

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

JAN 28 2009

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well ☒ Oil Well ☐ Gas Well ☐ Other	5. Lease Serial No. NM-101601
2. Name of Operator OGX RESOURCES, LLC.	6. If Indian, Allottee or Tribe Name -----
3a. Address P. O BOX 2064 MIDLAND, TEXAS 79702	7. If Unit or CA/Agreement, Name and/or No. -----
3b. Phone No. (include area code) 432-685-1287	8. Well Name and No. TANKLESS "35" FEDERAL # 1H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 770' FNL & 730' FWL SECTION 35 T22S-R31E EDDY CO.	9. API Well No. 30-015-36784
	10. Field and Pool, or Exploratory Area LIVINGSTON RIDGE-BONE SPRING
	11. County or Parish, State EDDY CO. NEW MEXICO

12. CHECK 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

1. OGX RESOURCES, LLC. requests the approval to change the bottom hole location
from: 660' FNL & 350' FEL SECTION 35 T22S-R31E EDDY CO. NM
To: 350' FSL & 660' FWL SECTION 35 T22S-R31E EDDY CO. NM
2. Measured Depth changed from 11,837 to 12,102 True Vertical depth will remain the same at 8220' Casing and cementing programs will remain the same as approved.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

ACCEPTED FOR RECORD

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Joe T. Janica		JAN 29 2009	
Signature <i>Joe T. Janica</i>		Title Permit Engineer NMOC District II ARTESIA	Date 12/02/08
THIS SPACE FOR FEDERAL OR STATE OFFICE USE			
Approved by /s/ James Stovall		FIELD MANAGER	Date JAN 26 2009
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 CARLSBAD FIELD 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.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	35	22 S	31 E		770	NORTH	730	WEST	EDDY

Bottom Hole Location If Different From Surface

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

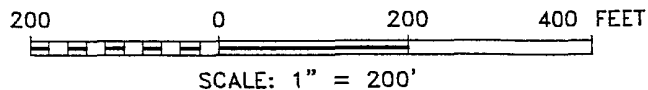
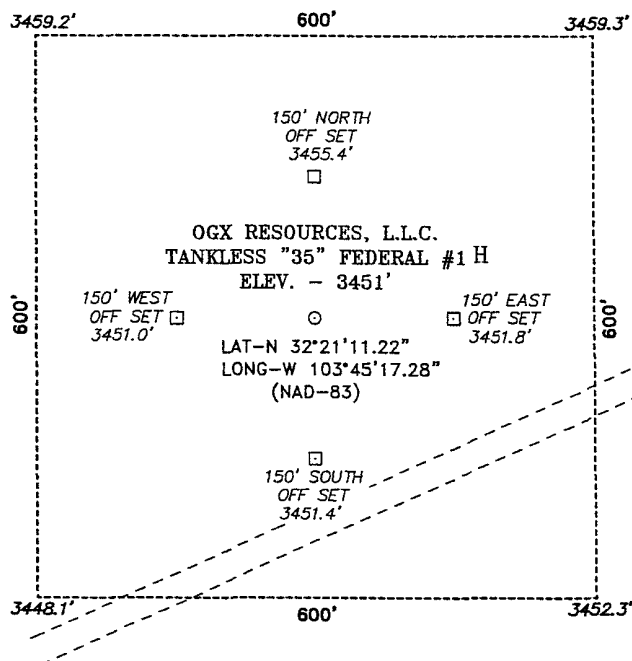
Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

SURFACE LOCATION LAT- N.: 32°21'11.22" LONG- W.: 103°45'17.28" SPC- N.: 492690.921 E.: 719995.126 (NAD-83) POE 724' FWL & 1325' FNL PRODUCING AREA PROJECT AREA BOTTOM HOLE LOCATION LAT- N.: 32°20'30.22" LONG- W.: 103°45'17.98" SPC- N.: 488534.993 E.: 719948.840 (NAD-83)	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. <i>Joe T. Janica</i> Signature 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 <i>[Signature]</i> Signature & Seal of Professional Surveyor W.O. No. 20333 Certificate No. Gary L. Jones 7977 BASIN SURVEYS

EXHIBIT "A"

SECTION 35, TOWNSHIP 22 SOUTH, RANGE 31 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



DIRECTIONS TO LOCATION:

FROM THE JUNCTION OF HWY 128 AND CO. RD. RED (799) GO NORTH ON RED 7.2 MILES TO SWAN MILLS RANCH ROAD, ON SWAN GO 1.0 MILES TO PROPOSED LEASE ROAD.

OGX RESOURCES, L.L.C.

REF: TANKLESS "35" FEDERAL #1H/ Well Pad Topo

THE TANKLESS "35" FEDERAL #1 LOCATED 770' FROM
THE NORTH LINE AND 730' FROM THE WEST LINE OF
SECTION 35, TOWNSHIP 22 SOUTH, RANGE 31 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 20333

