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2010 AUG -2 P 4: 26

August 2, 2010

Case 14531

Florene Davidson
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Florene:

Enclosed for filing, on behalf of OGX Resources LLC, are an original and one copy of an application for approval of a unit agreement, together with a proposed advertisement. The advertisement was previously e-mailed to the Division. Please set this matter for the September 2, 2010 Examiner hearing. Thank you.

Very truly yours,



James Bruce

Attorney for OGX Resources LLC

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF OGX RESOURCES LLC
FOR APPROVAL OF A UNIT AGREEMENT,
LEA COUNTY, NEW MEXICO.

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Case No. 14531

APPLICATION

(217955)
OGX Resources LLC applies for an order approving the Unit Agreement for the proposed NLA State Unit Area, and in support thereof, states:

1. Applicant is a working interest owner in, and the operator of, the proposed NLA State Unit Area, an exploratory unit comprising 1,748.89 acres of state lands in Lea County, New Mexico, described as follows:

Township 9 South, Range 33 East, N.M.P.M.

Section 6: Lots 1-7, S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, and SE $\frac{1}{4}$ (All)

Section 7: Lots 1-4, E $\frac{1}{2}$ W $\frac{1}{2}$, and NE $\frac{1}{4}$

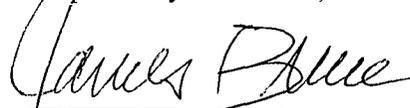
Section 18: Lots 1-4, E $\frac{1}{2}$ W $\frac{1}{2}$, and E $\frac{1}{2}$ (All)

2. Applicant has obtained preliminary approval of the Unit Agreement from the Commissioner of Public Lands.

3. Approval of this application will prevent waste, protect correlative rights, and conserve natural resources.

WHEREFORE, applicant requests that, after hearing, the Division enter its order approving the relief requested herein.

Respectfully submitted,



James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
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Attorney for OGX Resources LLC

PROPOSED ADVERTISEMENT

Case No. 14531:

Application of OGX Resources LLC for approval of a unit agreement, Lea County, New Mexico: Applicant seeks approval of the Unit Agreement for the NLA State Unit Area, comprising 1748.89 acres of state lands covering all or part of Sections 6, 7, and 18, Township 9 South, Range 33 East, NMPM. The proposed unit area is centered approximately 12-1/2 miles north-northeast of Caprock, New Mexico.

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