

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

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.

5. Lease Serial No. LC-065928-A

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator OGX Operating, LLC

3a. Address P. O. Box 2064, Midland, Texas 79702

3b. Phone No. (include area code)
(432) 685-1287

7. If Unit of CA/Agreement, Name and/or No.
NMNM127486

8. Well Name and No. Littlefield BO Federal #6

9. API Well No. 30-015-35174

10. Field and Pool or Exploratory Area
Brushy Draw Delaware

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec. 34, T26S, R29E 423' FSL & 2150' FWL

11. Country or Parish, State
Eddy County, New Mexico

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☒ Deepen

☐ Hydraulic Fracturing

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☐ Other

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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

As shown on Sundry Notice accepted for record December 30, 2015 by Kenneth Rennick, OGX has squeezed perfs 4668'-4793', drilled CIBP at 4794', then squeezed old Williamson perfs 4862'-4900'. Therefore, there are no open perfs or leaks in 5 1/2" casing from surface to 4900'. Approval to deepen well expires February 10, 2016 per conditions of approval dated November 9, 2015. OGX has not commenced the operation of locating TOC behind 5 1/2" casing estimated at 2200', then circulating cement to surface. This has not been done due to fiscal restraints resulting from deteriorating oil price. OGX would still like to deepen this well in the future, but cannot do the work prior to February 10, 2016.

EXTENDED TO JUNE 10th of 2016.

ORIGINAL COA STILL APPLIES.

NM OIL CONSERVATION
ARTESIA DISTRICT

FEB 17 2016

RECEIVED

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Steve Douglas

Engineer

Title

Signature

Date

02/02/2016

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

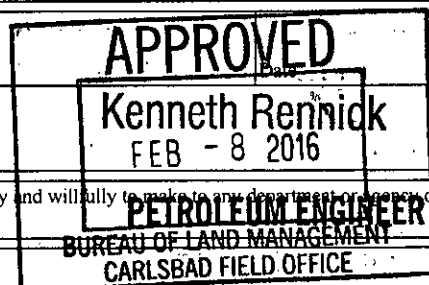
Title

Office

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.

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)





Rennick, Kenneth <krennick@blm.gov>

Littlefield BO Federal #6 - Extension Clarification

2 messages

Rennick, Kenneth <krennick@blm.gov>
To: Steve Douglas <steve@ogxresources.com>
Cc: Edward Fernandez <efernand@blm.gov>

Fri, Feb 5, 2016 at 2:07 PM

Hello Mr. Steve Douglas,

We did receive your request for the extension of the expiration date to deepen the subject well. Most likely the extension will be approved.

However, it you may please send in an approximate time frame when the work will be completed that will be greatly appreciated. I need this information to determine if your request is appropriate.

Best Regards,

Kenneth Rennick

—
Kenneth Rennick

Petroleum Engineer
Bureau of Land Management
Carlsbad Field Office
(575) 234-5964
krennick@blm.gov

Steve Douglas <steve@ogxresources.com>
To: "Rennick, Kenneth" <krennick@blm.gov>

Fri, Feb 5, 2016 at 4:36 PM

Kenneth ; OGX is currently working through budget matters to allocate capital ...

Hopefully, we can have the deepening completed end of May 2016 ...

As was mentioned the inside of the 5 1/2" casing has all perforations
Squeezed off and has no leaks so nothing is entering the wellbore ...

Thanks for your continuing help on this project ...

Steve Douglas OGX Engineer

Sent from my iPad
[Quoted text hidden]

UNITED STATES
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BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
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1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator **OGX Operating, LLC**3a. Address **P. O. Box 2064, Midland, Texas 79702.**3b. Phone No. (include area code)
(432) 685-12874. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec. 34, T26S, R29E 423' FSL & 2150' FWL5. Lease Serial No. **LC-065928-A**

6. If Indian, Allottee or Tribe Name

7. If Unit of CA/Agreement, Name and/or No.
NMNM1274868. Well Name and No. **Littlefield BO Federal #6**9. API Well No. **30-015-35174**10. Field and Pool or Exploratory Area
Brushy Draw Delaware11. Country or Parish, State
Eddy County, New Mexico**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input checked="" type="checkbox"/> Water Shut Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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10/8/15