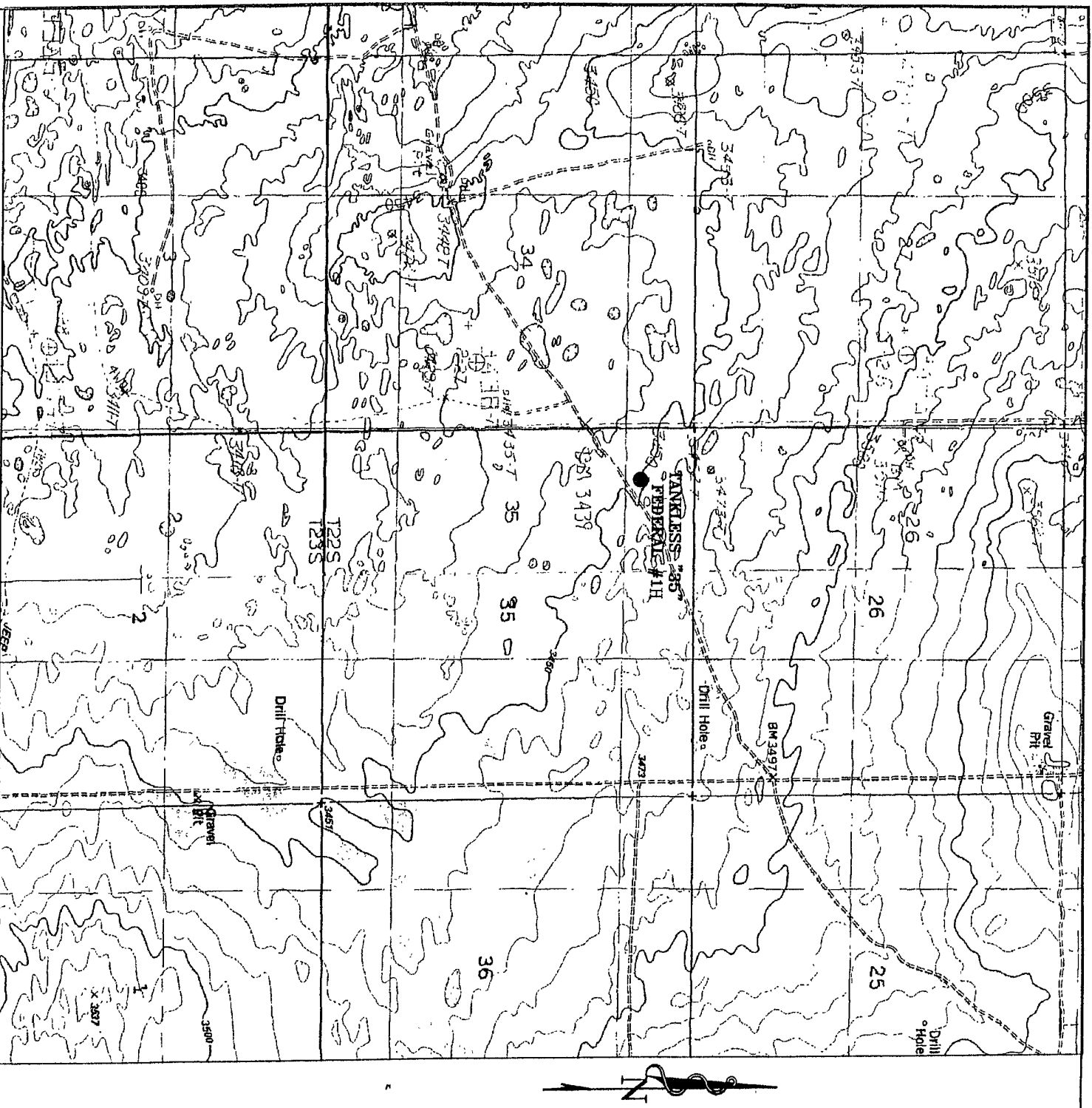
Drawn By: J. M. SMALL

Date: 09-05-2008

Disk: JMS 20333

Survey Date: 09-04-2008

Sheet 1 of 1 Sheets



TANKLESS "35" FEDERAL #1H

Located at 770' FNL and 730' FWL
Section 35, Township 22 South, Range 31 East,
N.M.P.M., Eddy County, New Mexico.

**Basin
surveys**

P.O. Box 1786
1120 N. West County Rd.
Hobbs, New Mexico 88241
(575) 393-7316 - Office
(575) 392-2206 - Fax
basinsurveys.com

