

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

JUL 17 2009
OCD-ARTESIA

FORM APPROVED
OMB No 1004-0137
Expires: July 31, 2010

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.
NM 101601

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 Resources, LLC

3a. Address

P.O. Box 2064, Midland, TX 79702

3b. Phone No. (include area code)

432 685-1287

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

770 FNL & 730 FWL (SL), 760' FSL and 670 FWL: Sec 35, T22S, R31E

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

8. Well Name and No.
Tankless "35" Federal, Well #1

9. API Well No.
30 015 36784

10. Field and Pool or Exploratory Area
Livingston Ridge-Bone Springs

11. Country or Parish, State

Eddy

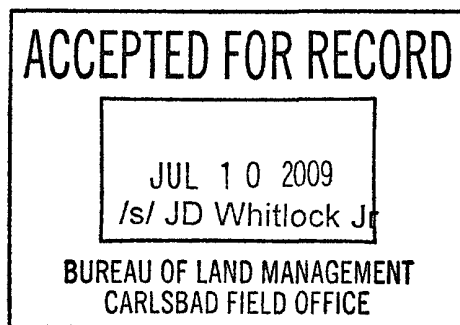
12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☒ Production (Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other _____
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

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.)

Please see attached the OCD Form C-102 designating the as drilled BHL, along with the Pathfinder Directional Survey Report.

Production began on this well on 3-10-09; test date of 4-16-09: 60 bbls oil, 650 bbl water and 62 mcf gas.



14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Ann E Rittie

Title Regulatory Agent

Signature

Date 06/09/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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.

Office

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)

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 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 39350	Pool Name LIVINGSTON RIDGE-BONE SPRING
Property Code	Property Name TANKLESS "35" FEDERAL	Well Number 1H
OGRID No. 217955	Operator Name OGX RESOURCES, L.L.C.	Elevation 3451'

Surface Location

UL or lot No. D	Section 35	Township 22 S	Range 31 E	Lot Idn	Feet from the 770	North/South line NORTH	Feet from the 730	East/West line WEST	County EDDY
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Bottom Hole Location If Different From Surface

UL or lot No. M	Section 35	Township 22 S	Range 31 E	Lot Idn	Feet from the 350	North/South line SOUTH	Feet from the 660	East/West line WEST	County EDDY
Dedicated Acres 160	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

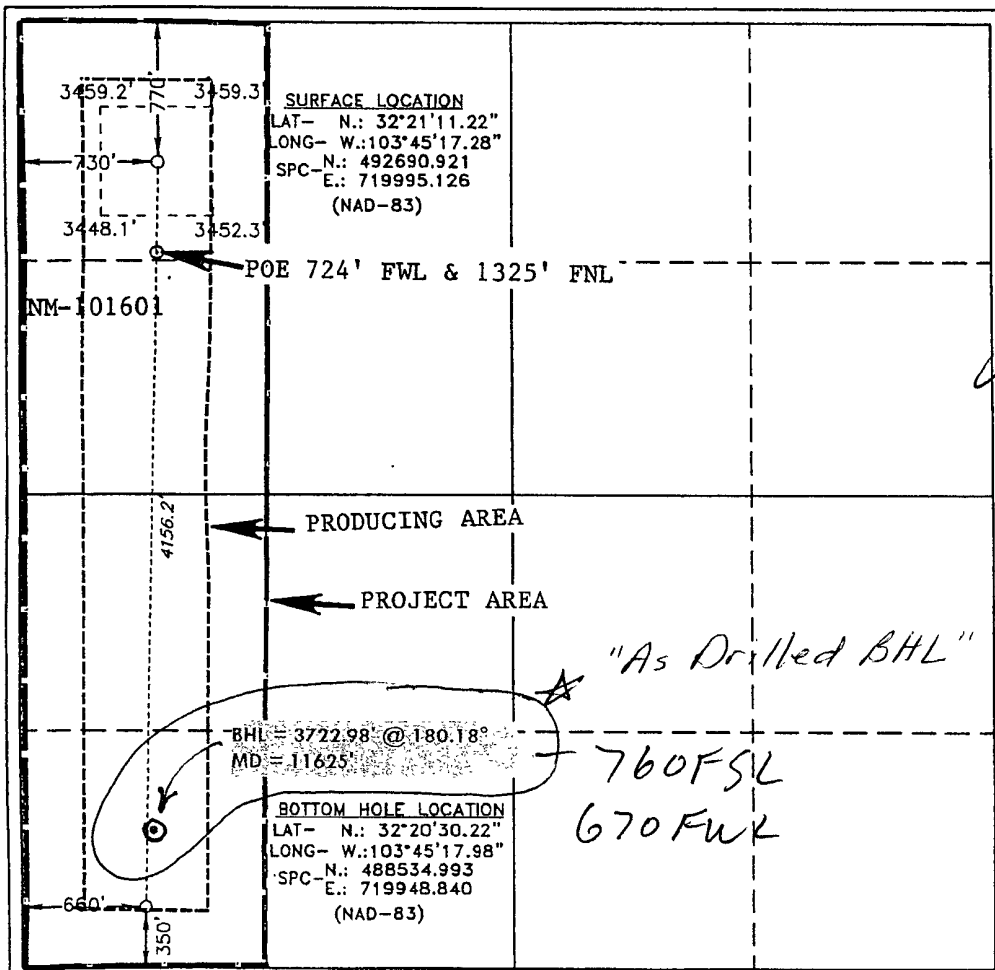
	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract 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. Signature: <i>Joe T. Janica</i> Date: 12/02/08 Joe T. Janica 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. SEPTEMBER 4, 2008 Date Surveyed: 9/4/08 Signature & Seal of Professional Surveyor: <i>[Signature]</i> W.O. No. 20333 Certificate No. Gary L. Jones 7977 BASIN SURVEYS
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EXHIBIT "A"



DIRECTIONAL SURVEY REPORT

OGX RESOURCES, LLC.

