

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 30-015-35760
4. Property Code 36677	5. Property Name WEATHERBY	6. Well No. 001

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
F	19	24S	28E	F	1650	N	1980	W	EDDY

8. Pool Information

MALAGA,MORROW, WEST (GAS)	80925
---------------------------	-------

Additional Well Information

9. Work Type New Well	10. Well Type GAS	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 3094
14. Multiple N	15. Proposed Depth 12900	16. Formation Morrow	17. Contractor	18. Spud Date 10/1/2007
Depth to Ground water 30		Distance from nearest fresh water well 200		Distance to nearest surface water 400

Pit: Liner: Synthetic ☒ 12 _____ mils thick Clay ☐ Pit Volume: 28500 _____ bbls Drilling Method:
 Closed Loop System ☐ Fresh Water ☐ Brine ☐ Diesel/Oil-based ☐ Gas/Air ☒

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	48	520	700	0
Int1	12.25	9.625	36	2490	860	0
Int2	8.75	7	26	9550	995	0
Liner1	6.125	4.5	11.6	12900	475	9100
Prod	6.125	4.5	11.6	11000	475	0

Casing/Cement Program: Additional Comments

13 3/8" set depth is 520', 48 ppf, J-55, ST&C, mud wt. 8.6-8.8, vis. 36-38, pH 9.0-10.0, FL-NC, cement 1st lead slurry with 200 sx Premium cmt. + 1% CaCl + 10 lbm/sk Gilsonite + 0.25 lbm/sk Poly-E-Flake. 2nd lead slurry is 300 sx Light Premium Plus + 2% CaCl + 0.25 lbm/sk Poly-E-Flake. Tail slurry is 200 sx Premium Plus cmt. + 2% CaCl. 9 5/8" set depth is 2490' 36 ppf, J55, LT&C, mud wt. 10.0-10.1, vis. 29-30, pH 9.0-10.0, FL-NC, cement 660 sx 50/50 Poz Premium Plus + 10% Bentonite + 5% salt + 5 lbm/sk + 0.25 lbm/sk Poly-E-Flake. Tail slurry 200 sx Premium Plus + 2% CaCl. 7" 26 ppf, P-110, LT&C, mud wt. 8.4-10.0, vis. 28-29, pH 9.0-10.00, FL-NC, cement 995 sx 50/50 Poz Premium + 10% Bentonite + 0.3% Halad-9 + 5% Salt + 0.125 lbm/sk Poly-E-Flake. Tail slurry 200 sx Premium + 0.5% Halad-9. 4 1/2" 9550-11,000, 11.6 ppf P-110, LT&C, mud wt. 8.4-10.0, vis. 29-30, pH 9-10, FL-NC. Mud up from 11,000'-12,900' mud wt. 11.0-13.5, vis. 38-45, pH 9-10, FL/ 10-6cc, cement with 475 sx Premium + 1% LA

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 ☒ a general permit ☐ or an (attached) alternative OCD-approved plan ☐ .	OIL CONSERVATION DIVISION	
Printed Name: Electronically filed by Frank Agar	Approved By: Bryan Arrant	
Title: Member	Title: Geologist	
Email Address: kip@carlowcorp.com	Approved Date: 8/20/2007	Expiration Date: 8/20/2008
Date: 8/17/2007	Phone: 432-685-1287	Conditions of Approval Attached

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, Arizola, 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

Form C-102
Revised October 12, 2005

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		Pool Code	Pool Name <i>Malaga Morrow West (Gas)</i>
Property Code	Property Name <i>WEATHERBY</i>		Well Number <i>1</i>
OGRID No. <i>217955</i>	Operator Name <i>OGX RESOURCES, L.L.C.</i>		Elevation <i>3094'</i>

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<i>F</i>	<i>19</i>	<i>24 S</i>	<i>28 E</i>		<i>1650</i>	<i>NORTH</i>	<i>1980</i>	<i>WEST</i>	<i>EDDY</i>

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

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

	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 8-17-07</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. AUGUST 7, 2007 Date Surveyed <i>GARY L. JONES</i> Signature & Professional Seal Professional Surveyor <i>W. JONES</i> Certificate No. Gary L. Jones 7977 BASIN SURVEYS

Permit Conditions of Approval

Operator: OGX RESOURCES, LLC , 217955

Well: WEATHERBY #001

API: 30-015-35760

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	Operator to submit h2s well contingency plan that meets NMOCD's Rule 118 or submit a letter of statement if area does not require such plan per rule 118.
BArrant	As noted, operator to drill surface hole w/fresh water mud and set surface casing above the Salado formation. Please refer to offset geology for more information.