W.O. Number: 20335

Survey Date: 09-04-2008

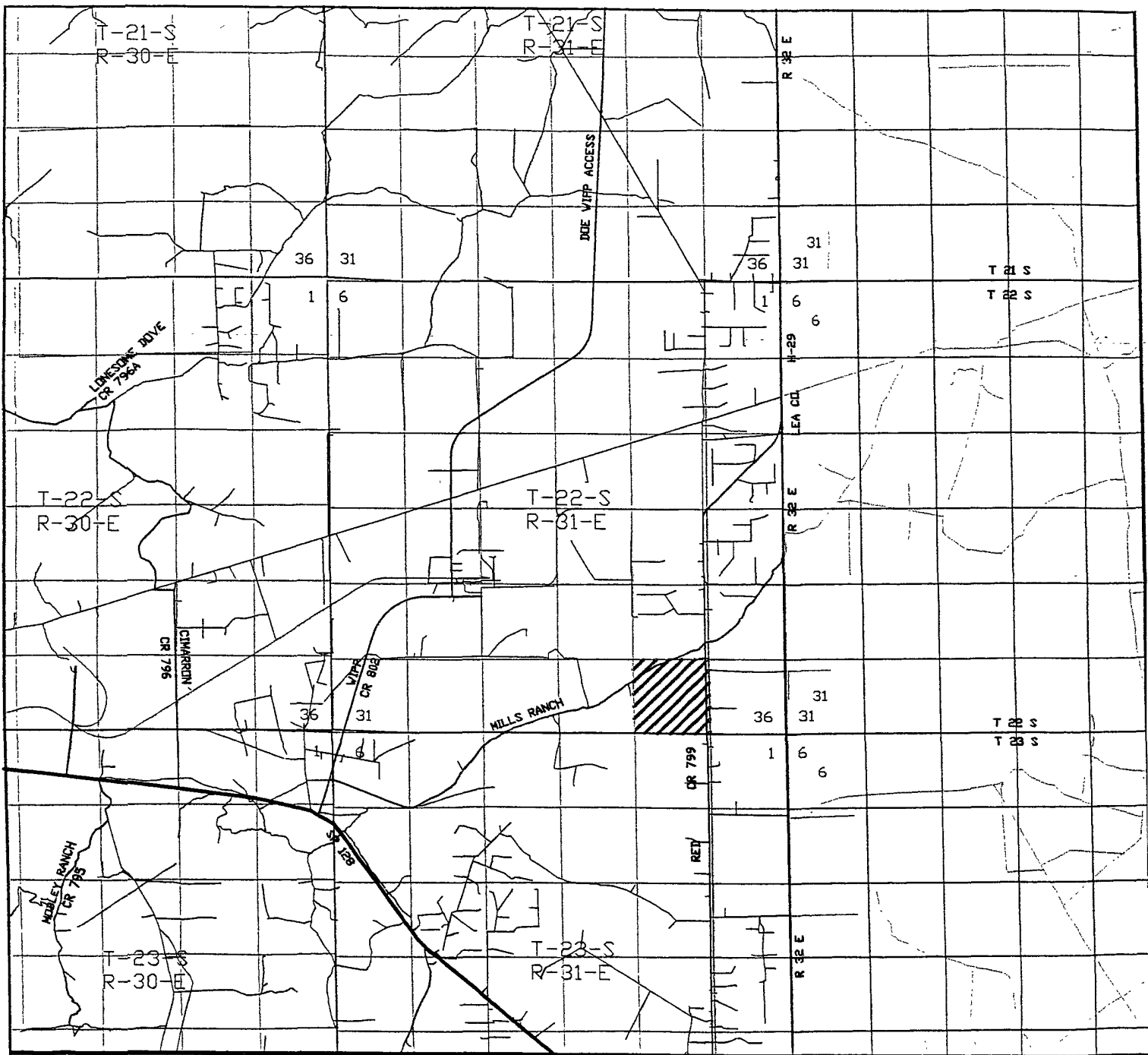
Scale: 1" = 2000'

Date: 09-05-2008

OGX

RESOURCES,

L.L.C.



TANKLESS "35" FEDERAL #1H
 Located at 770' FNL and 730' FWL
 Section 35, Township 22 South, Range 31 East,
 N.M.P.M., Eddy County, New Mexico.

basin
surveys
 focused on excellence
 in the oilfield

P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (575) 393-7316 - Office
 (575) 392-2206 - Fax
 basinsurveys.com

W.O. Number: JMS 20333

Survey Date: 09-04-2008

Scale: 1" = 2 MILES

Date: 09-05-2008

OGX
 RESOURCES,
 L.L.C.

OGX Resources

Eddy County

Sec.35 T22S R31E

Tankless '35' Fed #1H

OH

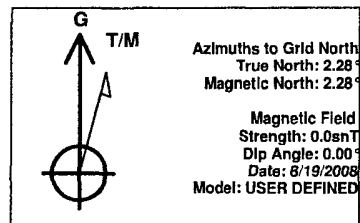
Plan: Plan #2

Patfinder X & Y Survey Report

01 December, 2008

OGX Resources

Project: Eddy County
 Site: Sec.35 T22S R31E
 Well: Tankless '35' Fed #1H
 Wellbore: OH
 Plan: Plan #2 (Tankless '35' Fed #1H/OH)