RUPU. Pull rods & tbg. Run 5 1/2" RBP & 5 1/2" pkr. Set RBP at 4611' (above all perfs 4668'-4793'). Water flow to surface ceased. PT 5 1/2" csg from 4611' to surface to 500 psi, held good. Release RBP & RIH to 4805'. Water flow to surface started immediately. Pull pkr & RBP. GIH with 5 1/2" pkr & set at 4611'. Establish rate of 2 BPM at 450 psi into Cherry Canyon perfs 4668'-4793'. Pull pkr. Run cmt retainer to 4618'. Cmt perfs with 350 sx Class "C" neat, weight 15 ppg. Final pressure 650 psi.

Pull tbg & cmt retainer stinger. WOC 48 hrs. Drill cmt retainer and cmt across perfs. PT to 600 psi. Had rate 1 BPM at 680 psi. POOH with tbg & bit. Run cmt ret on 2 7/8" tbg. Cmt ret set prematurely at 3921'. Cmt perfs 4668'-4793' with 200 sx CI C neat, weight 15 ppg, max press 1000 psi at 1 BPM. Displaced cmt 25 bbls below cmt ret. Left 550 psi on cmt ret when stung out. POOH with tbg & stinger. WOC 67 hrs. Drill cmt ret and cmt at 4763'. Pressure test squeezed perfs 4668'-4793' to 600 psi for 15 mins, held good. Drill 5 1/2" CIBP at 4794'. Well immediately sttd flwg wtr to surf from Williamson perfs 4862'-4900'. Flow water to tank overnight with no show of oil. Bled down. Run 5 1/2" cmt ret on tbg to 4810'. Squeeze cmt Williamson perfs 4668'-4793' with 350 sx CI C with 1/4# celloflake & 2% CaCl. Max press 1500 psi. Sting out of ret with 1000 psi. POOH with tbg & stinger. GIH with 4 3/4" bit. WOC 68 hrs. Drill cmt ret at 4810' and cmt to 4900'. Press test squeeze to 600 psi, bled to 500 psi in 30 mins. POOH w/bit. RDPU.

Wait on cementing 5 1/2" casing from 2200' to surface for receipt of permit to deepen well.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Steve Douglas

Engineer

Title

Signature

Date

10/27/2015

THE SPACE FOR FEDERAL OR STATE AGENCY USE ONLY

Approved by

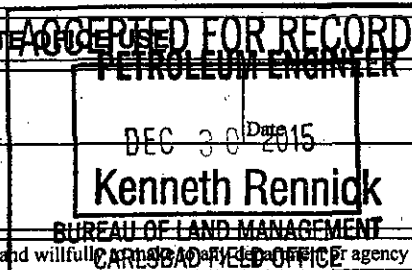
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(Instructions on page 2)



sent distribution 10/27/15
10/27/15

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Operator Copy

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- | | | | | |
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| <input type="checkbox"/> Subsequent Report | <input checked="" type="checkbox"/> Alter Casing | <input type="checkbox"/> Hydraulic Fracturing | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> Other |
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Change of casing design to increase annular space:

3 1/2", 9.2#, J-55, FJ, New API tubing/casing set at 6500'. Annular clearance 1.25" (required clearance 0.442"). Collapse 6577 psi @ 4.125, Burst 6204 psi @ 4.125, Tension 70,000# @ 4.8.

Cementing will be with 120 sx Class C, Wt 14.8 ppg, Yield 1.34. This cement volume is 100% excess for annular volume 5100'-6500'.

Prior to deepening, will locate TOC, reported to be at 2200' by CBL. Then perforate 5 1/2" casing at TOC and pump enough Class "C" cement to circulate to surface between 5 1/2" x 8 5/8" casing.

Attached is a copy of CBL run on this well 12/1/06 by GP II Energy, Inc.

Will cement squeeze existing perms 4668' - 4793', then drill CIBP at 4805'. Cement squeeze old Williamson Sand Delaware perms 4862' - 4900', first produced 12/1/06, when well was initially completed.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Steve Douglas

Title Engineer

Title

Signature

Date

10/26/2015

THE SPACE FOR FEDERAL OR STATE OFFICE USE

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Title

Office

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APPROVED
PETROLEUM ENGINEER
NOV - 9 2015**Kenneth Rennie**
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE