

Submit To Appropriate District Office
 State Lease - 6 copies
 Fee Lease - 5 copies
 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

Form C-105
 Revised June 10, 2003

Oil Conservation Division
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. : 30 015 35558

5. Indicate Type of Lease
 STATE X FEE

State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:
 OIL WELL GAS WELL X DRY OTHER

b. Type of Completion:
 NEW X WORK DEEPEN PLUG BACK DIFF. RESVR. OTHER: **S**

7. Lease Name or Unit Agreement Name
 Kimber State NOV 15 2007
 OCD-ARTESIA

2. Name of Operator: OGX Resources, LLC Ogrid. 217955

8. Well No.: 1

3. Address of Operator
 P.O. Box 2064, Midland, TX 79702

9. Pool name or Wildcat:
 Salt Draw; Morrow (Gas) *West*

4. Well Location
 Unit Letter E : 660' Feet From The North Line and 1980' Feet From The West Line
 Section 7 Township 25S Range 28E NMPM Eddy County

10. Date Spudded 5-21-07	11. Date T.D. Reached 7-9-07	12. Date Compl. (Ready to Prod.) 8-17-07	13. Elevations (DF& RKB, RT, GR, etc.) 3044' GR	14. Elev. Casinghead
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15. Total Depth: 12,697'	16. Plug Back T D : 12,652'	17. If Multiple Compl. How Many Zones? 	18. Intervals Drilled By 	Rotary Tools: X 	Cable Tools
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19. Producing Interval(s), of this completion - Top, Bottom, Name
 12,356-12,574' - Morrow

20. Was Directional Survey Made
 No

21. Type Electric and Other Logs Run: GR/CCL/CBL

22. Was Well Cored: No

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB. FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13 3/8"	61#	531'	17.5"	500 sx	None
9 5/8"	35#	2400'	12 1/4"	780 sx	None
7"	26#	9512'	8 3/4"	1060 sx	None

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN
5 1/2"	9072'	12,293'	190 sx	
3 1/2"	11,986'	12,697'	70 sx	

25. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2 3/8"	12,150'	12,150'

26. Perforation record (interval, size, and number):
 Morrow: 12,356'-12,574'

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.
 DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED
 12,356-12,574' 10 bbls water

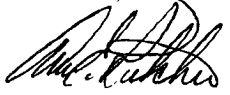
28. PRODUCTION

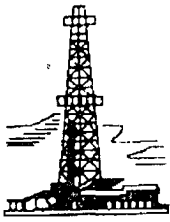
Date First Production: 8-17-07		Production Method (Flowing, gas lift, pumping - Size and type pump) flowing			Well Status (Prod. or Shut-in) Producing		
Date of Test 8-24-07	Hours Tested 24	Choke Size 12/64"	Prod'n For Test Period	Oil - Bbl 1	Gas - MCF 4600	Water - Bbl. 5	Gas - Oil Ratio 4,600,000
Flow Tubing Press. 3150 psi	Casing Pressure SIWHP:4900 psi	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)
 Sales

Test Witnessed By

30. List Attachments
 Logs & inclination. C-104 filed this date

Signature  Name : Ann E. Ritchie Title: Regulatory Agent Date: 11-2-07
 E-mail Address: ann.ritchie@wtor.net



Permian Drilling Corporation

P. O. Box 726 (505)397-3798 Fax (505)393-2448 Hobbs, New Mexico 88241

INCLINATION REPORT

DATE: 7/15/2007

WELL NAME AND NUMBER: Kimber State #1
LOCATION: Eddy Co., NM
OPERATOR: OGX Resources, LLC
DRILLING CONTRACTOR: PERMIAN DRILLING CORPORATION

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above described well and that he has conducted deviation tests and obtained the following results:

DEGREE	DEPTH	DEGREE	DEPTH	DEGREE	DEPTH
2.00	520	1.00	6186	2.00	11281
0.50	910	1.00	6471	2.00	11940
1.50	1230	1.00	6698	2.00	12252
2.00	1487	1.00	7035	2.50	12700
1.00	1765	0.75	7383		
2.00	2400	2.00	7792		
1.50	3000	1.50	8104		
1.00	3602	1.00	8612		
0.50	4199	0.75	9061		
0.25	4799	0.50	9500		
1.00	5300	1.00	9982		
0.75	5775	3.00	10738		

Drilling Contractor:
Permian Drilling Corporation

By: Sherry Coskrey
Sherry Coskrey
Regulatory Clerk

Subscribed and sworn to before me on this 5th day of September, 2007.