TANKLESS "35" FEDERAL #1H

EDDY COUNTY, NEW MEXICO

PREPARED BY: FRANCISCO SINISTERRA

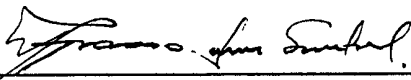
Pathfinder Energy Services, Inc.
6213 W. County Road 112 • Midland, TX • 79706
(432)681-6000

DIRECTIONAL SURVEY COMPANY REPORT:

1. NAME OF SURVEYING COMPANY: PATHFINDER ENERGY SERVICES
2. NAME OF PERSON(S) PERFORMING SURVEY:
A) JUSTIN FALLIN
3. POSITION OF SAID PERSON(S): (A-F) SURVEYORS (FIELD ENGINEERS)
4. DATE(S) ON WHICH SURVEY WAS PERFORMED: 02/06/09 TO 02/17/09
5. STATE IN WHICH SURVEY WAS PERFORMED: NEW MEXICO
6. LOCATION OF WELL: EDDY COUNTY
7. TYPE OF SURVEY(S) PERFORMED: MWD
8. COMPLETE IDENTIFICATION OF WELL:

OGX RESOURCES, LLC.
TANKLESS "35" FEDERAL #1H
EDDY COUNTY, NM
RIG: JW #1
9. SURVEY CERTIFIED FROM: 7,592 TO 11,572 FEET MEASURED DEPTH.

THIS IS TO VERIFY THAT ATTACHED DOCUMENTS SHOWING THE WELL TO BE DISPLACED AT 3,722.98 FEET ON A BEARING OF 180.19 DEGREES FROM THE CENTER OF THE ROTARY TABLE AT A PROJECTED BIT DEPTH OF 11,625 FEET, ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.



FRANCISCO SINISTERRA
M/LWD COORDINATOR

PathFinder Energy Services, Inc.

BHL Report

Page 01/01
Tie-in Date: 02/07/2009
Date Completed: 02/17/2009

OGX RESOURCES, LLC.
TANKLESS 35 FED #1H
EDDY COUNTY, NEW MEXICO
Rig:JW #1
PathFinder Office Supervisor: FRANCISCO SINISTERRA
PathFinder Field Engineers:J.FALLIN

Survey Horiz. Reference:WELLHEAD
Ref Coordinates: LAT:32.21.11.3439 N LON:103.45.17.1788 W
GRID Reference:NAD83 new mexico east Transverse Mercator
Ref GRID Coord: X: 719995.1260 Y: 492690.9210
North Aligned To:GRID NORTH
Total Magnetic Correction: 7.64° EAST TO GRID
Vertical Section Plane: 180.72
Survey Vert. Reference: 20.00' Rotary Table To Ground
Altitude:3451.00' Ground To MSL

Measured Depth	11625.00	(feet)
Inclination	92.42	(deg)
Azimuth	181.54	(deg)
True Vertical Depth	8181.00	(feet)
Vertical Section	3722.82	(feet)
Survey X cord	719983.13	(feet)
Survey Y cord	488967.96	(feet)
Survey Lat	32.34291790 N	(deg)
Survey Lon	103.75487585 W	(deg)
Rectangular Corr. N/S	3722.96 S	(feet)
Rectangular Corr. E/W	11.99 W	(feet)
Closure Distance	3722.98	(feet)
Direction of Closure	180.18	(deg)
Dogleg Severity	0.00	(deg/100ft)

PathFinder Energy Services, Inc.

Survey Report

OGX RESOURCES, LLC.
TANKLESS 35 FED #1H
EDDY COUNTY, NEW MEXICO

Rig:JW #1

PathFinder Office Supervisor: FRANCISCO SINISTERRA

PathFinder Field Engineers: J.FALLIN

Survey Horiz. Reference:WELLHEAD
Ref Coordinates: LAT:32.21.11.3439 N LON:103.45.17.1788 W