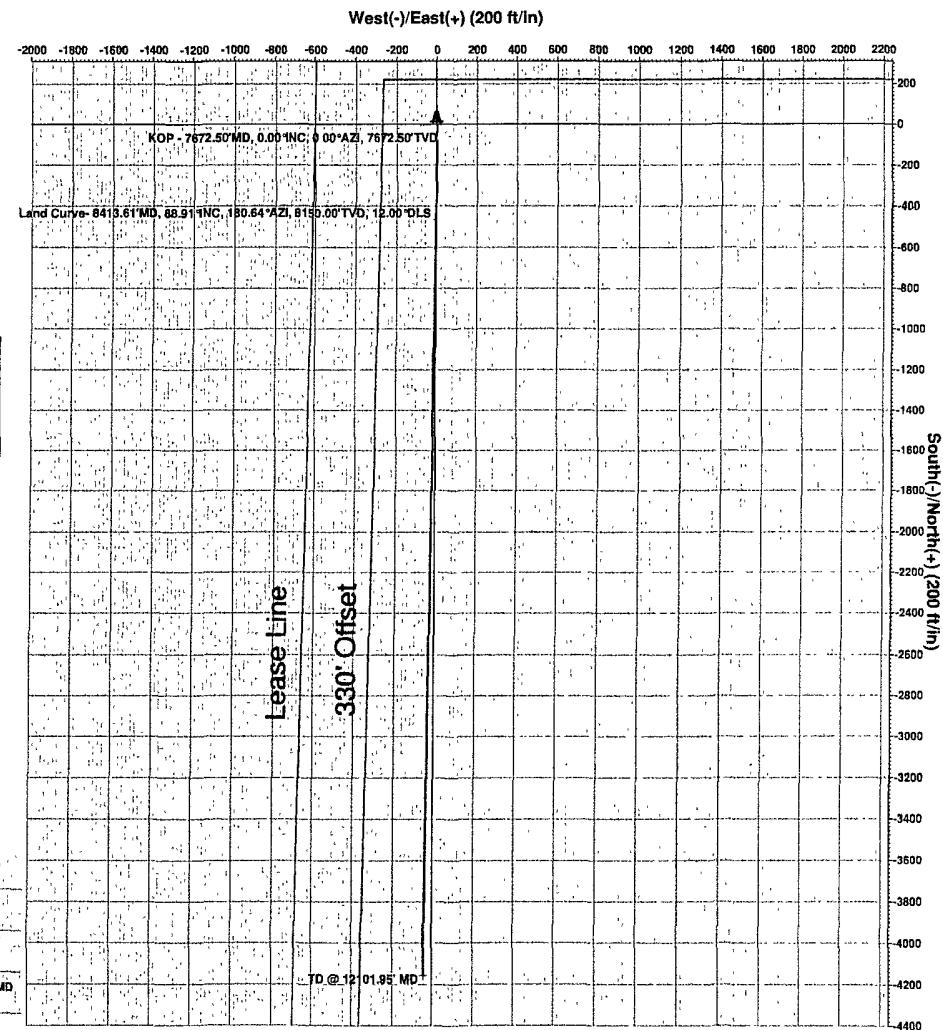
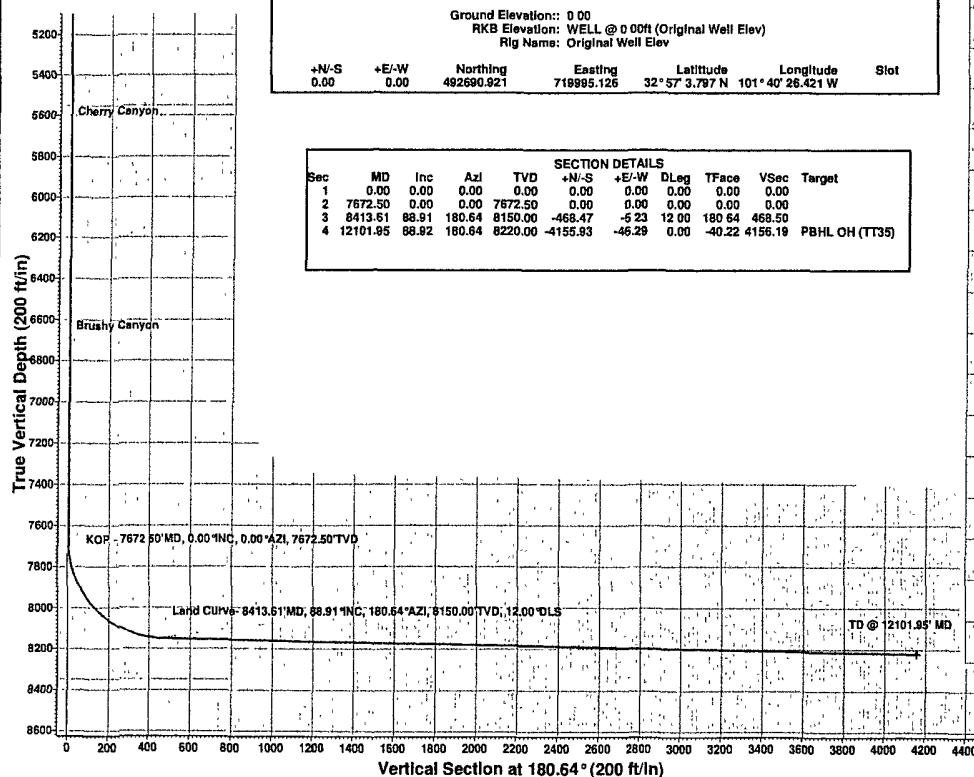


PROJECT DETAILS: Eddy County
 Geodetic System: US State Plane 1927 (Exact solution)
 Datum: NAD 1927 (NADCON CONUS)
 Ellipsoid: Clarke 1866
 Zone: Texas North Central 4202
 System Datum: Mean Sea Level
 Local North: Grid

WELLBORE TARGET DETAILS (MAP CO-ORDINATES)						
Name	TVD	+N-S	+E-W	Northing	Easting	Shape Point
PBHL OH	8220.00	-4155.93	-46.29	488534.993	719948.840	

WELL DETAILS: Tankless '35' Fed #1H							
Ground Elevation: 0.00							
RKB Elevation: WELL @ 0.00ft (Original Well Elev)							
Rig Name: Original Well Elev							
+N-S	+E-W	Northing	Easting	Latitude	Longitude	Slot	
0.00	0.00	492690.921	719995.125	32° 57' 3.797 N	101° 40' 26.421 W		

SECTION DETAILS										
Sec	MD	Inc	Azi	TVD	+N-S	+E-W	DLeg	TFace	VSec	Target
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2	7672.50	0.00	0.00	7672.50	0.00	0.00	0.00	0.00	0.00	
3	8413.61	88.91	180.64	8150.00	-468.47	-5.23	12.00	180.64	468.50	
4	12101.95	88.92	180.64	8220.00	-4155.93	-46.29	0.00	-40.22	4156.19	PBHL OH (TT35)



Plan: Plan #2 (Tankless '35' Fed #1H/OH)	
Created By: Aaron Pullin	Date: 18-53, December 01 2008
Checked: _____	Date: _____

Pathfinder Energy Services

Pathfinder X & Y Survey Report

Company: OGX Resources
Project: Eddy County
Site: Sec.35 T22S R31E
Well: Tankless '35' Fed #1H
Wellbore: OH
Design: Plan #2