My Commission Expires: June 12, 2010

Amela Black

Submit in duplicate to appropriate district office. See Rule 401 & Rule 1122

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Form C-122
Revised October, 1999

MULTIPOINT AND ONE POINT BACK PRESSURE TEST FOR GAS WELL.

Operator OGX RESOURCES LLC				Lease or Unit Name KIMBER ST.						
Type Test <input checked="" type="checkbox"/> Initial <input type="checkbox"/> Annual <input type="checkbox"/> Special				Test Date 8/21/07		Well No 1				
Completion Date 8-17-07		Total Depth 12652 12697'		Plug Back TD 12652'		Elevation 3044'				
Csg Size 3 1/2 LN	Wt.	d	Set At 11986 12652	Perforations: From: 12356 To: 12574		County EDDY				
Tbg. Size 2 3/8	Wt. 4.7	d 1.995	Set At 12150	Perforations: From: To:		Pool				
Type Well-Single-Bradenhead-G.G. or G O. Multiple SINGLE				Packer Set At 12150		Formation MORROW				
Producing Thru TBG		Reservoir Temp °F 197.5 @ 12356		Mean Annual Temp °F 60		Baro Press.-P _a 13.2				
L 12356	H 12356	G _g 0.5747	%CO ₂ 0.5693	%N ₂ 0.646	%H ₂ S	Prover N/A	Meter Run 3.068			
FLOW DATA				TUBING DATA		CASING DATA				
No.	Prover Line Size	Orifice x Size	Press p.s.i.g.	Diff h _w	Temp. °F	Press p.s.i.g.	Temp. °F	Press p.s.i.g.	Temp. °F	Duration of Flow
SI						4250	74	PKR		24 HRS
1		3 X 2.000	526	59.9	60	3800		"		24 HRS
2										
3										
4										
5										
RATE OF FLOW CALCULATIONS										
No	COEFFICIENT (24 Hour)		$\sqrt{h_w P_m}$	Pressure P _m	Flow Temp Factor Ft.	Gravity Factor F _g	Super Compress Factor F _{pv}	Rate of Flow Q, Mcfd		
1	21.32		179.72	539.2	1	1.319	1.043	5,271		
2										
3										
4										
5										
No.	P _r	Temp. °R	T _r	Z	Gas Liquid Hydrocarbon Ratio DRY Mcf bbl.					
1	0.8	520	1.5	0.92	A.P. I. Gravity of Liquid Hydrocarbons DRY GAS Deg.					
2					Specific Gravity Separator Gas 0.5747 XXXXXXXX					
3					Specific Gravity Flowing Fluid XXXXXX					
4					Critical Pressure 672 P.S.I.A. P.S.I.A.					
5					Critical Temperature 346 R. R					
P _c 4263.2		P _{c2} 18174.9								
No.	P _t ²	P _w	P _w ²	P _c ² -P _w ²	(1) $\frac{P_c^2}{P_c^2 - P_w^2} = \frac{7.092}{7.092}$ (2) $\left[\frac{P_c^2}{P_c^2 - P_w^2} \right]^n = 7.092$					
1		3951.2	15612	2562.8	AOF = Q $\left[\frac{P_c^2}{P_c^2 - P_w^2} \right]^n = \frac{79825}{38.38}$					
2										
3										
4										
5										
Absolute Open Flow 37,380		Mcf/d @ 15.025		Angle of Slope (°): 45		Slope n: 1				
Remarks: NO FLUID PRODUCED DURING TEST										
Approved By Division:			Conducted By: Sonic Petroleum Services			Calculated By: BM			Checked By: BM	