Reference:NAD83 new mexico east Transverse Mercator

Ref GRID Coord: X: 719995.1260 Y: 492690.9210

North Aligned To:GRID NORTH

Total Magnetic Correction: 7.64° EAST TO GRID

Vertical Section Plane: 180.72

Survey Vert. Reference: 20.00' Rotary Table To Ground

Altitude:3451.00' Ground To MSL

Survey Calculations by PathCalc v1.97 using Minimum Curvature

Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft) (ft)		Closure Dist Dir (ft) (deg)		DLS (dg/100ft)
TIE-IN PROVIDED BY SCIENTIFIC DRILLING CONTROLS @ 7577' MD.										
7577.00	1.21	202.78	7576.12	0.00	40.05	40.81 S	60.55 E	73.02@	123.98	0.00
THE FOLLOWING ARE PATHFINDER MWD SURVEYS.										
7592.00	1.14	196.85	7591.12	15.00	40.34	41.10 S	60.45 E	73.09@	124.21	0.93
7624.00	1.14	196.28	7623.11	32.00	40.95	41.71 S	60.26 E	73.29@	124.69	0.04
7656.00	1.32	197.77	7655.10	32.00	41.61	42.37 S	60.06 E	73.50@	125.20	0.57
7687.00	3.25	185.96	7686.08	31.00	42.82	43.58 S	59.86 E	74.04@	126.05	6.38
7719.00	6.68	183.10	7717.95	32.00	45.59	46.34 S	59.67 E	75.55@	127.84	10.74
7750.00	10.29	181.51	7748.61	31.00	50.16	50.91 S	59.50 E	78.31@	130.55	11.67
7782.00	14.16	180.48	7779.88	32.00	56.93	57.68 S	59.39 E	82.79@	134.17	12.11
7813.00	17.94	180.26	7809.66	31.00	65.50	66.25 S	59.33 E	88.94@	138.15	12.20
7844.00	21.54	180.70	7838.84	31.00	75.97	76.72 S	59.24 E	96.93@	142.33	11.62
7876.00	25.24	180.47	7868.20	32.00	88.67	89.42 S	59.12 E	107.20@	146.53	11.57
7907.00	28.75	180.40	7895.82	31.00	102.74	103.49 S	59.01 E	119.13@	150.31	11.32
7939.00	32.80	178.90	7923.31	32.00	119.11	119.86 S	59.12 E	133.65@	153.74	12.88
7970.00	36.14	179.60	7948.86	31.00	136.64	137.40 S	59.35 E	149.67@	156.64	10.85
8002.00	39.48	179.76	7974.14	32.00	156.26	157.01 S	59.46 E	167.89@	159.26	10.44
8033.00	43.26	179.72	7997.40	31.00	176.74	177.50 S	59.55 E	187.22@	161.45	12.19
8065.00	46.78	179.99	8020.02	32.00	199.37	200.13 S	59.60 E	208.82@	163.41	11.02
8096.00	50.39	178.58	8040.52	31.00	222.60	223.37 S	59.90 E	231.27@	164.99	12.13
8128.00	54.69	180.06	8059.98	32.00	247.99	248.76 S	60.19 E	255.94@	166.40	13.93
8159.00	58.65	181.05	8077.01	31.00	273.88	274.66 S	59.94 E	281.12@	167.69	13.05
8190.00	62.61	181.46	8092.21	31.00	300.89	301.66 S	59.35 E	307.44@	168.87	12.83
8222.00	67.09	181.37	8105.81	32.00	329.85	330.61 S	58.63 E	335.77@	169.94	14.00

PathFinder Energy Services, Inc.

Survey Report

OGX RESOURCES, LLC.
TANKLESS 35 FED #1H
EDDY COUNTY, NEW MEXICO
RIG:JW #1

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Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft) (ft)		Closure Dist Dir (ft) (deg)		DLS (dg/100ft)
8253.00	70.79	181.14	8116.94	31.00	358.77	359.53 S	58.00 E	364.18@	170.84	11.96
8285.00	70.79	181.30	8127.47	32.00	388.99	389.74 S	57.35 E	393.94@	171.63	0.47
8316.00	71.84	181.34	8137.40	31.00	418.35	419.10 S	56.68 E	422.91@	172.30	3.39
8347.00	74.57	181.18	8146.36	31.00	448.03	448.77 S	56.03 E	452.25@	172.88	8.82
8379.00	76.94	181.36	8154.23	32.00	479.04	479.77 S	55.34 E	482.95@	173.42	7.43
8410.00	78.61	181.34	8160.80	31.00	509.33	510.06 S	54.62 E	512.98@	173.89	5.39
8443.00	83.71	180.54	8165.87	33.00	541.93	542.65 S	54.09 E	545.34@	174.31	15.64
8473.00	88.55	180.94	8167.89	30.00	571.85	572.57 S	53.70 E	575.09@	174.64	16.19
8505.00	90.22	180.97	8168.24	32.00	603.85	604.57 S	53.17 E	606.90@	174.97	5.22
8536.00	89.60	180.19	8168.28	31.00	634.85	635.56 S	52.86 E	637.76@	175.25	3.21
8567.00	87.58	179.41	8169.05	31.00	665.83	666.55 S	52.97 E	668.65@	175.46	6.98
8599.00	86.70	178.95	8170.64	32.00	697.78	698.51 S	53.42 E	700.55@	175.63	3.10
8630.00	86.70	178.92	8172.43	31.00	728.72	729.45 S	54.00 E	731.45@	175.77	0.10
8662.00	87.41	179.47	8174.07	32.00	760.66	761.41 S	54.45 E	763.35@	175.91	2.81
8693.00	88.02	180.27	8175.31	31.00	791.63	792.38 S	54.52 E	794.25@	176.06	3.24
8725.00	88.20	180.47	8176.36	32.00	823.62	824.36 S	54.31 E	826.15@	176.23	0.84
8755.00	89.25	180.87	8177.03	30.00	853.61	854.35 S	53.96 E	856.06@	176.39	3.75
8788.00	89.43	181.28	8177.41	33.00	886.60	887.34 S	53.34 E	888.95@	176.56	1.36
8819.00	89.43	181.65	8177.72	31.00	917.60	918.33 S	52.55 E	919.84@	176.73	1.19
8851.00	89.16	181.35	8178.11	32.00	949.59	950.32 S	51.71 E	951.73@	176.89	1.26
8882.00	88.64	180.65	8178.71	31.00	980.59	981.31 S	51.17 E	982.64@	177.02	2.81
8914.00	88.11	180.18	8179.62	32.00	1012.57	1013.29 S	50.94 E	1014.57@	177.12	2.21
8945.00	88.20	180.16	8180.61	31.00	1043.56	1044.28 S	50.85 E	1045.52@	177.21	0.30
8977.00	89.08	181.01	8181.37	32.00	1075.55	1076.27 S	50.52 E	1077.45@	177.31	3.82
9008.00	89.25	181.68	8181.83	31.00	1106.54	1107.26 S	49.79 E	1108.37@	177.43	2.23
9039.00	89.43	182.04	8182.18	31.00	1137.53	1138.24 S	48.79 E	1139.28@	177.55	1.30
9070.00	89.69	182.41	8182.42	31.00	1168.52	1169.21 S	47.58 E	1170.18@	177.67	1.46

PathFinder Energy Services, Inc.

