

Arrant, Bryan, EMNRD

30-015-33907

From: Arrant, Bryan, EMNRD
Sent: Thursday, March 08, 2007 9:15 AM
To: 'Ann Ritchie'
Cc: Jones, William V., EMNRD; Reno, Carmen, EMNRD
Subject: RE: EKG Fee # 1

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Hi Ann,

I have your C-104s approved for the above noted well.

Please note the pools that I have placed these completions in and note that an amended DHC order (DHC-3811) needs to be amended.

The completions are:

- Salt Draw; Upper Pennsylvanian Gas Pool Code # 97594. For perms: 11,010-11,256'.

This is a new pool creation.

- Salt Draw; Atoka Gas Pool, Code # 84415, for perms: 11,504-11,630'.

This is an extension of an existing pool to the east.

Please call if you have any questions.

yours truly,

Bryan G. Arrant
 District II Geologist
 NMOCD-Artesia
 505-748-1283 ext. 103

From: Ann Ritchie [mailto:ann.ritchie@wtor.net]
Sent: Monday, February 05, 2007 12:44 PM
To: Arrant, Bryan, EMNRD
Subject: Re: EKG Fee # 1

Bryan,

Please see wellbore diagram attached. The CIBPs are to be drilled out, setting a packer above the open hole Morrow to test.

I will submit a C-101 & C-102 for this proposal and send this diagram along with it.

OGX agrees with your formation top picks for the Penn, Strawn, Atoka & Morrow.

William e-mailed me and asked that I submit a C017b to amend the DHC. I will submit as per your formation tops/OGX interval picks for the DHC amendment.

I just wanted to let you know it is in the works. I appreciate your help.

Thank you,

Ann

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ann.ritchie@wtor.net

----- Original Message -----

From: Arrant, Bryan, EMNRD**To:** Ann Ritchie**Cc:** brian@ogxresources.com ; Jones, William V., EMNRD ; Gum, Tim, EMNRD ; Reno, Carmen, EMNRD

3/8/2007

Sent: Friday, February 02, 2007 9:20 AM
Subject: EKG Fee # 1

Dear Ann,

We have received your latest regulatory information for the above noted well, dated by your signature on 1/29/2007.

In order to get this request for approval, please resubmit the following information:

NMOCD form C-101 for a recompletion to the Morrow formation.

NMOCD form C-102 for a recompletion to the Morrow formation.

Also, the well bore diagram submitted is illegible. Please have someone construct one that I can read.

The geological tops that we have correlated for this well do not agree with the operators geological tops.

In addition, the DHC order # 3811 needs to be amended.

I sent an e mail to Mr. Brian P. Ramey on 8/04/2006, however I cannot remember any conversation about resolving this matter between

Mr. Ramey and myself.

I will fax over the geological tops that I determined for this well on 7/26/2006. These tops come from offset wells in this area.

and other correspondence with Mr. Ramey so that we may begin to be 'in sync' with each other.

The DHC order thus in my opinion needs to be amended.

After you, a company representative with OGX Resources, LLC and Mr. Will Jones in Santa Fe review of this matter, we can go from there to get this matter resolved.

Yours truly,

Bryan G. Arrant
505-748-1283 ext. 103

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3/8/2007