O COMPANY : OGG RESOURCES LLC LEASE : KIMBER ST. WELL NO. : 1 Pc = 4263.2 Pc2 = 18174.9 *
 UNIT : SECTION : TOWNSHIP : *
 L : 12356 H : 12356 L/H : 1 G/GMIX : 0.575 Pt2 = ***** Pw = 3951.2 *
 %CO2 : 0.5747 %N2 : 0.646 H2S : DATE : 8-21-07 0.0 ERR *
 d : 1.999 Fr : 0.018136 GH : 7101.0 RANGE : 0.0 ERR *
 0.0 ERR *

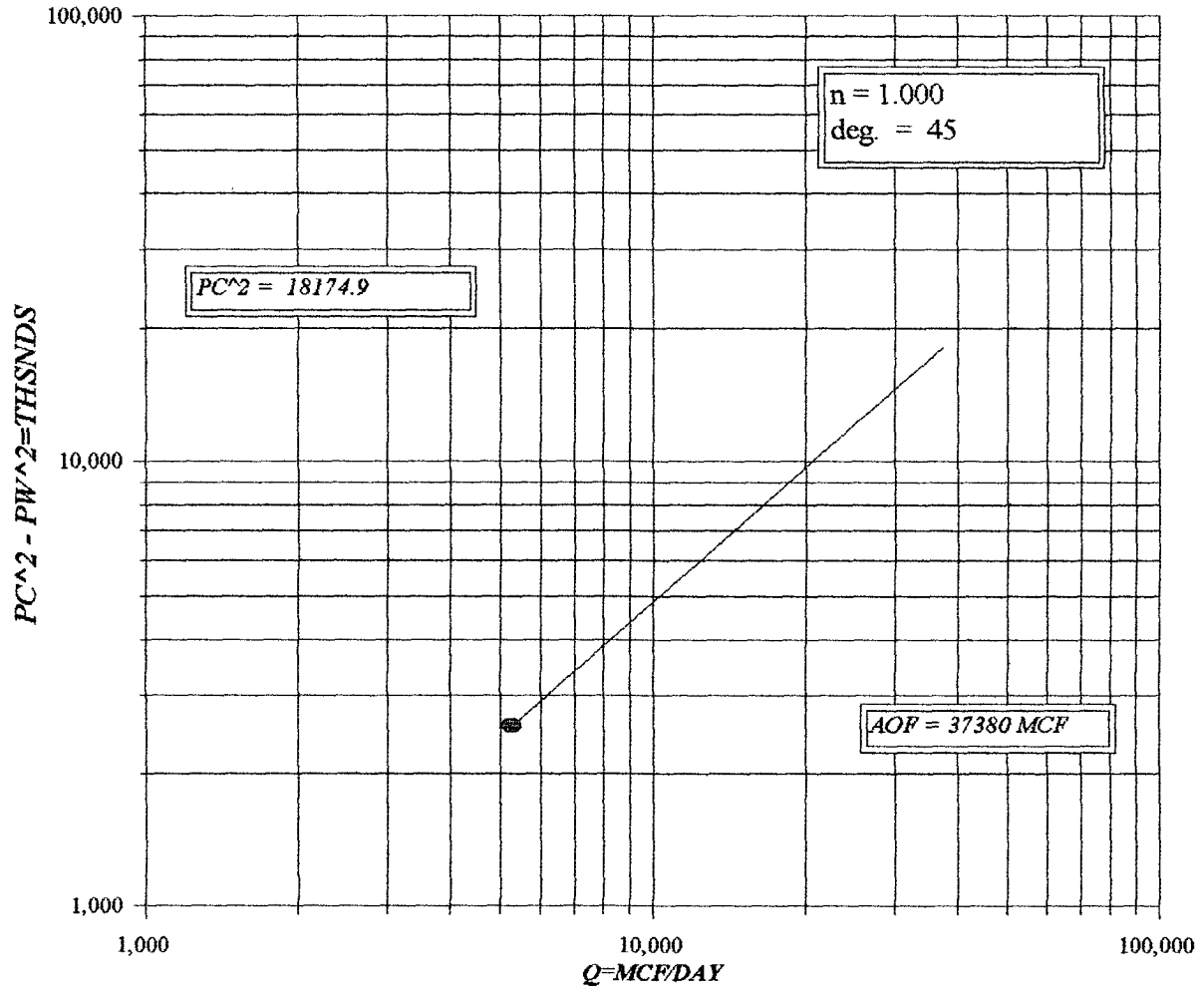
VOL 1 : 5271 PSIA 1 : 3813.2 RESV.TEMP 197.6 Pc2-Pw2= 2562.8 Pw2 = 15612.0 *
 VOL 2 : PSIA 2 : ERR ERR *
 VOL 3 : PSIA 3 : SHUT-IN PR= 4263.2 ERR ERR *
 VOL 4 : PSIA 4 : ERR ERR *
 PCR : 672 n = 1.000 *
 TCR : 346 *

