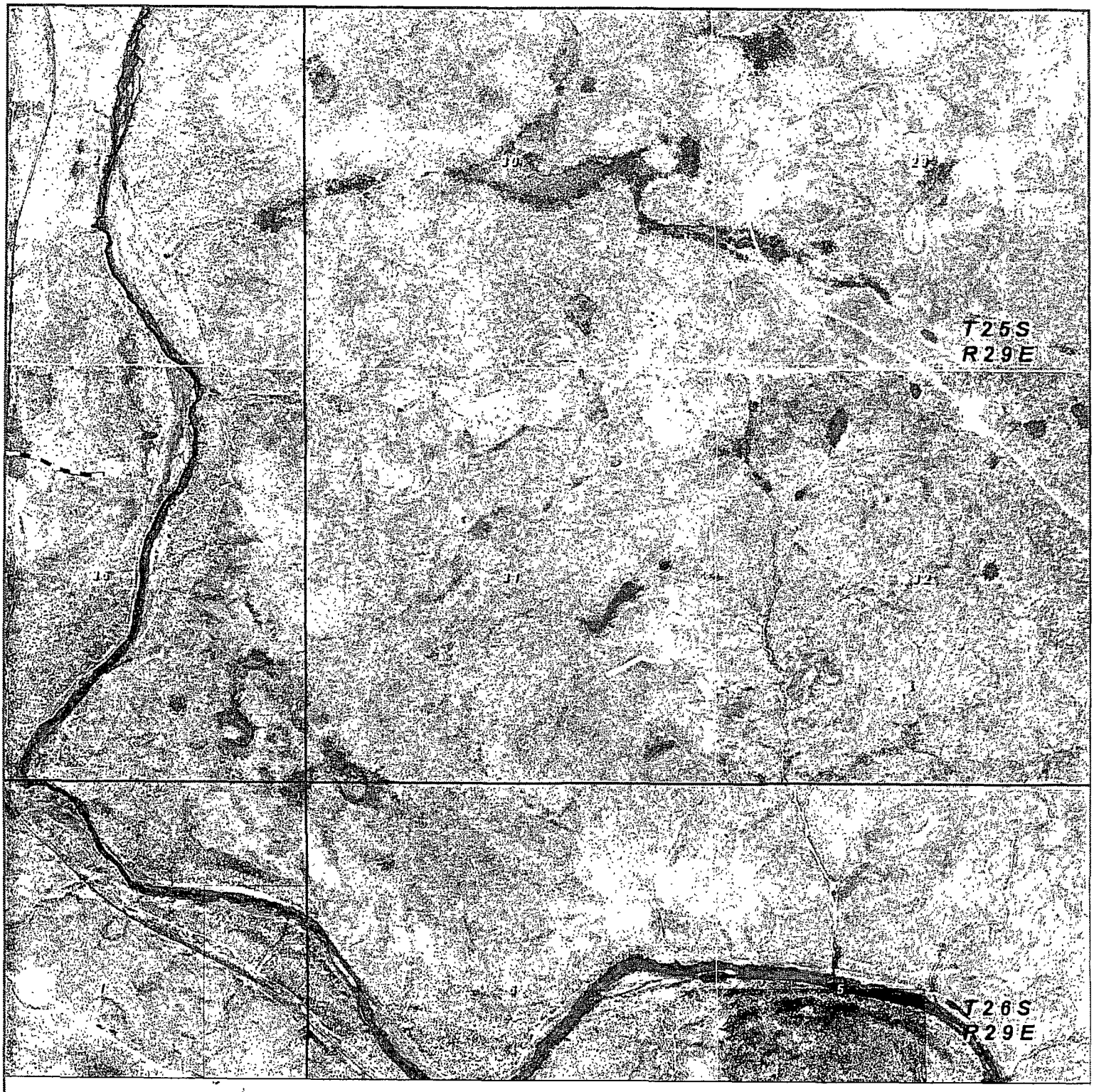
OGX RESOURCES, LLC



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Scale: 1" = 2000'

