

OCD - Artesia

Form 3160-5
(April 2004)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007**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.***SUBMIT IN TRIPLICATE- Other instructions on reverse side.**1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator **OGX Resources, LLC**3a. Address
POB 2064 Midland, TX 797023b. Phone No. (include area code)
432-685-1287

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

**660' FNL & 660' FEL
Sec. 31, T- 25S, R- 29E****JUN 04 2008****OCD-ARTESIA**

5. Lease Serial No.

NM 100555

6. If Indian, Allottee or Tribe Name

N/A

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

N/A

8. Well Name and No.

Cooper 31 Federal #1

9. API Well No.

30-015-36282

10. Field and Pool, or Exploratory Area

Rocky Spring Bone Spring

11. County or Parish, State

Eddy County, NM**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☒ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

OGX Resources requests to drill said well as a horizontal pilot hole with a bottom hole location of 660' FNL & 330' FWL. The horizontal drilling plan is to drill a vertical pilot hole to 9500' At 7120' a mechanical whipstock will be set. At 7122" start building a 12 degree angle and continue building to establish a TVD of 7600', drilling horizontally to 11,685' TD. The anticipated pool is the Bone Springs. Bottom hole pressure at 7600' TVD = 3290 psi. Mud and cement programs will remain the same as originally permitted with. Casing program for horizontal drilling: 13 3/8" 48# H40 set depth 525', 9 5/8" 36# H40 set depth 2700', 7" 26# P110 set depth 9500', 5 1/2" 17# N80 or P110 or a combination per availability to TD.

LTC

STC

LTC

LTC

778" hole

per operator

5/30/08

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL****NOTE:** New Pit Rule
NMAC 19-15-1714. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)**Angela Lightner angela@rkford.com**Title **Consultant 432-682-0440 office**

Signature

Angela Lightner

Date

04/16/2008**THIS SPACE FOR FEDERAL OR STATE OFFICE USE****APPROVED**

Approved by

Title

Date

MAY 30 2008

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

*Wesley W. Ingram***WESLEY W. INGRAM****PETROLEUM ENGINEER**

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)

OGX Resources

Cooper 31 Fed #1

Cooper 31 Fed #1

Cooper 31 Fed #1

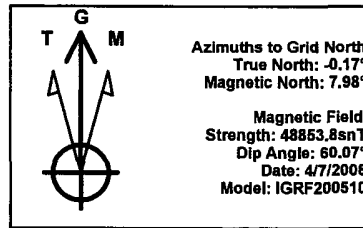
Original Hole

Plan: Plan #1

Pathfinder Survey Report

08 April, 2008

OGX Resources



WELL DETAILS: Cooper 31 Fed #1						
Ground Elevation: 0.00						
RKB Elevation: WELL @ 0.00ft (Original Well Elev)						
Rig Name: Original Well Elev						
+N-S	+E-W	Northing	Easting	Latitude	Longitude	Slot
0.00	0.00	397290.413	639272.744	32° 5' 30.510 N	104° 1' 1.510 W	