Local Co-ordinate Reference: Well Tankless '35' Fed #1H
TVD Reference: WELL @ 0.00ft (Original Well Elev)
MD Reference: WELL @ 0.00ft (Original Well Elev)
North Reference: Grid
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Single User Db

Project: Eddy County, New Mexico

Map System: US State Plane 1927 (Exact solution)
Geo Datum: NAD 1927 (NADCON CONUS)
Map Zone: Texas North Central 4202

System Datum: Mean Sea Level

Site: Sec.35 T22S R31E

Site Position:	Northing:	492,690.921 ft	Latitude:	32° 57' 3.797 N
From: Map	Easting:	719,995.126 ft	Longitude:	101° 40' 26.421 W
Position Uncertainty: 0.00 ft	Slot Radius:	"	Grid Convergence:	-2.28 °

Well: Tankless '35' Fed #1H

Well Position	+N/-S	0.00 ft	Northing:	492,690.921 ft	Latitude:	32° 57' 3.797 N
	+E/-W	0.00 ft	Easting:	719,995.126 ft	Longitude:	101° 40' 26.421 W
Position Uncertainty		0.00 ft	Wellhead Elevation:	ft	Ground Level:	0.00 ft

Wellbore: OH

Magnetics	Model Name	Sample Date	Declination	Dip Angle	Field Strength
			(°)	(°)	(nT)
	User Defined	8/19/2008	0.00	0.00	0

Design: Plan #2

Audit Notes:

Version: Phase: PLAN Tie On Depth: 0.00

Vertical Section:	Depth From (TVD)	+N/-S	+E/-W	Direction
	(ft)	(ft)	(ft)	(°)
	0.00	0.00	0.00	180.64

Survey Tool Program Date 12/1/2008

From	To	Survey (Wellbore)	Tool Name	Description
(ft)	(ft)			
0.00	12,101.95	Plan #2 (OH)	MWD	MWD - Standard

Pathfinder Energy Services

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Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Single User Db

Planned Survey

MD (ft)	Inc (°)	Azi (°)	TVD (ft)	TVDSS (ft)	N/S (ft)	E/W (ft)	V. Sec (ft)	DLeg (%/100ft)	Northing (ft)	Easting (ft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
100.00	0.00	0.00	100.00	100.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
200.00	0.00	0.00	200.00	200.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
300.00	0.00	0.00	300.00	300.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
400.00	0.00	0.00	400.00	400.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
500.00	0.00	0.00	500.00	500.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
600.00	0.00	0.00	600.00	600.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
650.00	0.00	0.00	650.00	650.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
Rustler										
700.00	0.00	0.00	700.00	700.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
800.00	0.00	0.00	800.00	800.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
900.00	0.00	0.00	900.00	900.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
1,000.00	0.00	0.00	1,000.00	1,000.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
1,100.00	0.00	0.00	1,100.00	1,100.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
1,200.00	0.00	0.00	1,200.00	1,200.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
1,300.00	0.00	0.00	1,300.00	1,300.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
1,400.00	0.00	0.00	1,400.00	1,400.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
1,500.00	0.00	0.00	1,500.00	1,500.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
1,600.00	0.00	0.00	1,600.00	1,600.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
1,700.00	0.00	0.00	1,700.00	1,700.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
1,800.00	0.00	0.00	1,800.00	1,800.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
1,900.00	0.00	0.00	1,900.00	1,900.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
2,000.00	0.00	0.00	2,000.00	2,000.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
2,100.00	0.00	0.00	2,100.00	2,100.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
2,200.00	0.00	0.00	2,200.00	2,200.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
2,300.00	0.00	0.00	2,300.00	2,300.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
2,400.00	0.00	0.00	2,400.00	2,400.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13

Pathfinder Energy Services

Patfinder X & Y Survey Report

Company: OGX Resources
Project: Eddy County
Site: Sec.35 T22S R31E
Well: Tankless '35' Fed #1H
Wellbore: OH
Design: Plan #2

Local Co-ordinate Reference: Well Tankless '35' Fed #1H
TVD Reference: WELL @ 0.00ft (Original Well Elev)
MD Reference: WELL @ 0.00ft (Original Well Elev)
North Reference: Grid
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Single User Db

Planned Survey

MD (ft)	Inc (°)	Azi (°)	TVD (ft)	TVDSS (ft)	N/S (ft)	E/W (ft)	V. Sec (ft)	DLeg (°/100ft)	Northing (ft)	Easting (ft)
2,500.00	0.00	0.00	2,500.00	2,500.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
2,600.00	0.00	0.00	2,600.00	2,600.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
2,700.00	0.00	0.00	2,700.00	2,700.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
2,800.00	0.00	0.00	2,800.00	2,800.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
2,900.00	0.00	0.00	2,900.00	2,900.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
3,000.00	0.00	0.00	3,000.00	3,000.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
3,100.00	0.00	0.00	3,100.00	3,100.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
3,200.00	0.00	0.00	3,200.00	3,200.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
3,300.00	0.00	0.00	3,300.00	3,300.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
3,400.00	0.00	0.00	3,400.00	3,400.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
3,500.00	0.00	0.00	3,500.00	3,500.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
3,600.00	0.00	0.00	3,600.00	3,600.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
3,700.00	0.00	0.00	3,700.00	3,700.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
3,800.00	0.00	0.00	3,800.00	3,800.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
3,900.00	0.00	0.00	3,900.00	3,900.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
4,000.00	0.00	0.00	4,000.00	4,000.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
4,100.00	0.00	0.00	4,100.00	4,100.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
4,200.00	0.00	0.00	4,200.00	4,200.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
4,250.00	0.00	0.00	4,250.00	4,250.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
Basal Anhydrite										
4,300.00	0.00	0.00	4,300.00	4,300.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
4,400.00	0.00	0.00	4,400.00	4,400.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
Lamar										
4,450.00	0.00	0.00	4,450.00	4,450.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
Bell Canyon										
4,500.00	0.00	0.00	4,500.00	4,500.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
4,600.00	0.00	0.00	4,600.00	4,600.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13