YELLOW TINT - USA LAND
BLUE TINT - STATE LAND
NATURAL COLOR - FEE LAND

N

OGX RESOURCES, LLC

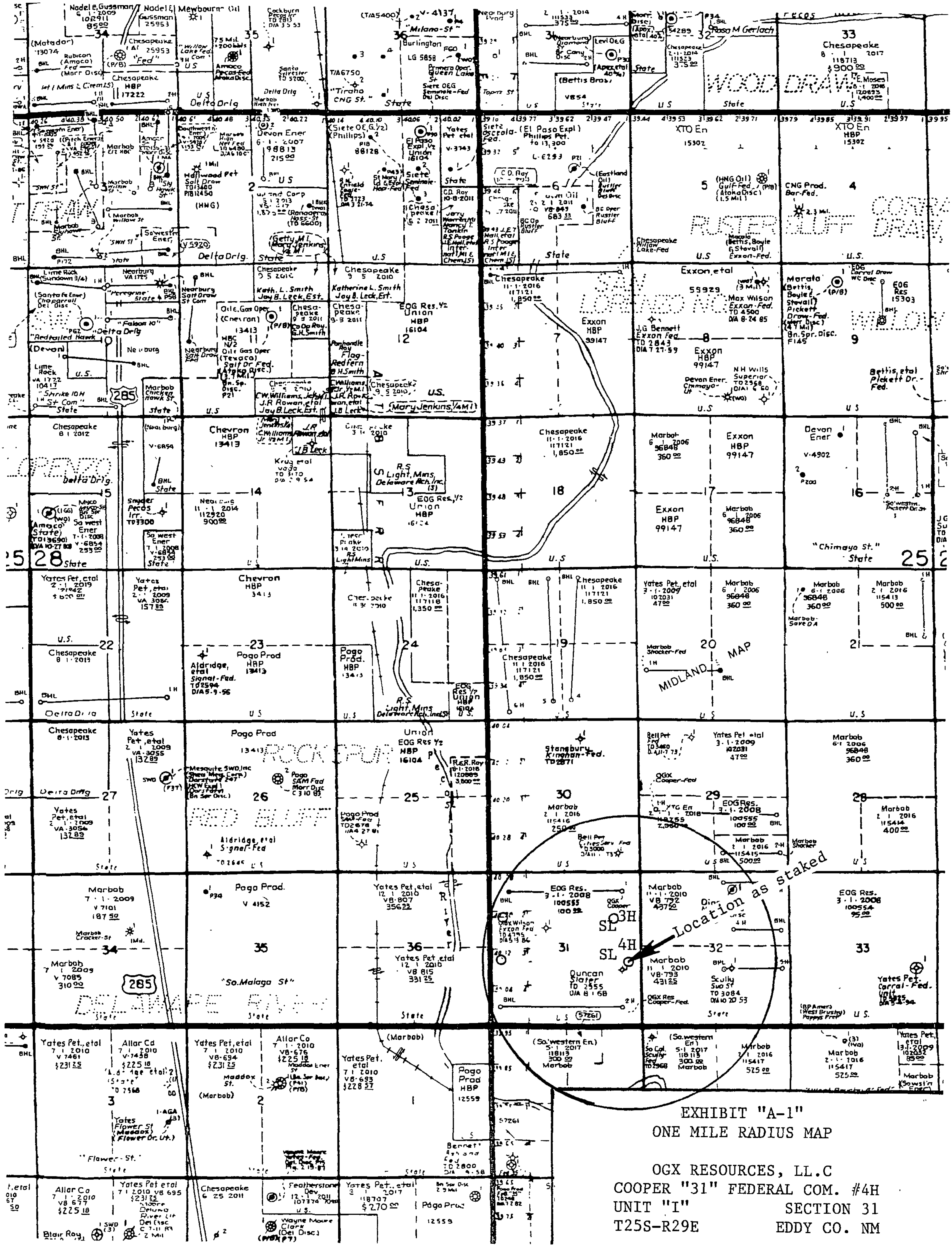
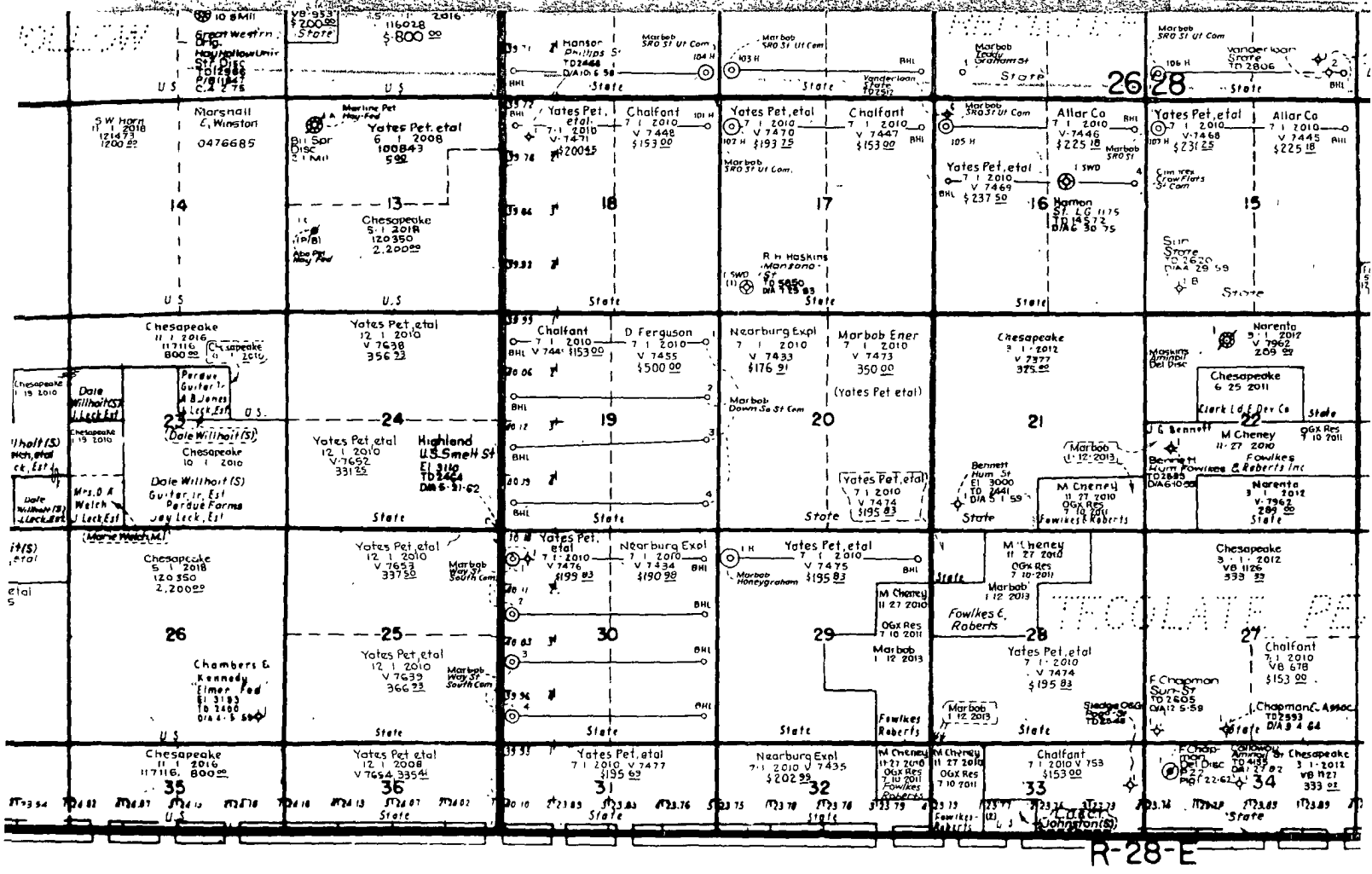