Project: Cooper 31 Fed #1

Site: Cooper 31 Fed #1

Well: Cooper 31 Fed #1

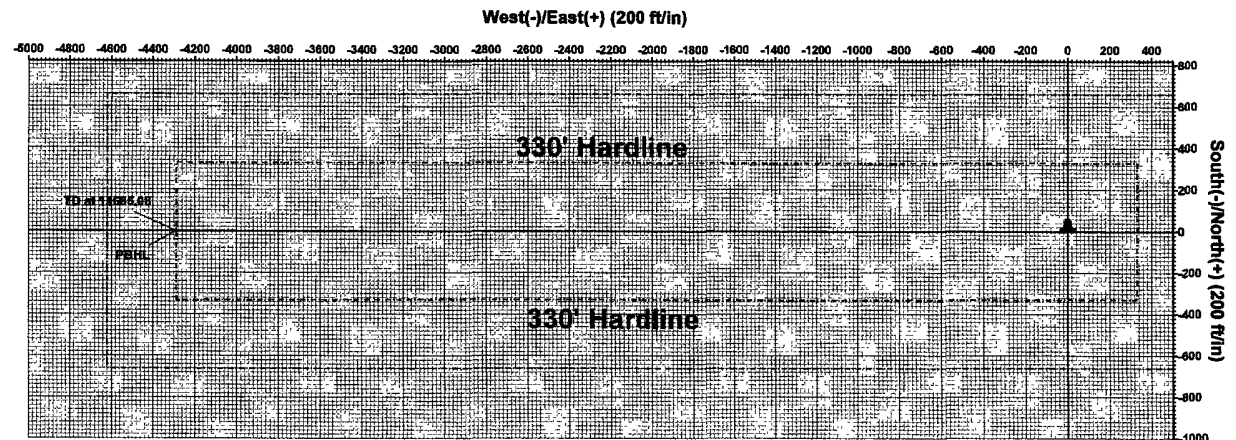
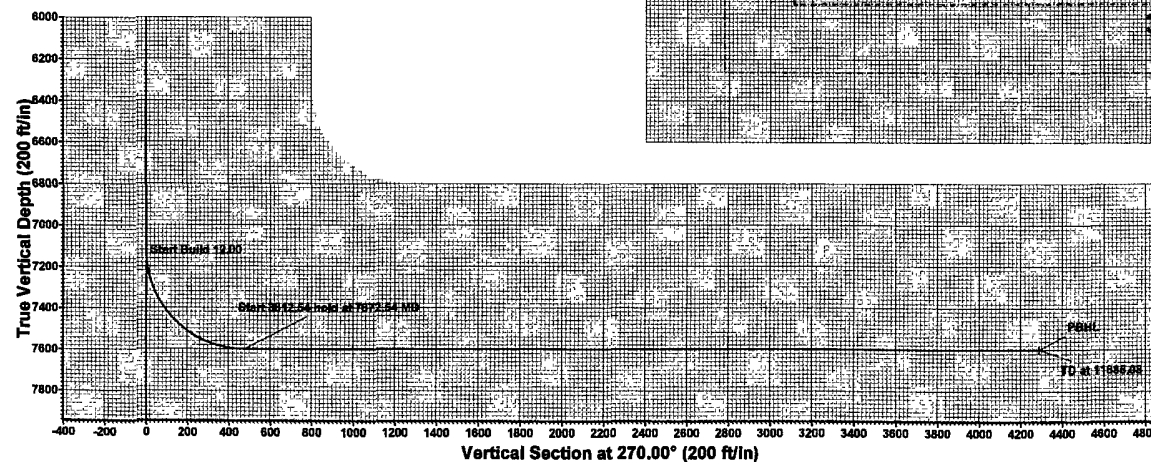
Wellbore: Original Hole

Plan: Plan #1 (Cooper 31 Fed #1/Original Hole)

SECTION DETAILS									
Sec	MD	Inc	Azi	TVD	+N-S	+E-W	DLeg	TFace	VSec Target
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2	7122.54	0.00	0.00	7122.54	0.00	0.00	0.00	0.00	0.00
3	7672.54	90.00	270.00	7600.00	0.00	-477.46	12.00	270.00	477.46
4	11685.08	90.00	270.00	7600.00	0.00	-4290.00	0.00	0.00	4290.00 PBHL

WELLBORE TARGET DETAILS (MAP CO-ORDINATES)						
Name	TVD	+N-S	+E-W	Northing	Easting	Shape
PBHL	7600.00	0.00	-4290.00	397290.413	634982.744	Point

Hardlines are Estimates Only



PROJECT DETAILS: Cooper 31 Fed #1
 Geodetic System: US State Plane 1983
 Datum: North American Datum 1983
 Ellipsoid: GRS 1980
 Zone: New Mexico Eastern Zone
 System Datum: Mean Sea Level
 Local North: Grid

Plan: Plan #1 (Cooper 31 Fed #1/Original Hole)	
Created By: Mark Freeman	Date: 14-18, April 08 2008
Checked: _____	Date: _____

WHS Pathfinder Survey Report

Company:	OGX Resources	Local Co-ordinate Reference:	Well Cooper 31 Fed #1
Project:	Cooper 31 Fed #1	TVD Reference:	WELL @ 0.00ft (Original Well Elev)
Site:	Cooper 31 Fed #1	MD Reference:	WELL @ 0.00ft (Original Well Elev)
Well:	Cooper 31 Fed #1	North Reference:	Grid
Wellbore:	Original Hole	Survey Calculation Method:	Minimum Curvature
Design:	Plan #1	Database:	EDM 2003.16 Single User Db

Project:	Cooper 31 Fed #1		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		

Site:	Cooper 31 Fed #1		
Site Position:		Northing:	397,290.413 ft
From:	Lat/Long	Easting:	639,272.744 ft
Position Uncertainty:	0.00 ft	Slot Radius:	"
		Latitude:	32° 5' 30.610 N
		Longitude:	104° 1' 1.510 W
		Grid Convergence:	0.17 °

Well:	Cooper 31 Fed #1		
Well Position	+N/-S	0.00 ft	Northing: 397,290.413 ft
	+E/-W	0.00 ft	Easting: 639,272.744 ft
Position Uncertainty	0.00 ft	Wellhead Elevation:	ft
		Latitude:	32° 5' 30.610 N
		Longitude:	104° 1' 1.510 W
		Ground Level:	0.00 ft

