OGXProduction, LP P.O. Box 2064 • Midland, TX 79702 • (432) 685-1287 • Fax (432) 685-1320 • Fax (432) 686-7109

October 18, 2016

Occidental Permian LP 5 Greenway Plaza, Ste. 110 Houston, Texas 77046 <u>Certified Mail #7011 3500 0000 2040 9181</u>

Attn: Mr. Chris Gertson

Re:

Red Bluff Lake Prospect

Revised Well Proposal
Littlefield 33 Fed Com #2H
T-26-S, R-29-E, N.M.P.M.
W/2 Section 33 and W/2 Section 28
Eddy County, New Mexico

Gentlemen:

On August 11, 2016 OGX Operating LLC ("OGX") sent your company a letter proposing the captioned well. Since that time OGX has realized that the bottom hole location in the letter should have stated 330' FNL and 2,411' FWL instead of 2,411' FEL(which was correctly stated in the AFE), and OGX has also moved the bottom hole location from 2,411' FWL to 2,310' FWL of said Section 28. In addition, since we moved the kick off point to 2,310' FWL and 50' FSL of said Section 33 we will be drilling approximately 810' Southwest, then drilling North approximately 280' to the penetration point which will be approximately 2,310' FWL and 330' FSL of said Section 33. We will then turn horizontal with an azimuth of 359.23 degrees for a total horizontal distance of approximately 6,981' to test the Wolfcamp formation. The total measured depth is estimated to be 16,981'. Enclosed is the C-102 which denotes the changes.

The remaining content of our August 11, 2106 letter remains the same with the exception of the information above.

Sincerely,

OGX Operating, LLC

Garland H. Lang III Land Manager

Enclosure

EXHIBIT 3

DISTRICT I 1625 M. French Dr., Hobbs, RM 86240 Phone (675) 383-6161 Faz: (675) 383-6720 DISTRICT II 811 S. First St., Artesia, NM 88210 Phane (676) 746-1253 Pag (676) 748-9770

State of New Mexico Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

1226 South St. Francis Dr.

Form C-102 Revised August 1, 2011

Submit one copy to appropriate District Office

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone (808) 834-8178 Pez: (808) 834-8179

DISTRICT IV

1826 S. St. Francis Dr., Santa Fe, RM 87505 Phone (506) 476-8460 Fam (506) 476-8462

Santa Fe, New Mexico 87505

☐ AMENDED REPORT

LENGTH (CORD) eve-seen term (cord) eve-seen	WELL LOCATION AND	ACREAGE DEDICATION PLAT	LI AMENDED REPORT
API Number	Pool Code	Pool Name	
Property Code	-	L orty Name 3 FEDERAL COM	Well Number
OGRID No.	Oper	ator Name RATING, LLC	Elevation 2872

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	FERT from the	North/South Line	FEET from the	East/West LINE	County
LOT 11	33	26 S	29 E		330	SOUTH	2210	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	FERT from the	North/South Line	FEET from the	Bast/West LINE	County
C	28	26 S	29 E		330	NORTH	2310	WEST	EDDY
Dedicated Acres Joint or Infill Consolidation Code 463.13		Code Or	der 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

