

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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-14778

6 If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

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

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other8 Well Name and No.
Mescal "22" Federal #2H2 Name of Operator
OGX Resources LLC9 API Well No.
30-015-379493a. Address
P O Box 2064
Midland, Texas 797023b Phone No. (include area code)
432-685-128710 Field and Pool or Exploratory Area
Corral Draw - Bone Springs4 Location of Well (Footage, Sec, T., R., M., or Survey Description)
880' FSL & 560' FEL
Sec 22, T25S, R29E11 Country or Parish, State
Eddy Co., New Mexico

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Incidents of Noncompliance
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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.)

In response to Noncompliance Notice dated 4/5/11 by Justin Frye: Wes Magby with B & H Construction met with Justin Frye on the Mescal location on 4/19/11. A plan was devised to pick up the caliche on the east side of the location and spread that caliche on the north side of the location to facilitate drainage. Berms will be constructed to facilitate drainage. This recontouring work will begin in 2 weeks, which is as soon as Wes Magby can begin. The tank battery is being repainted Shale Green right now. The trash has been picked up and removed and the area was visually looked at by Justin Frye. OGX employee, Larry Nunn, was on the location to confer with Justin Frye. Modification of the heater treater exhaust stack has been performed to prevent birds and bats from entering same. Another notice will be sent upon completion of contouring the location.

Accepted for record - NMOCD

DJD 6-20-11

RECEIVED
JUN 07 2011
NMOCD ARTESIA

ACCEPTED FOR RECORD

MAY 31 2011

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed)

Steve Douglas

Title Engineer

Signature

Date 04/20/2011

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)