Wellbore:	Original Hole				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF200510	4/7/2008	8.15	60.07	48,854

Design:	Plan #1			
Audit Notes:				
Version:	Phase:	PLAN	Tie On Depth:	0.00
Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)
	0.00	0.00	0.00	270.00

Survey Tool Program	Date: 4/8/2008			
From (ft)	To (ft)	Survey (Wellbore)	Tool Name	Description
0.00	11,685.08	Plan #1 (Original Hole)	MWD	MWD - Standard

Planned Survey								
MD (ft)	Inc (°)	Azi (°)	TVD (ft)	N/S (ft)	E/W (ft)	V. Sec (ft)	D Leg (°/100ft)	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	
1,100.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	

WHS Pathfinder Survey Report

Company:	OGX Resources	Local Co-ordinate Reference:	Well Cooper 31 Fed #1
Project:	Cooper 31 Fed #1	TVD Reference:	WELL @ 0.00ft (Original Well Elev)
Site:	Cooper 31 Fed #1	MD Reference:	WELL @ 0.00ft (Original Well Elev)
Well:	Cooper 31 Fed #1	North Reference:	Grid
Wellbore:	Original Hole	Survey Calculation Method:	Minimum Curvature
Design:	Plan #1	Databass:	EDM 2003.16 Single User Db

Planned Survey

MD (ft)	Inc (°)	Azi (°)	TVD (ft)	N/S (ft)	E/W (ft)	V. Sec (ft)	DLeg (°/100ft)
1,200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00
1,300.00	0.00	0.00	1,300.00	0.00	0.00	0.00	0.00
1,400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.00
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00
1,600.00	0.00	0.00	1,600.00	0.00	0.00	0.00	0.00
1,700.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.00
1,800.00	0.00	0.00	1,800.00	0.00	0.00	0.00	0.00
1,900.00	0.00	0.00	1,900.00	0.00	0.00	0.00	0.00
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00
2,100.00	0.00	0.00	2,100.00	0.00	0.00	0.00	0.00
2,200.00	0.00	0.00	2,200.00	0.00	0.00	0.00	0.00
2,300.00	0.00	0.00	2,300.00	0.00	0.00	0.00	0.00
2,400.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00
2,500.00	0.00	0.00	2,500.00	0.00	0.00	0.00	0.00
2,600.00	0.00	0.00	2,600.00	0.00	0.00	0.00	0.00
2,700.00	0.00	0.00	2,700.00	0.00	0.00	0.00	0.00
2,800.00	0.00	0.00	2,800.00	0.00	0.00	0.00	0.00
2,900.00	0.00	0.00	2,900.00	0.00	0.00	0.00	0.00
3,000.00	0.00	0.00	3,000.00	0.00	0.00	0.00	0.00
3,100.00	0.00	0.00	3,100.00	0.00	0.00	0.00	0.00
3,200.00	0.00	0.00	3,200.00	0.00	0.00	0.00	0.00
3,300.00	0.00	0.00	3,300.00	0.00	0.00	0.00	0.00
3,400.00	0.00	0.00	3,400.00	0.00	0.00	0.00	0.00
3,500.00	0.00	0.00	3,500.00	0.00	0.00	0.00	0.00
3,600.00	0.00	0.00	3,600.00	0.00	0.00	0.00	0.00
3,700.00	0.00	0.00	3,700.00	0.00	0.00	0.00	0.00
3,800.00	0.00	0.00	3,800.00	0.00	0.00	0.00	0.00
3,900.00	0.00	0.00	3,900.00	0.00	0.00	0.00	0.00
4,000.00	0.00	0.00	4,000.00	0.00	0.00	0.00	0.00
4,100.00	0.00	0.00	4,100.00	0.00	0.00	0.00	0.00
4,200.00	0.00	0.00	4,200.00	0.00	0.00	0.00	0.00
4,300.00	0.00	0.00	4,300.00	0.00	0.00	0.00	0.00
4,400.00	0.00	0.00	4,400.00	0.00	0.00	0.00	0.00
4,500.00	0.00	0.00	4,500.00	0.00	0.00	0.00	0.00
4,600.00	0.00	0.00	4,600.00	0.00	0.00	0.00	0.00
4,700.00	0.00	0.00	4,700.00	0.00	0.00	0.00	0.00
4,800.00	0.00	0.00	4,800.00	0.00	0.00	0.00	0.00
4,900.00	0.00	0.00	4,900.00	0.00	0.00	0.00	0.00
5,000.00	0.00	0.00	5,000.00	0.00	0.00	0.00	0.00
5,100.00	0.00	0.00	5,100.00	0.00	0.00	0.00	0.00
5,200.00	0.00	0.00	5,200.00	0.00	0.00	0.00	0.00
5,300.00	0.00	0.00	5,300.00	0.00	0.00	0.00	0.00
5,400.00	0.00	0.00	5,400.00	0.00	0.00	0.00	0.00
5,500.00	0.00	0.00	5,500.00	0.00	0.00	0.00	0.00