EXHIBIT "A-1"
ONE MILE RADIUS MAP

OGX RESOURCES, LL.C
COOPER "31" FEDERAL COM. #4H
UNIT "I" SECTION 31
T25S-R29E EDDY CO. NM



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LEGEND

- CO_2 Wells Not Shown
- Wildcat Below 5000' or Discovery
- Location
- Abandoned Producer
- Complete — Producing Oil
- Completed — Producing Gas
- Dry & Abandoned
- Fee Owner — *Slant Lettering*
- Lease Owner — Vertical Lettering
- State Highway (F.M.)
- State Highway
- U. S. Highway

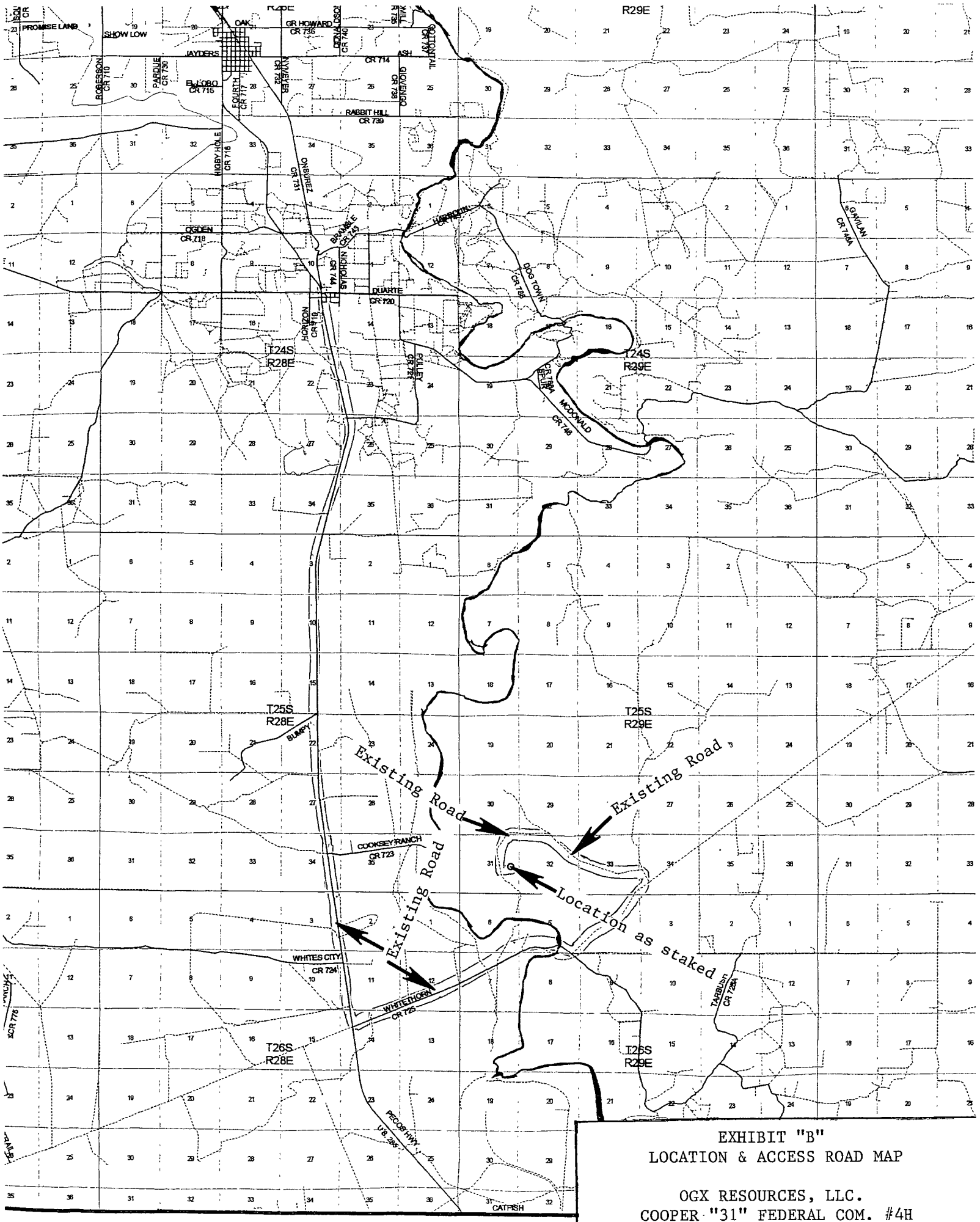

EXHIBIT "B"
LOCATION & ACCESS ROAD MAP

OGX RESOURCES, LLC.
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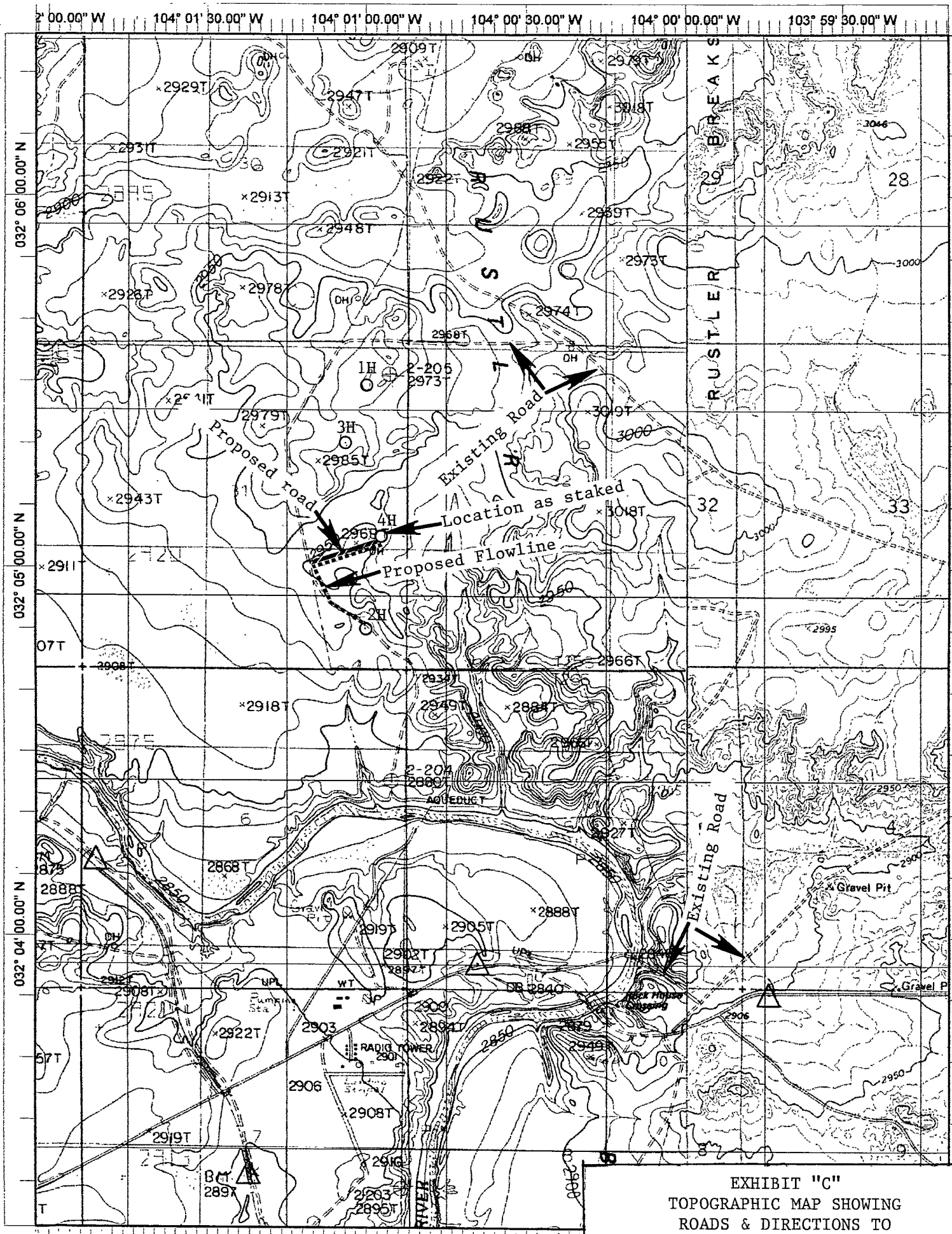
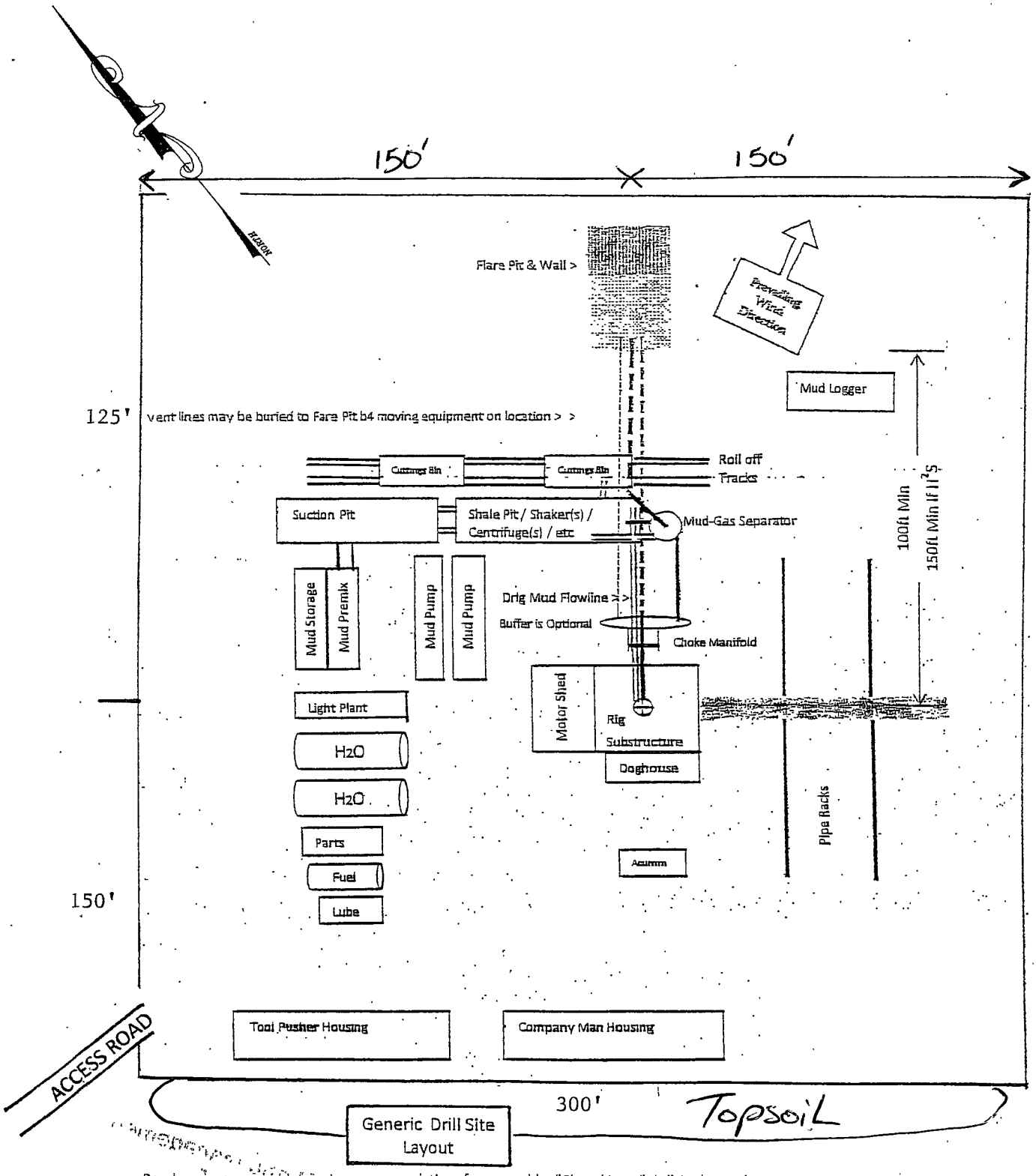