Pathfinder Energy Services **Pathfinder X & Y Survey Report**

Company: OGX Resources
Project: Eddy County
Site: Sec.35 T22S R31E
Well: Tankless '35' Fed #1H
Wellbore: OH
Design: Plan #2

Local Co-ordinate Reference: Well Tankless '35' Fed #1H
TVD Reference: WELL @ 0.00ft (Original Well Elev)
MD Reference: WELL @ 0.00ft (Original Well Elev)
North Reference: Grid
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Single User Db

Planned Survey

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4,700.00	0.00	0.00	4,700.00	4,700.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
4,800.00	0.00	0.00	4,800.00	4,800.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
4,900.00	0.00	0.00	4,900.00	4,900.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
5,000.00	0.00	0.00	5,000.00	5,000.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
5,100.00	0.00	0.00	5,100.00	5,100.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
5,200.00	0.00	0.00	5,200.00	5,200.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
5,300.00	0.00	0.00	5,300.00	5,300.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
5,400.00	0.00	0.00	5,400.00	5,400.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
5,500.00	0.00	0.00	5,500.00	5,500.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
5,550.00	0.00	0.00	5,550.00	5,550.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
Cherry Canyon										
5,600.00	0.00	0.00	5,600.00	5,600.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
5,700.00	0.00	0.00	5,700.00	5,700.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
5,800.00	0.00	0.00	5,800.00	5,800.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
5,900.00	0.00	0.00	5,900.00	5,900.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
6,000.00	0.00	0.00	6,000.00	6,000.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
6,100.00	0.00	0.00	6,100.00	6,100.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
6,200.00	0.00	0.00	6,200.00	6,200.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
6,300.00	0.00	0.00	6,300.00	6,300.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
6,400.00	0.00	0.00	6,400.00	6,400.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
6,500.00	0.00	0.00	6,500.00	6,500.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
6,600.00	0.00	0.00	6,600.00	6,600.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
Brushy Canyon										
6,700.00	0.00	0.00	6,700.00	6,700.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
6,800.00	0.00	0.00	6,800.00	6,800.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
6,900.00	0.00	0.00	6,900.00	6,900.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
7,000.00	0.00	0.00	7,000.00	7,000.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13

Pathfinder Energy Services

Patfinder X & Y Survey Report

Company: OGX Resources
Project: Eddy County
Site: Sec.35 T22S R31E
Well: Tankless '35' Fed #1H
Wellbore: OH
Design: Plan #2

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North Reference: Grid
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Single User Db

Planned Survey

MD (ft)	Inc (°)	Azi (°)	TVD (ft)	TVDSS (ft)	N/S (ft)	E/W (ft)	V. Sec (ft)	DLeg (°/100ft)	Northing (ft)	Easting (ft)
7,100.00	0.00	0.00	7,100.00	7,100.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
7,200.00	0.00	0.00	7,200.00	7,200.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
7,300.00	0.00	0.00	7,300.00	7,300.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
7,400.00	0.00	0.00	7,400.00	7,400.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
7,500.00	0.00	0.00	7,500.00	7,500.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
7,600.00	0.00	0.00	7,600.00	7,600.00	0.00	0.00	0.00	0.00	492,690.92	719,995.13
7,672.50	0.00	0.00	7,672.50	7,672.50	0.00	0.00	0.00	0.00	492,690.92	719,995.13
KOP - 7672.50'MD, 0.00°INC, 0.00°AZI, 7672.50'TVD										
7,675.00	0.30	180.64	7,675.00	7,675.00	-0.01	0.00	0.01	12.00	492,690.91	719,995.13
7,700.00	3.30	180.64	7,699.98	7,699.98	-0.79	-0.01	0.79	12.00	492,690.13	719,995.12
7,725.00	6.30	180.64	7,724.89	7,724.89	-2.88	-0.03	2.88	12.00	492,688.04	719,995.09
7,750.00	9.30	180.64	7,749.66	7,749.66	-6.27	-0.07	6.27	12.00	492,684.65	719,995.06
7,775.00	12.30	180.64	7,774.21	7,774.21	-10.96	-0.12	10.96	12.00	492,679.96	719,995.00
7,800.00	15.30	180.64	7,798.49	7,798.49	-16.92	-0.19	16.92	12.00	492,674.00	719,994.94
7,825.00	18.30	180.64	7,822.42	7,822.42	-24.14	-0.27	24.14	12.00	492,666.78	719,994.86
7,850.00	21.29	180.64	7,845.94	7,845.94	-32.60	-0.36	32.61	12.00	492,658.32	719,994.76
7,875.00	24.29	180.64	7,868.99	7,868.99	-42.29	-0.47	42.29	12.00	492,648.63	719,994.65
7,900.00	27.29	180.64	7,891.49	7,891.49	-53.17	-0.59	53.17	12.00	492,637.76	719,994.53
7,925.00	30.29	180.64	7,913.40	7,913.40	-65.20	-0.73	65.21	12.00	492,625.72	719,994.40
7,950.00	33.29	180.64	7,934.65	7,934.65	-78.37	-0.88	78.38	12.00	492,612.55	719,994.25
7,975.00	36.29	180.64	7,955.18	7,955.18	-92.63	-1.03	92.64	12.00	492,598.29	719,994.09
8,000.00	39.29	180.64	7,974.93	7,974.93	-107.95	-1.21	107.96	12.00	492,582.97	719,993.92
8,025.00	42.29	180.64	7,993.86	7,993.86	-124.28	-1.39	124.29	12.00	492,566.64	719,993.74
8,050.00	45.29	180.64	8,011.90	8,011.90	-141.58	-1.58	141.59	12.00	492,549.34	719,993.54
8,075.00	48.29	180.64	8,029.02	8,029.02	-159.79	-1.79	159.80	12.00	492,531.13	719,993.34
8,100.00	51.29	180.64	8,045.15	8,045.15	-178.88	-2.00	178.89	12.00	492,512.04	719,993.13
8,125.00	54.29	180.64	8,060.27	8,060.27	-198.79	-2.22	198.80	12.00	492,492.13	719,992.91