WHS

Pathfinder Survey Report

Company:	OGX Resources	Local Co-ordinate Reference:	Well Cooper 31 Fed #1
Project:	Cooper 31 Fed #1	TVD Reference:	WELL @ 0.00ft (Original Well Elev)
Site:	Cooper 31 Fed #1	MD Reference:	WELL @ 0.00ft (Original Well Elev)
Well:	Cooper 31 Fed #1	North Reference:	Grid
Wellbore:	Original Hole	Survey Calculation Method:	Minimum Curvature
Design:	Plan #1	Database:	EDM 2003.16 Single User Db

Planned Survey

MD (ft)	Inc (°)	Azi (°)	TVD (ft)	N/S (ft)	E/W (ft)	V: Sec (ft)	DLog (°/100ft)
5,600.00	0.00	0.00	5,600.00	0.00	0.00	0.00	0.00
5,700.00	0.00	0.00	5,700.00	0.00	0.00	0.00	0.00
5,800.00	0.00	0.00	5,800.00	0.00	0.00	0.00	0.00
5,900.00	0.00	0.00	5,900.00	0.00	0.00	0.00	0.00
6,000.00	0.00	0.00	6,000.00	0.00	0.00	0.00	0.00
6,100.00	0.00	0.00	6,100.00	0.00	0.00	0.00	0.00
6,200.00	0.00	0.00	6,200.00	0.00	0.00	0.00	0.00
6,300.00	0.00	0.00	6,300.00	0.00	0.00	0.00	0.00
6,400.00	0.00	0.00	6,400.00	0.00	0.00	0.00	0.00
6,500.00	0.00	0.00	6,500.00	0.00	0.00	0.00	0.00
6,600.00	0.00	0.00	6,600.00	0.00	0.00	0.00	0.00
6,700.00	0.00	0.00	6,700.00	0.00	0.00	0.00	0.00
6,800.00	0.00	0.00	6,800.00	0.00	0.00	0.00	0.00
6,900.00	0.00	0.00	6,900.00	0.00	0.00	0.00	0.00
7,000.00	0.00	0.00	7,000.00	0.00	0.00	0.00	0.00
7,100.00	0.00	0.00	7,100.00	0.00	0.00	0.00	0.00
7,122.54	0.00	0.00	7,122.54	0.00	0.00	0.00	0.00
7,125.00	0.30	270.00	7,125.00	0.00	-0.01	0.01	12.00
7,150.00	3.30	270.00	7,149.98	0.00	-0.79	0.79	12.00
7,175.00	6.30	270.00	7,174.89	0.00	-2.88	2.88	12.00
7,200.00	9.30	270.00	7,199.66	0.00	-6.27	6.27	12.00
7,225.00	12.30	270.00	7,224.22	0.00	-10.95	10.95	12.00
7,250.00	15.30	270.00	7,248.49	0.00	-16.91	16.91	12.00
7,275.00	18.30	270.00	7,272.42	0.00	-24.13	24.13	12.00
7,300.00	21.30	270.00	7,295.94	0.00	-32.60	32.60	12.00
7,325.00	24.30	270.00	7,318.99	0.00	-42.29	42.29	12.00
7,350.00	27.30	270.00	7,341.49	0.00	-53.16	53.16	12.00
7,375.00	30.30	270.00	7,363.40	0.00	-65.20	65.20	12.00
7,400.00	33.30	270.00	7,384.65	0.00	-78.37	78.37	12.00
7,425.00	36.30	270.00	7,405.17	0.00	-92.64	92.64	12.00
7,450.00	39.30	270.00	7,424.93	0.00	-107.96	107.96	12.00
7,475.00	42.30	270.00	7,443.85	0.00	-124.29	124.29	12.00
7,500.00	45.30	270.00	7,461.89	0.00	-141.59	141.59	12.00
7,525.00	48.30	270.00	7,479.01	0.00	-159.81	159.81	12.00
7,550.00	51.30	270.00	7,495.14	0.00	-178.90	178.90	12.00
7,575.00	54.30	270.00	7,510.26	0.00	-198.81	198.81	12.00
7,600.00	57.30	270.00	7,524.31	0.00	-219.49	219.49	12.00
7,625.00	60.30	270.00	7,537.26	0.00	-240.87	240.87	12.00
7,650.00	63.30	270.00	7,549.08	0.00	-262.90	262.90	12.00
7,675.00	66.30	270.00	7,559.72	0.00	-285.51	285.51	12.00
7,700.00	69.30	270.00	7,569.17	0.00	-308.66	308.66	12.00
7,725.00	72.30	270.00	7,577.39	0.00	-332.26	332.26	12.00
7,750.00	75.30	270.00	7,584.37	0.00	-356.27	356.27	12.00
7,775.00	78.30	270.00	7,590.08	0.00	-380.60	380.60	12.00

