

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address OGX RESOURCES, LLC P. O. BOX 2064 MIDLAND , TX 79702		2. OGRID Number 217955
		3. API Number 30-015-35344
4. Property Code 36248	5. Property Name LONG NOSE COM	6. Well No. 001

7. Surface Location

UL - Lot M	Section 9	Township 24S	Range 27E	Lot Idn M	Feet From 660	N/S Line S	Feet From 1310	E/W Line W	County EDDY
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8. Pool Information

BLACK RIVER,MORROW (GAS)	72170
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Additional Well Information

9. Work Type New Well	10. Well Type GAS	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3181
14. Multiple N	15. Proposed Depth	16. Formation Morrow	17. Contractor	18. Spud Date 1/20/2007
Depth to Ground water 450		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> mls thick Clay <input type="checkbox"/> Pit Volume: bbls Drilling Method: Closed Loop System <input checked="" type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	520	600	0
Int1	12.25	9.625	35	2100	900	0
Prod	8.5	7	26	9400	1350	0
Liner1	6.75	4.5	11.6	12500	250	9100

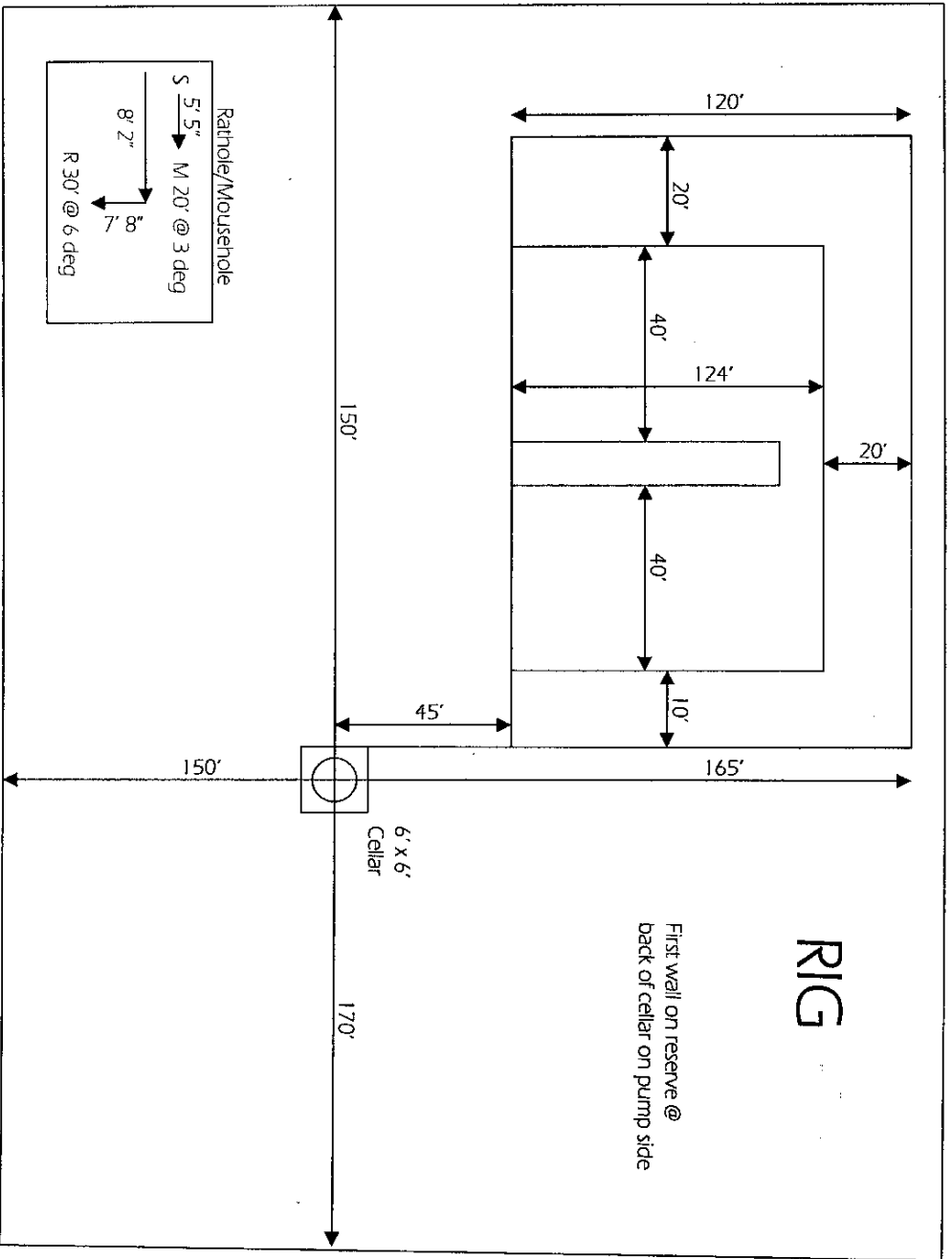
Casing/Cement Program: Additional Comments

Drilling plan, H2S, C-144 & maps e-mailed & submitted by mail 1-8-07.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	5000	5000	Weatherford

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCB-approved plan <input type="checkbox"/> . Printed Name: Electronically filed by Frank Agar Title: Member Email Address: kip@carlowcorp.com Date: 1/8/2007 Phone: 432-685-1287	OIL CONSERVATION DIVISION	
	Approved By: Bryan Arrant	
	Title: Geologist	
	Approved Date: 1/9/2007	Expiration Date: 1/9/2008
	Conditions of Approval Attached	



DISTRICT I
1035 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Ed., Aztec, NM 87410

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 12, 2006

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <i>30-015</i>	Pool Code <i>72170</i>	Pool Name <i>Black River; Morrow (Gas)</i>
Property Code	Property Name LONG NOSE COM	Well Number 1
OGRIID No. <i>217955</i>	Operator Name OGX RESOURCES, L.L.C.	Elevation 3181'

Surface Location

UL or lot No.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
M	9	24 S	27 E		660	SOUTH	1310	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres <i>320</i>	Joint or Infill	Consolidation Code	Order No.						

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

<p>Lot - N32°13'34.8" Long - W104°11'59.4" (NAD-83)</p>	<p>OPERATOR CERTIFICATION</p> <p>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.</p> <p><i>[Signature]</i> <i>1-5-07</i> Signature Date</p> <p><i>Ann E. Ritchie, Agent</i> Printed Name</p>
	<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>DECEMBER 28, 2006 Date Surveyed</p> <p><i>[Signature]</i> Signature & Seal of Professional Surveyor</p> <p><i>[Seal: State of New Mexico, Professional Surveyor, No. 7977]</i></p> <p>Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>

Permit Conditions of Approval

Operator: OGX RESOURCES, LLC , 217955

Well: LONG NOSE COM #001

API: 30-015-35344

OCD Reviewer	Condition
BArrant	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
BArrant	As noted, operator is to drill surface hole with fresh water mud.
BArrant	Operator to set surface casing Above the Salado. Please refer to offset geology for more information.