EXHIBIT "C"
TOPOGRAPHIC MAP SHOWING
ROADS & DIRECTIONS TO

OGX RESOURCES, LLC.
COOPER "31" FEDERAL COM. #4H
UNIT "I" SECTION 31
T25S-R29E EDDY CO. NM



Generic Drill Site Layout

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

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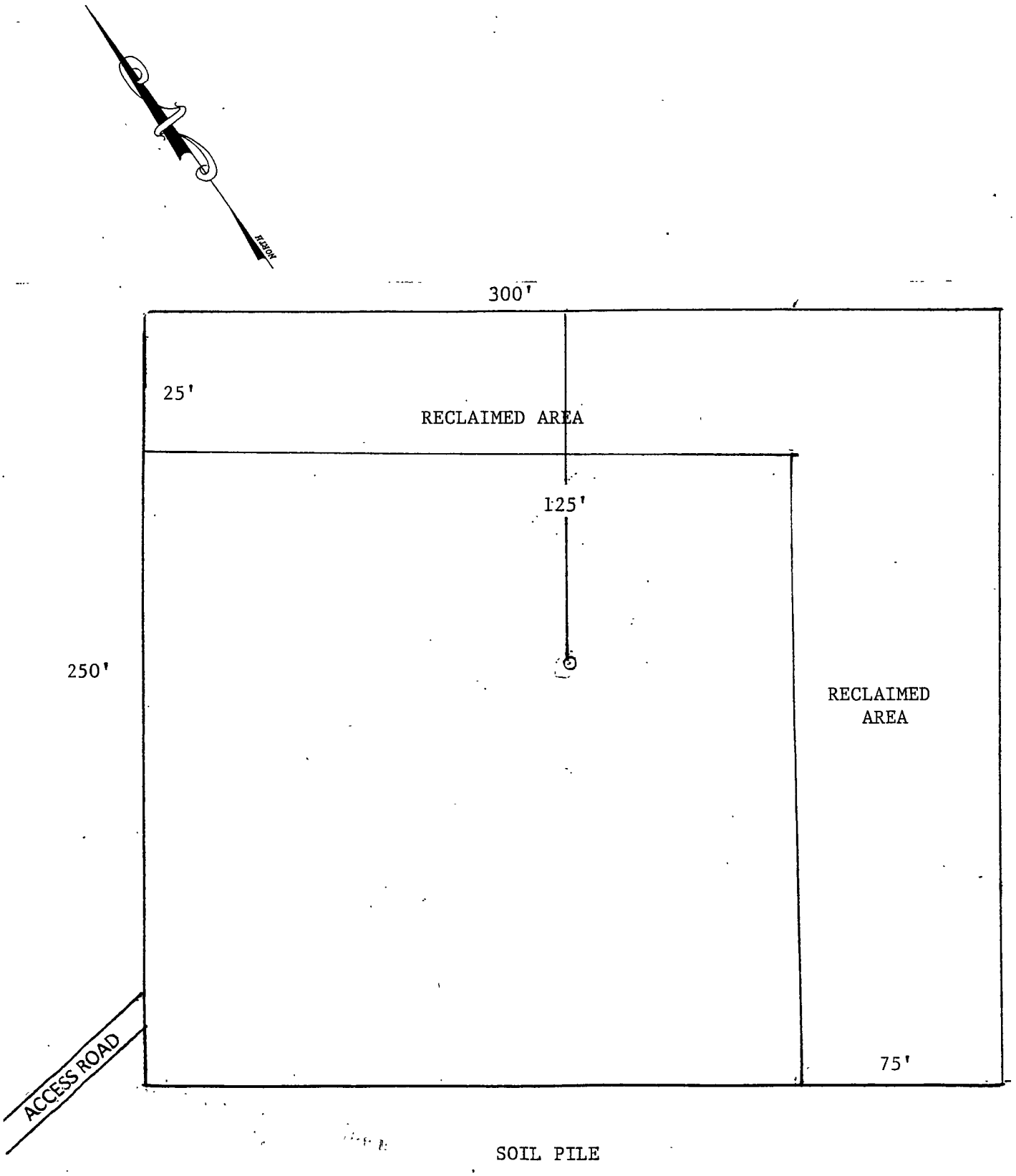
TEN 8/15/11


NORTH
300'
25'
RECLAIMED AREA
125'
250'
RECLAIMED
AREA
75'
ACCESS ROAD
SOIL PILE