WHS Pathfinder Survey Report

Company:	OGX Resources	Local Co-ordinate Reference:	Well Cooper 31 Fed #1
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Site:	Cooper 31 Fed #1	MD Reference:	WELL @ 0.00ft (Original Well Elev)
Well:	Cooper 31 Fed #1	North Reference:	Grid
Wellbore:	Original Hole	Survey Calculation Method:	Minimum Curvature
Design:	Plan #1	Database:	EDM 2003.16 Single User Db

Planned Survey

MD (ft)	Inc (°)	Azi (°)	TVD (ft)	N/S (ft)	E/W (ft)	V. Sec (ft)	DLeg (°/100ft)
7,800.00	81.30	270.00	7,594.51	0.00	-405.20	405.20	12.00
7,825.00	84.30	270.00	7,597.64	0.00	-430.00	430.00	12.00
7,850.00	87.30	270.00	7,599.47	0.00	-454.93	454.93	12.00
7,872.54	90.00	270.00	7,600.00	0.00	-477.46	477.46	12.00
7,900.00	90.00	270.00	7,600.00	0.00	-504.92	504.92	0.00
8,000.00	90.00	270.00	7,600.00	0.00	-604.92	604.92	0.00
8,100.00	90.00	270.00	7,600.00	0.00	-704.92	704.92	0.00
8,200.00	90.00	270.00	7,600.00	0.00	-804.92	804.92	0.00
8,300.00	90.00	270.00	7,600.00	0.00	-904.92	904.92	0.00
8,400.00	90.00	270.00	7,600.00	0.00	-1,004.92	1,004.92	0.00
8,500.00	90.00	270.00	7,600.00	0.00	-1,104.92	1,104.92	0.00
8,600.00	90.00	270.00	7,600.00	0.00	-1,204.92	1,204.92	0.00
8,700.00	90.00	270.00	7,600.00	0.00	-1,304.92	1,304.92	0.00
8,800.00	90.00	270.00	7,600.00	0.00	-1,404.92	1,404.92	0.00
8,900.00	90.00	270.00	7,600.00	0.00	-1,504.92	1,504.92	0.00
9,000.00	90.00	270.00	7,600.00	0.00	-1,604.92	1,604.92	0.00
9,100.00	90.00	270.00	7,600.00	0.00	-1,704.92	1,704.92	0.00
9,200.00	90.00	270.00	7,600.00	0.00	-1,804.92	1,804.92	0.00
9,300.00	90.00	270.00	7,600.00	0.00	-1,904.92	1,904.92	0.00
9,400.00	90.00	270.00	7,600.00	0.00	-2,004.92	2,004.92	0.00
9,500.00	90.00	270.00	7,600.00	0.00	-2,104.92	2,104.92	0.00
9,600.00	90.00	270.00	7,600.00	0.00	-2,204.92	2,204.92	0.00
9,700.00	90.00	270.00	7,600.00	0.00	-2,304.92	2,304.92	0.00
9,800.00	90.00	270.00	7,600.00	0.00	-2,404.92	2,404.92	0.00
9,900.00	90.00	270.00	7,600.00	0.00	-2,504.92	2,504.92	0.00
10,000.00	90.00	270.00	7,600.00	0.00	-2,604.92	2,604.92	0.00
10,100.00	90.00	270.00	7,600.00	0.00	-2,704.92	2,704.92	0.00
10,200.00	90.00	270.00	7,600.00	0.00	-2,804.92	2,804.92	0.00
10,300.00	90.00	270.00	7,600.00	0.00	-2,904.92	2,904.92	0.00
10,400.00	90.00	270.00	7,600.00	0.00	-3,004.92	3,004.92	0.00
10,500.00	90.00	270.00	7,600.00	0.00	-3,104.92	3,104.92	0.00
10,600.00	90.00	270.00	7,600.00	0.00	-3,204.92	3,204.92	0.00
10,700.00	90.00	270.00	7,600.00	0.00	-3,304.92	3,304.92	0.00
10,800.00	90.00	270.00	7,600.00	0.00	-3,404.92	3,404.92	0.00
10,900.00	90.00	270.00	7,600.00	0.00	-3,504.92	3,504.92	0.00
11,000.00	90.00	270.00	7,600.00	0.00	-3,604.92	3,604.92	0.00
11,100.00	90.00	270.00	7,600.00	0.00	-3,704.92	3,704.92	0.00
11,200.00	90.00	270.00	7,600.00	0.00	-3,804.92	3,804.92	0.00
11,300.00	90.00	270.00	7,600.00	0.00	-3,904.92	3,904.92	0.00
11,400.00	90.00	270.00	7,600.00	0.00	-4,004.92	4,004.92	0.00
11,500.00	90.00	270.00	7,600.00	0.00	-4,104.92	4,104.92	0.00
11,600.00	90.00	270.00	7,600.00	0.00	-4,204.92	4,204.92	0.00
11,685.08	90.00	270.00	7,600.00	0.00	-4,290.00	4,290.00	0.00

WHS

Pathfinder Survey Report

Company: OGX Resources Project: Cooper 31 Fed #1 Site: Cooper 31 Fed #1 Well: Cooper 31 Fed #1 Wellbore: Original Hole Design: Plan #1	Local Co-ordinate Reference: Well Cooper 31 Fed #1 TVD Reference: WELL @ 0.00ft (Original Well Elev) MD Reference: WELL @ 0.00ft (Original Well Elev) North Reference: Grid Survey Calculation Method: Minimum Curvature Database: EDM 2003.16 Single User Db	
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Targets									
Target Name									
hit/miss target	Dip Angle	Dip Dir	TVD	+N/-S	+E/-W	Northing	Easting		
- Shape	(°)	(°)	(ft)	(ft)	(ft)	(ft)	(ft)	Latitude	Longitude
PBHL	0.00	0.07	7,600.00	0.00	-4,290.00	397,290.413	634,982.744	32° 5' 30.732 N	104° 1' 51.380 W
- plan hits target									
- Point									

Checked By: _____	Approved By: _____	Date: _____
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PECOS DISTRICT

CONDITIONS OF APPROVAL

OPERATOR'S NAME:	OGX Resources. LLC
LEASE NO.:	NMMN 100555
WELL NAME & NO.:	Cooper 31 Federal 1
SURFACE HOLE	0660' FNL & 0660' FEL
FOOTAGE:	
BOTTOM HOLE FOOTAGE	0660' FNL & 0330' FWL
LOCATION:	Section 31, T. 25 S., R 29 E., NMPPM
COUNTY:	Eddy County, New Mexico

I. DRILLING

A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified a minimum of 4 hours in advance for a representative to witness:

- a. Spudding well
- b. Setting and/or Cementing of all casing strings
- c. BOPE tests

☒ **Eddy County**

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220,
(575) 361-2822

1. **Although Hydrogen Sulfide has not been reported in the area, it is always a potential hazard. If Hydrogen Sulfide is encountered, please report measured amounts and formations to the BLM.**
2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
3. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.

B. CASING

Changes to the approved APD casing and cement program require submitting a sundry and receiving approval prior to work. Failure to obtain approval prior to work will result in an Incident of Non-Compliance being issued.

Mud program to be modified if Rustler is deeper or salt is deeper.

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

Medium cave/karst.

Possible lost circulation in the Delaware Mountain Group and the Bone Spring formations.

Possible water flows in the Salado, Delaware Mountain Group, and Bone Spring formations.

1. The 13-3/8 inch surface casing shall be set **at approximately 525 feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt)** and cemented to the surface. **Fresh water mud to be used to setting depth of casing.**
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with a surface log readout will be used or a cement bond log shall be run to verify the top of the cement.
 - b. Wait on cement (WOC) time for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement).
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.

2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing (casing must be set a minimum of 25 feet into the Lamar Limestone below the salt – could be as deep as 3100' and the proposed casing is only acceptable to a depth of 2950' (BLM required safety factor for collapse) – brine water mud to be used to setting depth) is:

☒ Cement to surface. If cement does not circulate see B.1.a-d above.

Formation below the 9-5/8" shoe to be tested according to Onshore Order 2.III.B.1.i.

3. The minimum required fill of cement behind the 7 inch intermediate casing is:

☒ Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification.

Note: The 7" casing will be set if the operator decides not to do a horizontal completion. This will allow removal of rig for potential return to deepen to Morrow formation with Morrow rig. If the 7" casing is not set in the pilot hole, the pilot hole must be properly plugged prior to setting the mechanical whipstock – NOI sundry required and approval must be received prior to commencing work.

4. The minimum required fill of cement behind the 5-1/2 inch production casing is:

☒ Cement should tie-back at least 200 feet into 9-5/8" casing string. Operator shall provide method of verification.

Centralizers required on horizontal leg, must be type for horizontal service and minimum of one every other joint.

5. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

C. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
2. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. The tests shall be done by an independent service company.
 - b. The results of the test shall be reported to the appropriate BLM office.
 - c. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
 - d. The BOP/BOPE test shall include a low-pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug.

D. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

WWI 053008

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 Department

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised October 12, 2005

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <i>30-015-36282</i>	Pool Code <i>52775</i>	Pool Name <i>Rock Spur; Bone Spring</i>
Property Code <i>37127</i>	Property Name COOPER "31" FEDERAL	Well Number 1
OGRID No. <i>217955</i>	Operator Name OGX RESOURCES, L.L.C.	Elevation 2976

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	31	25 S	29 E		660	NORTH	660	EAST	EDDY

Bottom Hole Location If Different From Surface

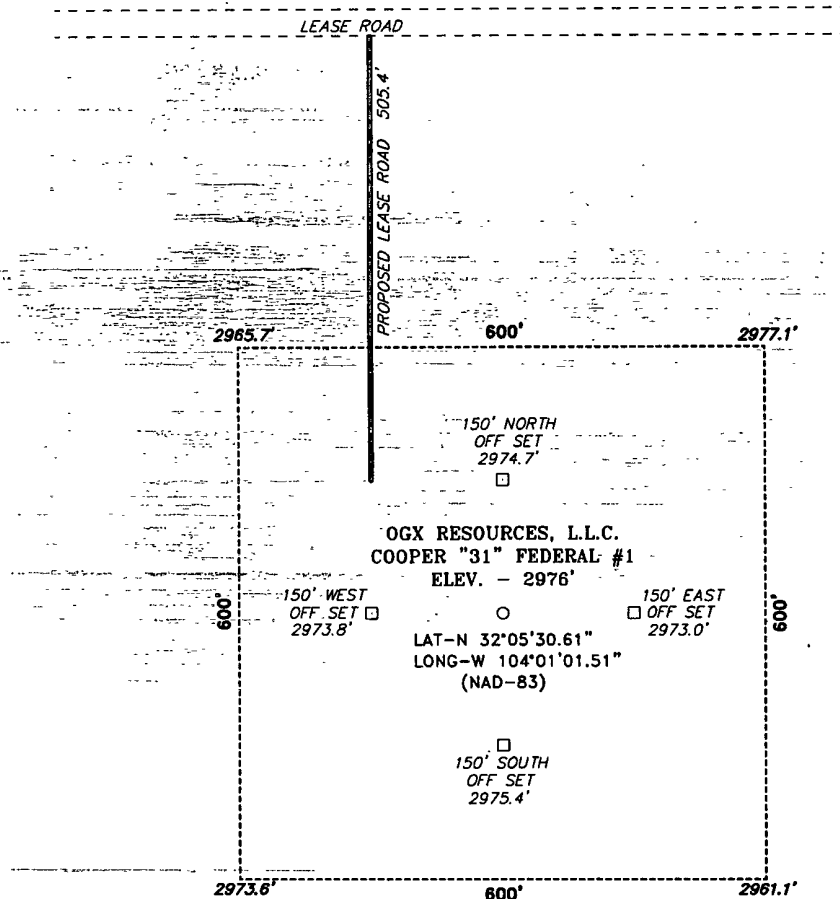
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	31	25 S	29 E		660	NORTH	330	WEST	EDDY

Dedicated Acres <i>160</i>	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

BOTTOM HOLE LAT- N.: 32°05'30.61" LONG- W.: 104°01'51.3" N.: 397273.02 E.: 634987.02 (NAD-83) SURFACE LOCATION LAT- N.: 32°05'30.61" LONG- W.: 104°01'51.51" SPC- N.: 397289.97 E.: 639273.12 (NAD-83)	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. <i>Angela Lightner</i> Signature Date <i>Angela Lightner</i> Printed Name
	SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. DECEMBER 28, 2007 Date Surveyed Signature Professional Surveyor W. C. Jones 12-29-09 Certificate No. Gary L. Jones 7977 BASIN SURVEYS

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 THE JUNCTION OF US HWY 285 AND CO. RD. 725, GO EAST ON CO. RD. 725 FOR 4.0 MILES TO LEASE ROAD, ON LEASE ROAD GO NORTHEAST FOR 1.8 MILES TO LEASE ROAD LEFT, FOLLOW LEASE ROAD 0.2 MILES NORTHWEST TO LEASE ROAD, ON LEASE ROAD GO LEFT AND GO NORTHWEST 1.8 MILES TO LEASE ROAD, ON LEASE ROAD GO TURN LEFT AND GO FOR 0.7 MILES TO PROPOSED LEASE ROAD.