Pathfinder Energy Services

Pathfinder X & Y Survey Report

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Database: EDM 2003.16 Single User Db

Planned Survey

MD (ft)	Inc (°)	Azi (°)	TVD (ft)	TVDSS (ft)	N/S (ft)	E/W (ft)	V. Sec (ft)	DLeg (°/100ft)	Northings (ft)	Easting (ft)
8,150.00	57.29	180.64	8,074.33	8,074.33	-219.46	-2.45	219.47	12.00	492,471.46	719,992.67
8,175.00	60.28	180.64	8,087.28	8,087.28	-240.84	-2.69	240.85	12.00	492,450.09	719,992.44
8,200.00	63.28	180.64	8,099.10	8,099.10	-262.86	-2.94	262.88	12.00	492,428.06	719,992.19
8,225.00	66.28	180.64	8,109.75	8,109.75	-285.47	-3.19	285.49	12.00	492,405.45	719,991.94
8,250.00	69.28	180.64	8,119.20	8,119.20	-308.61	-3.45	308.63	12.00	492,382.31	719,991.68
8,275.00	72.28	180.64	8,127.43	8,127.43	-332.22	-3.71	332.24	12.00	492,358.70	719,991.41
8,300.00	75.28	180.64	8,134.41	8,134.41	-356.22	-3.98	356.24	12.00	492,334.70	719,991.15
8,325.00	78.28	180.64	8,140.13	8,140.13	-380.55	-4.25	380.58	12.00	492,310.37	719,990.88
8,350.00	81.28	180.64	8,144.57	8,144.57	-405.15	-4.53	405.18	12.00	492,285.77	719,990.60
8,375.00	84.28	180.64	8,147.71	8,147.71	-429.95	-4.80	429.97	12.00	492,260.97	719,990.32
8,400.00	87.28	180.64	8,149.55	8,149.55	-454.88	-5.08	454.90	12.00	492,236.05	719,990.04
8,413.61	88.91	180.64	8,150.00	8,150.00	-468.47	-5.23	468.50	12.00	492,222.45	719,989.89
Land Curve- 8413.61°MD, 88.91°INC, 180.64°AZI, 8150.00°TVD, 12.00°DLS										
8,500.00	88.91	180.64	8,151.64	8,151.64	-554.85	-6.20	554.88	0.00	492,136.08	719,988.93
8,600.00	88.91	180.64	8,153.55	8,153.55	-654.82	-7.31	654.86	0.00	492,036.10	719,987.81
8,700.00	88.91	180.64	8,155.45	8,155.45	-754.80	-8.43	754.84	0.00	491,936.12	719,986.70
8,800.00	88.91	180.64	8,157.35	8,157.35	-854.77	-9.55	854.83	0.00	491,836.15	719,985.58
8,900.00	88.91	180.64	8,159.25	8,159.25	-954.75	-10.66	954.81	0.00	491,736.17	719,984.46
9,000.00	88.91	180.64	8,161.15	8,161.15	-1,054.72	-11.78	1,054.79	0.00	491,636.20	719,983.35
9,100.00	88.91	180.64	8,163.05	8,163.05	-1,154.70	-12.89	1,154.77	0.00	491,536.22	719,982.23
9,200.00	88.91	180.64	8,164.95	8,164.95	-1,254.68	-14.01	1,254.75	0.00	491,436.25	719,981.12
9,300.00	88.91	180.64	8,166.85	8,166.85	-1,354.65	-15.12	1,354.74	0.00	491,336.27	719,980.00
9,400.00	88.91	180.64	8,168.75	8,168.75	-1,454.63	-16.24	1,454.72	0.00	491,236.29	719,978.89
9,500.00	88.91	180.64	8,170.65	8,170.65	-1,554.60	-17.35	1,554.70	0.00	491,136.32	719,977.77
9,600.00	88.91	180.64	8,172.55	8,172.55	-1,654.58	-18.47	1,654.68	0.00	491,036.34	719,976.66
9,700.00	88.91	180.64	8,174.45	8,174.45	-1,754.55	-19.58	1,754.66	0.00	490,936.37	719,975.54
9,800.00	88.91	180.64	8,176.35	8,176.35	-1,854.53	-20.70	1,854.65	0.00	490,836.39	719,974.43

Pathfinder Energy Services

Patfinder X & Y Survey Report

Company: OGX Resources
Project: Eddy County
Site: Sec.35 T22S R31E
Well: Tankless '35' Fed #1H
Wellbore: OH
Design: Plan #2