Survey Report

OGX RESOURCES, LLC.
TANKLESS 35 FED #1H
EDDY COUNTY, NEW MEXICO
RIG:JW #1

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Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft) (ft)		Closure Dist Dir (ft) (deg)		DLS (dg/100ft)
9102.00	89.60	182.92	8182.62	32.00	1200.50	1201.18 S	46.09 E	1202.06@	177.80	1.62
9133.00	89.69	183.46	8182.81	31.00	1231.47	1232.13 S	44.37 E	1232.93@	177.94	1.77
9165.00	89.69	183.19	8182.98	32.00	1263.44	1264.07 S	42.51 E	1264.79@	178.07	0.84
9196.00	89.52	182.67	8183.20	31.00	1294.42	1295.03 S	40.93 E	1295.68@	178.19	1.76
9228.00	89.25	182.15	8183.54	32.00	1326.40	1327.00 S	39.58 E	1327.59@	178.29	1.83
9259.00	88.90	181.77	8184.04	31.00	1357.39	1357.98 S	38.52 E	1358.53@	178.38	1.67
9291.00	88.90	181.93	8184.66	32.00	1389.38	1389.96 S	37.49 E	1390.46@	178.45	0.50
9322.00	88.99	181.50	8185.23	31.00	1420.37	1420.94 S	36.56 E	1421.41@	178.53	1.42
9385.00	89.52	181.75	8186.05	63.00	1483.35	1483.91 S	34.78 E	1484.32@	178.66	0.93
9447.00	89.25	181.37	8186.71	62.00	1545.34	1545.88 S	33.09 E	1546.24@	178.77	0.75
9510.00	89.43	181.20	8187.44	63.00	1608.34	1608.86 S	31.68 E	1609.17@	178.87	0.39
9573.00	89.96	181.16	8187.77	63.00	1671.33	1671.85 S	30.38 E	1672.12@	178.96	0.84
9636.00	90.22	181.03	8187.67	63.00	1734.33	1734.83 S	29.17 E	1735.08@	179.04	0.46
9699.00	90.04	180.15	8187.53	63.00	1797.33	1797.83 S	28.53 E	1798.06@	179.09	1.43
9761.00	90.13	179.39	8187.44	62.00	1859.32	1859.83 S	28.77 E	1860.05@	179.11	1.23
9823.00	89.16	180.22	8187.82	62.00	1921.31	1921.83 S	28.99 E	1922.05@	179.14	2.06
9883.00	88.55	180.32	8189.02	60.00	1981.30	1981.81 S	28.70 E	1982.02@	179.17	1.03
9945.00	89.08	180.05	8190.30	62.00	2043.28	2043.80 S	28.50 E	2044.00@	179.20	0.96
10007.00	89.60	179.60	8191.02	62.00	2105.27	2105.80 S	28.69 E	2105.99@	179.22	1.11
10069.00	88.99	180.57	8191.78	62.00	2167.26	2167.79 S	28.60 E	2167.98@	179.24	1.85
10132.00	88.99	181.83	8192.89	63.00	2230.25	2230.76 S	27.28 E	2230.93@	179.30	2.00
10195.00	89.25	182.28	8193.86	63.00	2293.22	2293.72 S	25.02 E	2293.85@	179.37	0.82
10256.00	89.34	182.00	8194.61	61.00	2354.20	2354.67 S	22.74 E	2354.78@	179.45	0.48
10318.00	89.16	181.37	8195.42	62.00	2416.18	2416.64 S	20.92 E	2416.73@	179.50	1.06
10380.00	89.52	181.21	8196.14	62.00	2478.18	2478.62 S	19.53 E	2478.69@	179.55	0.64
10441.00	89.69	180.96	8196.56	61.00	2539.17	2539.60 S	18.37 E	2539.67@	179.59	0.50
10504.00	89.78	181.54	8196.85	63.00	2602.17	2602.59 S	17.00 E	2602.64@	179.63	0.93

PathFinder Energy Services, Inc.

Survey Report

OGX RESOURCES, LLC.
TANKLESS 35 FED #1H
EDDY COUNTY, NEW MEXICO
RIG:JW #1

Page 04/04

Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft) (ft)		Closure Dist Dir (ft) (deg)		DLS (dg/100ft)
10566.00	90.13	181.55	8196.90	62.00	2664.16	2664.57 S	15.33 E	2664.61@	179.67	0.56
10628.00	90.57	182.07	8196.52	62.00	2726.15	2726.53 S	13.37 E	2726.57@	179.72	1.10
10690.00	90.57	181.59	8195.90	62.00	2788.14	2788.50 S	11.39 E	2788.52@	179.77	0.77
10753.00	90.04	180.75	8195.57	63.00	2851.13	2851.48 S	10.10 E	2851.50@	179.80	1.58
10816.00	90.57	181.38	8195.23	63.00	2914.13	2914.47 S	8.93 E	2914.49@	179.82	1.31
10878.00	90.84	181.50	8194.47	62.00	2976.12	2976.45 S	7.37 E	2976.46@	179.86	0.48
10941.00	89.96	180.07	8194.03	63.00	3039.12	3039.44 S	6.51 E	3039.44@	179.88	2.67
11004.00	90.57	180.27	8193.74	63.00	3102.11	3102.44 S	6.32 E	3102.44@	179.88	1.02
11065.00	90.75	181.47	8193.03	61.00	3163.11	3163.42 S	5.40 E	3163.43@	179.90	1.99
11126.00	90.84	181.44	8192.19	61.00	3224.10	3224.40 S	3.85 E	3224.40@	179.93	0.16
11189.00	91.01	181.34	8191.17	63.00	3287.08	3287.37 S	2.32 E	3287.37@	179.96	0.31
11251.00	90.40	181.02	8190.41	62.00	3349.08	3349.35 S	1.04 E	3349.35@	179.98	1.11
11313.00	90.13	182.18	8190.12	62.00	3411.07	3411.33 S	0.69 W	3411.33@	180.01	1.92
11374.00	91.19	182.72	8189.42	61.00	3472.03	3472.27 S	3.30 W	3472.27@	180.05	1.95
11437.00	91.54	182.11	8187.92	63.00	3534.99	3535.19 S	5.95 W	3535.20@	180.10	1.12
11500.00	91.98	182.09	8185.98	63.00	3597.94	3598.12 S	8.26 W	3598.13@	180.13	0.70
11563.00	92.33	181.66	8183.61	63.00	3660.88	3661.04 S	10.32 W	3661.06@	180.16	0.88
11572.00	92.42	181.54	8183.24	9.00	3669.87	3670.03 S	10.57 W	3670.05@	180.16	1.67
STRAIGHT LINE PROJECTION TO BIT @ 11635' MD.										
11625.00	92.42	181.54	8181.00	53.00	3722.82	3722.96 S	11.99 W	3722.98@	180.18	0.00