BASIN SURVEYS

P.O. BOX 1786-HOBBS, NEW MEXICO

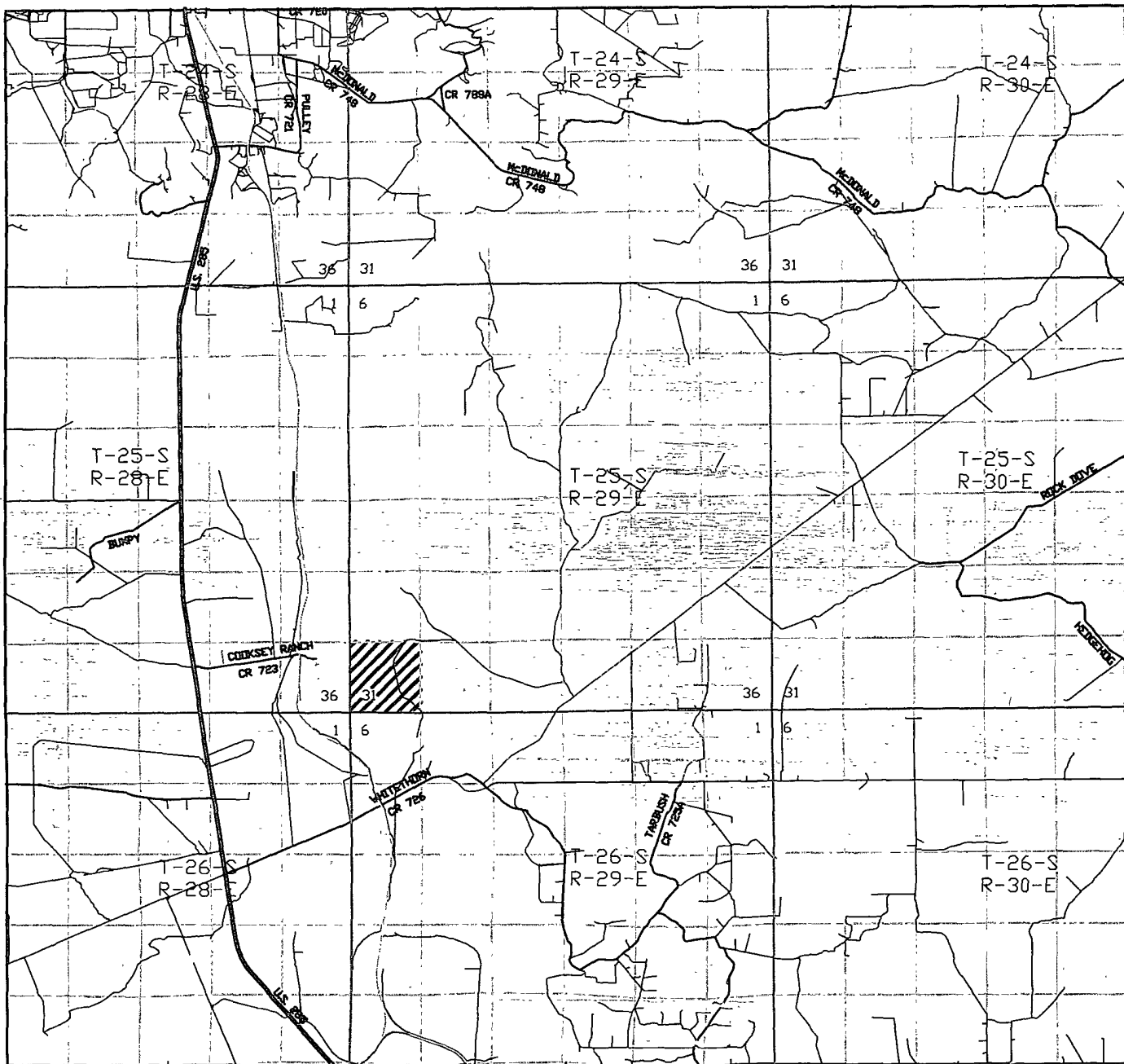
W.O. Number: 18949

Drawn By: J. M. SMALL

Date: 01-02-2008

Disk: JMS 18949W

OGX RESOURCES, L.L.C.	
REF: COOPER "31" FEDERAL #1 / Well Pad Topo	
THE COOPER "31" FEDERAL #1 LOCATED 660' FROM	
THE NORTH LINE AND 660' FROM THE EAST LINE OF	
SECTION 31, TOWNSHIP 25 SOUTH, RANGE 29 EAST,	
N.M.P.M., EDDY COUNTY, NEW MEXICO.	
Survey Date: 12-28-2007	Sheet 1 of 1 Sheets



COOPER "31" FEDERAL #1
 Located at 660' FNL and 660' 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
 (505) 393-7316 - Office
 (505) 392-3074 - Fax
 basinsurveys.com

W.O. Number: JMS 18949TR

Survey Date: 12-28-2007

Scale: 1" = 2 MILES

Date: 01-02-2008

OGX
RESOURCES,
L.L.C.