LINE	RATE 1		RATE 2		RATE 3		RATE 4		Pc2/(Pc2-Pw2) =	ERR
	1ST	2ND	1ST	2ND	1ST	2ND	1ST	2ND		
1	QM	5.271	5.271	0.000	0.000	0.000	0.000	0.000		
2	TW	534	534	534	534	534	534	534		
3	Ts	657.6	657.6	657.6	657.6	657.6	657.6	657.6	[Pc2/Pc2-Pw2]n =	7.092
4	T	595.8	595.8	595.8	595.8	595.8	595.8	595.8		ERR
	PR (est)	5.67		0.00		0.00		0.00		ERR
5	Z(est)	0.894	0.931	ERR	ERR	ERR	ERR	ERR		ERR
6	TZ	532.4	554.5	ERR	ERR	ERR	ERR	ERR	AOF= Q	37.380
7	GH/TZ	13.338	12.806	ERR	ERR	ERR	ERR	ERR		ERR
8	eS	1.649	1.616	ERR	ERR	ERR	ERR	ERR		ERR
9	l-e-S	0.394	0.381	ERR	ERR	ERR	ERR	ERR		ERR
10	Pt	3813.2	3813.2	0.0	0.0	0.0	0.0	0.0		0.0
11	Pt2 /1000	14540.5	14540.5	0.0	0.0	0.0	0.0	0.0		0.0
12	Fr	0.018136	0.018136	0.018136	0.018136	0.018136	0.018136	0.018136		0.0181360
13	Fc=FrTZ	9.655	10.056	ERR	ERR	ERR	ERR	ERR		ERR
14	FcQm	50.89	53.01	ERR	ERR	ERR	ERR	ERR		ERR
15	L/H(FcQm)	2590.0	2809.8	ERR	ERR	ERR	ERR	ERR		ERR
16	Fw	1019.396	1071.533	ERR	ERR	ERR	ERR	ERR		ERR
17	Pw2	15559.9	15612.0	ERR	ERR	ERR	ERR	ERR		ERR
18	Ps2	25658.7	25236.0	ERR	ERR	ERR	ERR	ERR		ERR
19	Ps	5065.4	5023.5	ERR	ERR	ERR	ERR	ERR		ERR
20	P	4439.3	4418.4	ERR	ERR	ERR	ERR	ERR		ERR
21	Pr	6.61	6.57	ERR	ERR	ERR	ERR	ERR		ERR
22	Tr	1.72	1.72	1.72	1.72	1.72	1.72	1.72		1.72
23	Z	0.931	0.929	ERR	ERR	ERR	ERR	ERR		ERR

FORM C122-D

OGX RESOURCES LLC

KIMBER ST. # 1



Equivalent Diameter Program
Author: Bob Murray
Date: December 26, 1990

L1 = 12150 ft. L5 = 0 ft. Lt = 12356 ft.
D1 = 1.995 in. D5 = 1 in. C = 0.10797

L2 = 206 ft. L6 = 0 ft.
D2 = 2.44 in. D6 = 1 in. Deff = 1.999 in.

L3 = 0 ft. L7 = 0 ft. Fr = 0.01768
D3 = 1 in. D7 = 1 in.

L4 = 0 ft. L8 = 0 ft.
D4 = 1 in. D8 = 1 in.