TIE-IN SURVEY INFORMATION SHEET

CLIENT INFORMATION

CLIENT:	OGX RESOURCES, LLC.		
LEASE / WELL No.:	TANKLESS 35 FED	# 1H	
WELL LOCATION:	EDDY COUNTY		
COUNTY / STATE / COUNTRY:	EDDY	N.M.	U.S.A.
RIG:	JW #1		
API WELL No:	30-015-36784		
JOB No:	101008259-WT-WT		
P.O. / AFE No.	0106-0001245-000		
DIRECTIONAL COMPANY:	PATHFINDER ENERGY		

WELL SITE INFORMATION

MAGNETIC DECLINATION:			
On Wall Plat:	7.64	LWD Calculated:	7.642522
Agreed Upon:		7.642522	
X =	719995.126000	Feet	Y = 492690.921000
		Feet	
SITE LATITUDE:	32.353151 N	SITE LONGITUDE:	103.754772 W
GRID SYSTEM:	TRUE ☐ UTM ☐ LAMBERT ☒	ZONE:	NEW MEXICO EAST
PROPOSED DRIFT DIRECTION:	180.64 180.72		
KELLY BUSHING ELEVATION:	20'		
ALTITUDE:	3451	Feet	WATER DEPTH: 0
		Feet	

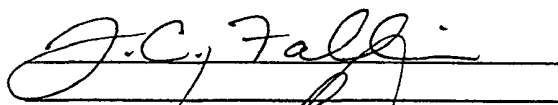
TIE-IN SURVEY

MEASURED DEPTH:	7577
DRIFT ANGLE:	1.21
DRIFT DIRECTION:	202.85
TRUE VERTICAL DEPTH:	7576.11
VERTICAL SECTION:	40.21
RECTANGULAR COORDINATE (N / S) :	-40.89
RECTANGULAR COORDINATE (E / W) :	60.5
CLOSURE DISTANCE / DIRECTION:	
SURVEY CALCULATION METHOD:	AA ☐ MC ☒ RC ☐ BT ☐
SOURCE OF TIE-IN DATA (COMPANY):	SCIENTIFIC DRILLING CONTROLS
COPY OF TIE-IN SURVEY REPORT	☒ YES ☐ NO

WELL PLAN

KICKOFF DEPTH:	7672.5	TOTAL DEPTH:	12101.96
KICKOFF ANGLE:	0	MAX ANGLE:	88.92

PES Engineers:



**Signature of both field engineers required if applicable

Directional Driller:



DATE: 2-5-09

SCIENTIFIC DRILLING CONTROLS

KEEPER G/RO SURVEY

Directional Survey Report

for

OGX RESOURCES

Well Number	:	TANKLESS "35" FEDERAL NO.1H
Well Location	:	EDDY COUNTY, NEW MEXICO
Job Number	:	32K0209054
Location Latitude	:	32.353
Survey Date	:	4-FEB-2009
S.D.C. Personnel	:	ANGEL GUEBARA
Length Units	:	Feet
North Reference	:	GRID North
Grid Correction	:	0.38 Degrees
Survey Depth Zero	:	RKB
Proposal Direction	:	180.64
Calculation Method	:	Minimum Curvature

*wrong grid correction
It was supposed to be 0.3*

Remarks : The INRUN Survey will be called definitive

S C I E N T I F I C D R I L L I N G C O N T R O L S

Inrun Survey
for
OGX RESOURCES

Page 2

Well No.: TANKLESS "35" FEDERAL

Date : 4-FEB-2009

Job No. : 32K0209054

GRID

Proposal : 180.64

Depth (Feet)	T.V.D. (Feet)	V.S. (Feet)	Inc Deg.	Azimuth Deg.	Latitude (Feet)	Departure (Feet)	D-leg /100
-------------------	--------------------	------------------	-------------	-----------------	----------------------	-----------------------	---------------

4000.00	3999.57	5.30	2.02	111.90	-5.73	38.12	0.07
4100.00	4099.51	6.55	2.08	110.17	-7.01	41.46	0.09
4200.00	4199.45	7.47	1.90	101.71	-7.98	44.79	0.34
4300.00	4299.41	7.99	1.17	101.53	-8.52	47.41	0.73
4400.00	4399.40	8.37	0.83	106.10	-8.92	49.11	0.35

4500.00	4499.39	8.69	0.75	101.97	-9.26	50.44	0.10
4600.00	4599.38	8.92	0.77	98.71	-9.50	51.75	0.05
4700.00	4699.37	9.12	0.82	99.25	-9.71	53.12	0.05
4800.00	4799.36	9.60	0.66	131.40	-10.21	54.26	0.44
4900.00	4899.35	10.49	0.72	144.81	-11.10	55.05	0.17

5000.00	4999.34	11.40	0.70	132.51	-12.03	55.86	0.15
5100.00	5099.34	12.14	0.61	128.63	-12.77	56.73	0.10
5200.00	5199.33	12.77	0.65	122.66	-13.41	57.62	0.08
5300.00	5299.33	13.41	0.61	131.01	-14.07	58.50	0.10
5400.00	5399.32	14.11	0.66	127.82	-14.77	59.36	0.06

