

District I  
1625 N French Dr., Hobbs, NM 88240  
District II  
1301 W Grand Ave., 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

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

Form C-103  
June 19, 2008

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-015-36535
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator OGX RESOURCES, LLC.		6. State Oil & Gas Lease No. VA-2975
3. Address of Operator P. O. BOX 2064 MIDLAND, TEXAS 79702		7. Lease Name or Unit Agreement Name CHALLENGER "1" STATE
4. Well Location Unit Letter D : 660' feet from the NORTH line and 660' feet from the WEST line Section 1 Township 25S Range 29E NMPM County EDDY		8. Well Number # 1H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3100' GL		9. OGRID Number 217955
		10. Pool name or Wildcat PIERCE CROSSING E.-BONE SPRING

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
 TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐  
 DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
 COMMENCE DRILLING OPNS. ☒ P AND A ☐  
 CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

1. The well was spudded on August 30 at 10:00 AM. Drilling 26" hole.

ACCEPTED FOR RECORD

SEP 3 - 2008

Gerry Guye, Deputy Field Inspector  
NMOCD-District II ARTESIA

Spud Date:

10:00 AM 08/30/08

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

*Joe T. Janica*

TITLE

Permit Eng.

DATE 09/02/08

Type or print name

Joe T. Janica

E-mail address

joejanica@valornet

PHONE: 575-391-8503

For State Use Only

APPROVED BY:

TITLE

DATE

Conditions of Approval (if any):