5500.00	5499.31	14.74	0.48	133.76	-15.41	60.11	0.19
5600.00	5599.31	15.28	0.43	133.72	-15.96	60.69	0.05
5700.00	5699.31	15.72	0.31	134.03	-16.41	61.15	0.12
5800.00	5799.31	16.12	0.33	136.36	-16.81	61.55	0.02
5900.00	5899.30	16.73	0.55	147.36	-17.42	62.01	0.23

6000.00	5999.30	17.41	0.33	170.79	-18.11	62.31	0.28
6100.00	6099.30	18.00	0.37	159.90	-18.69	62.47	0.08
6200.00	6199.30	18.66	0.45	158.64	-19.36	62.72	0.08
6300.00	6299.29	19.60	0.66	177.58	-20.30	62.89	0.28
6400.00	6399.28	20.82	0.74	179.17	-21.53	62.92	0.08

6500.00	6499.27	22.17	0.82	171.24	-22.88	63.04	0.13
6600.00	6599.26	23.62	0.86	173.53	-24.33	63.23	0.05
6700.00	6699.25	25.10	0.84	174.00	-25.81	63.40	0.02
6800.00	6799.24	26.78	1.09	180.40	-27.49	63.47	0.27
6900.00	6899.22	28.53	0.92	181.40	-29.24	63.44	0.17

7000.00	6999.21	30.27	1.13	197.59	-30.98	63.12	0.36
7100.00	7099.19	31.91	0.81	191.03	-32.62	62.69	0.34
7200.00	7199.18	33.40	0.95	198.34	-34.10	62.29	0.18
7300.00	7299.17	35.04	1.02	197.20	-35.73	61.77	0.07
7400.00	7399.15	36.81	1.05	182.89	-37.50	61.46	0.26

7500.00	7499.13	38.70	1.18	198.95	-39.39	61.08	0.34
7577.00	7576.11	40.21	1.21	202.85	-40.89	60.50	0.11

The Horizontal Displacement (in Feet) at
Measured Depth 7577.00 is 73.02 in a Direction of 124.05 Degrees

S C I E N T I F I C D R I L L I N G C O N T R O L S

Inrun Survey
for
OGX RESOURCES

Page 1

Well No.: TANKLESS "35" FEDERAL

Date : 4-FEB-2009

Job No. : 32FO209054

GRID

Proposal : 180.64

Depth (Feet)	T.V.D. (Feet)	V.S. (Feet)	Inc Deg.	Azimuth Deg.	Latitude (Feet)	Departure (Feet)	D-leg /100
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0.00	0.00	0.00	0.00	0.38	0.00	0.00	0.00
100.00	100.00	-0.22	0.48	58.61	0.22	0.36	0.48
200.00	199.99	-0.64	0.56	66.74	0.63	1.16	0.11
300.00	299.99	-1.05	0.45	59.09	1.02	1.95	0.13
400.00	399.99	-1.41	0.39	63.65	1.38	2.59	0.07
500.00	499.99	-1.61	0.13	64.71	1.58	3.00	0.26
600.00	599.99	-1.81	0.22	37.25	1.78	3.22	0.12
700.00	699.99	-1.89	0.22	115.70	1.85	3.51	0.28
800.00	799.98	-1.50	0.48	138.26	1.45	3.96	0.29
900.00	899.98	-0.90	0.49	132.88	0.85	4.55	0.05
1000.00	999.98	-0.33	0.46	135.75	0.27	5.14	0.04
1100.00	1099.97	0.22	0.44	133.11	-0.28	5.71	0.03
1200.00	1199.97	0.59	0.45	108.34	-0.67	6.36	0.19
1300.00	1299.97	0.90	0.46	118.61	-0.98	7.08	0.08
1400.00	1399.96	1.22	0.28	122.42	-1.31	7.64	0.18
1500.00	1499.96	1.44	0.36	106.70	-1.53	8.15	0.12
1600.00	1599.96	1.54	0.19	95.41	-1.63	8.62	0.18
1700.00	1699.96	1.55	0.18	90.27	-1.65	8.94	0.02
1800.00	1799.96	1.42	0.41	70.00	-1.53	9.43	0.25
1900.00	1899.96	1.26	0.31	83.65	-1.38	10.04	0.13
2000.00	1999.96	1.26	0.29	97.57	-1.38	10.56	0.08
2100.00	2099.95	1.29	0.32	91.53	-1.42	11.09	0.04
2200.00	2199.95	1.23	0.43	80.25	-1.36	11.73	0.13
2300.00	2299.95	1.07	0.49	77.37	-1.21	12.52	0.06
2400.00	2399.95	0.80	0.47	65.78	-0.94	13.31	0.10
2500.00	2499.94	0.28	0.63	51.57	-0.43	14.12	0.21
2600.00	2599.93	-0.42	0.68	54.80	0.25	15.03	0.06
2700.00	2699.93	-1.07	0.65	57.66	0.90	16.00	0.04
2800.00	2799.92	-1.69	0.62	55.79	1.50	16.92	0.04
2900.00	2899.92	-2.26	0.48	51.77	2.07	17.70	0.15
3000.00	2999.91	-2.72	0.48	62.89	2.52	18.40	0.09
3100.00	3099.91	-3.01	0.22	62.63	2.79	18.95	0.26
3200.00	3199.91	-3.07	0.18	99.40	2.86	19.27	0.13
3300.00	3299.91	-2.92	0.26	125.31	2.70	19.61	0.13
3400.00	3399.91	-2.41	0.64	133.09	2.19	20.20	0.38
3500.00	3499.89	-1.41	1.59	117.53	1.17	21.84	0.99
3600.00	3599.83	-0.05	2.25	112.56	-0.23	24.89	0.68
3700.00	3699.76	1.34	2.13	111.26	-1.56	28.43	0.13
3800.00	3799.69	2.65	1.97	113.21	-3.01	31.74	0.17
3900.00	3899.63	3.99	1.98	113.70	-4.53	34.90	0.02

Gyro(Grid).txt					
000.00	2.02	111.83	3999.58	-5.68	38.13
100.00	2.08	110.10	4099.51	-6.96	41.47
200.00	1.90	101.64	4199.45	-7.92	44.80
300.00	1.17	101.46	4299.41	-8.46	47.42
400.00	0.83	106.03	4399.40	-8.86	49.12
500.00	0.75	101.90	4499.39	-9.20	50.45
600.00	0.77	98.64	4599.38	-9.43	51.76
700.00	0.82	99.18	4699.37	-9.65	53.13
800.00	0.66	131.33	4799.36	-10.14	54.27
900.00	0.72	144.74	4899.36	-11.04	55.06
000.00	0.70	132.44	4999.35	-11.96	55.88
100.00	0.61	128.56	5099.34	-12.70	56.74
200.00	0.65	122.59	5199.34	-13.34	57.64
300.00	0.61	130.94	5299.33	-14.00	58.52
400.00	0.66	127.75	5399.32	-14.70	59.37
500.00	0.48	133.69	5499.32	-15.34	60.13
600.00	0.43	133.65	5599.32	-15.89	60.71
700.00	0.31	133.96	5699.31	-16.33	61.17
800.00	0.33	136.29	5799.31	-16.73	61.57
900.00	0.55	147.29	5899.31	-17.34	62.03
000.00	0.33	170.72	5999.31	-18.03	62.33
100.00	0.37	159.83	6099.30	-18.62	62.49
200.00	0.45	158.57	6199.30	-19.29	62.74
300.00	0.66	177.51	6299.30	-20.23	62.91
400.00	0.74	179.10	6399.29	-21.45	62.95
500.00	0.82	171.17	6499.28	-22.80	63.07
600.00	0.86	173.46	6599.27	-24.25	63.26
700.00	0.84	173.93	6699.26	-25.73	63.43
800.00	1.09	180.33	6799.24	-27.41	63.50
900.00	0.92	181.33	6899.23	-29.16	63.47
000.00	1.13	197.52	6999.21	-30.91	63.16
100.00	0.81	190.96	7099.20	-32.54	62.73
200.00	0.95	198.27	7199.19	-34.02	62.33
300.00	1.02	197.13	7299.17	-35.66	61.81
400.00	1.05	182.82	7399.16	-37.42	61.50
500.00	1.18	198.88	7499.14	-39.31	61.13
577.00	1.21	202.78	7576.12	-40.81	60.55

Gyro(Grid).txt

HEADER INFORMATION -----

COMPANY : OGX Resources
 FIELD : Eddy County (NAD 83)
 SITE : Tankless "35" Federal #1
 WELL : Tankless '35' Fed #1H
 WELLPATH: OH
 DEPTHUNT: ft
 SURVDATE: 02/18/2009

WELL INFORMATION

WELL EW MAP : 719995.13
 WELL NS MAP : 492690.92
 DATUM ELEVN : 3463.00
 VSECT ANGLE : 180.72
 VSECT NORTH : 0.00
 VSECT EAST : 0.00

SURVEY TYPE INFORMATION

100.00 - 7577.00 GYRO : CB-GYRO-MS
 7592.00 - 11625.00 MWD #1 : MWD

SURVEY LIST

MD	INC	AZI	TVD	NS	EW
0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.48	58.54	100.00	0.22	0.36
200.00	0.56	66.67	199.99	0.63	1.16
300.00	0.45	59.02	299.99	1.03	1.95
400.00	0.39	63.58	399.99	1.38	2.59
500.00	0.13	64.64	499.99	1.58	3.00
600.00	0.22	37.18	599.99	1.78	3.22
700.00	0.22	115.63	699.99	1.85	3.51
800.00	0.48	138.19	799.98	1.46	3.96
900.00	0.49	132.81	899.98	0.85	4.55
1000.00	0.46	135.68	999.98	0.28	5.14
1100.00	0.44	133.04	1099.97	-0.27	5.71
1200.00	0.45	108.27	1199.97	-0.66	6.36
1300.00	0.46	118.54	1299.97	-0.97	7.08
1400.00	0.28	122.35	1399.97	-1.30	7.64
1500.00	0.36	106.63	1499.96	-1.52	8.15
1600.00	0.19	95.34	1599.96	-1.62	8.62
1700.00	0.18	90.20	1699.96	-1.64	8.94
1800.00	0.41	69.93	1799.96	-1.52	9.43
1900.00	0.31	83.58	1899.96	-1.36	10.04
2000.00	0.29	97.50	1999.96	-1.37	10.56
2100.00	0.32	91.46	2099.96	-1.41	11.09
2200.00	0.43	80.18	2199.95	-1.35	11.74
2300.00	0.49	77.30	2299.95	-1.19	12.52
2400.00	0.47	65.71	2399.95	-0.93	13.31
2500.00	0.63	51.50	2499.94	-0.42	14.12
2600.00	0.68	54.73	2599.94	0.27	15.03
2700.00	0.65	57.59	2699.93	0.91	16.00
2800.00	0.62	55.72	2799.92	1.52	16.92
2900.00	0.48	51.70	2899.92	2.09	17.70
3000.00	0.48	62.82	2999.92	2.54	18.40
3100.00	0.22	62.56	3099.91	2.82	18.94
3200.00	0.18	99.33	3199.91	2.88	19.27
3300.00	0.26	125.24	3299.91	2.72	19.61
3400.00	0.64	133.02	3399.91	2.21	20.20
3500.00	1.59	117.46	3499.89	1.19	21.84
3600.00	2.25	112.49	3599.83	-0.20	24.89
3700.00	2.13	111.19	3699.76	-1.62	28.43
3800.00	1.97	113.14	3799.70	-2.97	31.75
3900.00	1.98	113.63	3899.64	-4.34	34.91

PathFinder Energy Services, Inc.

Magnetic & Grid Calculations

OGX Resources, LLC
Tankless 35 Fed #1H
Eddy County, NM
Rig:JW 1

Fri Jan 30 11:03:03 2009

Coordinates

Latitude: 32.353151 N (32 deg. 21 min. 11.3439 sec.)
Longitude: 103.754772 W (-103 deg. 45 min. 17.1788 sec.)
Elevation: 3451.00 feet.
Calculation Date: Jan/30/2009

Magnetic Calculations

Model: IGRF2005
Dip Angle: 60.3488 degrees
Total Magnetic Field: 0.48939 gauss
Magnetic Declination: 7.952139 degrees
Horizontal Intensity: 0.242109 gauss
To Convert a Magnetic Dir. to a TRUE North Dir. Add 7.952139 Degs

Transverse Mercator Grid Calculations NAD83

Grid System: Transverse Mercator: new mexico east
Ellipsoid: GRS80
X: 719995.1260 feet
Y: 492690.9210 feet
True to Grid: (convergence) -0.309617 degrees
Magnetic to Grid: 7.642522 degrees
To Convert a Magnetic Dir. to a GRID dir. Add 7.642522 Degs.

PathFinder Energy Services, Inc.

Magnetic & Grid Calculations

Fri Feb 06 01:28:05 2009

Coordinates

Latitude: 32.353151 N (32 deg. 21 min. 11.3439 sec.)
Longitude: 103.754772 W (-103 deg. 45 min. 17.1788 sec.)
Elevation: 3451.00 feet.
Calculation Date: Feb/06/2009

Magnetic Calculations

Model: IGRF2005
Dip Angle: 60.3484 degrees
Total Magnetic Field: 0.48937 gauss
Magnetic Declination: 7.949855 degrees
Horizontal Intensity: 0.242102 gauss
To Convert a Magnetic Dir. to a TRUE North Dir. Add 7.949855 Degr

Transverse Mercator Grid Calculations NAD83

Grid System: Transverse Mercator: new mexico east
Ellipsoid: GRS80
X: 719995.1260 feet
Y: 492690.9210 feet
True to Grid: (convergence) -0.309617 degrees
Magnetic to Grid: 7.640238 degrees
To Convert a Magnetic Dir. to a GRID dir. Add 7.640238 Degr.

ATS-08-786

Form 3160-3
(August 2007)

PLEASE EXPEDITE LEASE EXPIRES 12/01/08

FORM APPROVED
OMB No. 1004-0137
Expires July 31, 2010

NOV 26 2008

OCD-ARTESIA
UNITED STATES

1409
WIPP

OCD-ARTESIA

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: ☒ DRILL

☐ REENTER

SECRETARY'S POTASH

1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other

☒ Single Zone ☐ Multiple Zone

2. Name of Operator

OGX RESOURCES, LLC. (JEFF BIRKELBACH 432-685-1287)

3a. Address

P. O. BOX 2064 MIDLAND, TEXAS 79702

3b. Phone No (include area code)

432-685-1287

4. Location of Well (Report location clearly and in accordance with any State requirements.)

At surface 750' FNL & 730' FWL SECTION 35 T22S-R31E EDDY CO.

At proposed prod. zone BHL 660'N & 350'E

UNORTHODOX

14. Distance in miles and direction from nearest town or post office

Approximately 45 miles Southwest of Hobbs New Mexico

LOCATION

15. Distance from proposed*

location to nearest
property or lease line, ft.
(Also to nearest drig. unit line, if any)

730'

16. No. of acres in lease

320

17. Spacing Unit dedicated to this well

160

18. Distance from proposed location*

to nearest well, drilling, completed,
applied for, on this lease, ft.

NA

19. Proposed Depth

MD-11,837'
TVD- 8220'

20. BLM/BIA Bond No. on file

NMB-000244

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

3451' GL

22. Approximate date work will start*

Lease expires 12/01/08

23. Estimated duration

45 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

1. Well plat certified by a registered surveyor.

2. A Drilling Plan.

3. A Surface Use Plan (if the location is on National Forest System Lands, the
SUPO must be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see
Item 20 above).

5. Operator certification

6. Such other site specific information and/or plans as may be required by the
BLM.

25. Signature

Joe T. Janica

Name (Printed/Typed)

Joe T. Janica

Date

09/16/08

Title

Permit Eng.

Approved by (Signature)

151 Shannon J. Shaw

Name (Printed/Typed)

151 Shannon J. Shaw

Date

11/18/08

Title

Acting STATE DIRECTOR

Office

NM STATE OFFICE

Application approval does not warrant or certify
conduct operations thereon.

Conditions of approval, if any, are attached.

NOTIFY OCD 24-hrs PRIOR to Spud
NOTIFY OCD of ALL Lost Circulation and
Water Flow Zones
NOTIFY OCD per 19.15.3.118 of H2S
Values WHILE Drilling.

in the subject lease which would entitle the applicant to

APPROVAL FOR TWO YEARS

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. §
States any false, fictitious or fraudulent statement

Ilfully to make to any department or agency of the United

(Continued on page 2)

*(Instructions on page 2)

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

ENTERED
12-3-08

Controlled Water Design
NOTIFY OCD 24-hrs PRIOR to Spud
NOTIFY OCD of ALL Lost Circulation and
Water Flow Zones
NOTIFY OCD per 19.15.3.118 of H2S
Values WHILE Drilling.

Subject to General Requirements
& Special Stipulations Attached