Local Co-ordinate Reference: Well Tankless '35' Fed #1H
TVD Reference: WELL @ 0.00ft (Original Well Elev)
MD Reference: WELL @ 0.00ft (Original Well Elev)
North Reference: Grid
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Single User Db

Planned Survey

MD (ft)	Inc (°)	Azi (°)	TVD (ft)	TVDSS (ft)	N/S (ft)	E/W (ft)	V. Sec (ft)	DLeg (%/100ft)	Northing (ft)	Easting (ft)
9,900.00	88.91	180.64	8,178.25	8,178.25	-1,954.51	-21.81	1,954.63	0.00	490,736.42	719,973.32
10,000.00	88.91	180.64	8,180.15	8,180.15	-2,054.48	-22.92	2,054.61	0.00	490,636.44	719,972.20
10,100.00	88.91	180.64	8,182.05	8,182.05	-2,154.46	-24.04	2,154.59	0.00	490,536.46	719,971.09
10,200.00	88.91	180.64	8,183.94	8,183.94	-2,254.43	-25.15	2,254.57	0.00	490,436.49	719,969.98
10,300.00	88.91	180.64	8,185.84	8,185.84	-2,354.41	-26.26	2,354.56	0.00	490,336.51	719,968.86
10,400.00	88.91	180.64	8,187.74	8,187.74	-2,454.38	-27.38	2,454.54	0.00	490,236.54	719,967.75
10,500.00	88.91	180.64	8,189.64	8,189.64	-2,554.36	-28.49	2,554.52	0.00	490,136.56	719,966.64
10,600.00	88.91	180.64	8,191.53	8,191.53	-2,654.34	-29.60	2,654.50	0.00	490,036.58	719,965.52
10,700.00	88.91	180.64	8,193.43	8,193.43	-2,754.31	-30.71	2,754.48	0.00	489,936.61	719,964.41
10,800.00	88.91	180.64	8,195.33	8,195.33	-2,854.29	-31.83	2,854.47	0.00	489,836.63	719,963.30
10,900.00	88.91	180.64	8,197.22	8,197.22	-2,954.26	-32.94	2,954.45	0.00	489,736.66	719,962.19
11,000.00	88.91	180.64	8,199.12	8,199.12	-3,054.24	-34.05	3,054.43	0.00	489,636.68	719,961.08
11,100.00	88.91	180.64	8,201.02	8,201.02	-3,154.22	-35.16	3,154.41	0.00	489,536.71	719,959.96
11,200.00	88.91	180.64	8,202.91	8,202.91	-3,254.19	-36.27	3,254.39	0.00	489,436.73	719,958.85
11,300.00	88.91	180.64	8,204.81	8,204.81	-3,354.17	-37.38	3,354.38	0.00	489,336.75	719,957.74
11,400.00	88.91	180.64	8,206.70	8,206.70	-3,454.14	-38.49	3,454.36	0.00	489,236.78	719,956.63
11,500.00	88.91	180.64	8,208.60	8,208.60	-3,554.12	-39.60	3,554.34	0.00	489,136.80	719,955.52
11,600.00	88.91	180.64	8,210.49	8,210.49	-3,654.09	-40.72	3,654.32	0.00	489,036.83	719,954.41
11,700.00	88.91	180.64	8,212.39	8,212.39	-3,754.07	-41.83	3,754.30	0.00	488,936.85	719,953.30
11,800.00	88.91	180.64	8,214.28	8,214.28	-3,854.05	-42.94	3,854.29	0.00	488,836.87	719,952.19
11,900.00	88.91	180.64	8,216.18	8,216.18	-3,954.02	-44.05	3,954.27	0.00	488,736.90	719,951.08
12,000.00	88.91	180.64	8,218.07	8,218.07	-4,054.00	-45.15	4,054.25	0.00	488,636.92	719,949.97
12,101.95	88.92	180.64	8,220.00	8,220.00	-4,155.93	-46.29	4,156.19	0.00	488,534.99	719,948.84

TD @ 12101.95' MD - PBHL OH (TT35)

Pathfinder Energy Services Pathfinder X & Y Survey Report

Company: OGX Resources
 Project: Eddy County
 Site: Sec.35 T22S R31E
 Well: Tankless '35' Fed #1H
 Wellbore: OH
 Design: Plan #2

Local Co-ordinate Reference: Well Tankless '35' Fed #1H
 TVD Reference: WELL @ 0.00ft (Original Well Elev)
 MD Reference: WELL @ 0.00ft (Original Well Elev)
 North Reference: Grid
 Survey Calculation Method: Minimum Curvature
 Database: EDM 2003.16 Single User Db

Targets

Target Name	Dip Angle	Dip Dir.	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
- hit/miss target	(°)	(°)	(ft)	(ft)	(ft)	(ft)	(ft)		
- Shape									
PBHL OH (TT35)	0.00	2.59	8,220.00	-4,155.93	-46.29	488,534.993	719,948.840	32° 56' 22.686 N	101° 40' 25.027 W
- plan hits target									
- Point									

Formations

Measured Depth	Vertical Depth	Name	Lithology	Dip	Dip Direction
(ft)	(ft)			(°)	(°)
4,250.00	4,250.00	Basal Anhydrite		0.00	
6,600.00	6,600.00	Brushy Canyon		0.00	
4,400.00	4,400.00	Lamar		0.00	
5,550.00	5,550.00	Cherry Canyon		0.00	
650.00	650.00	Rustler		0.00	
4,450.00	4,450.00	Bell Canyon		0.00	
	8,350.00	Bone Spring		0.00	

Plan Annotations

Measured Depth	Vertical Depth	Local Coordinates		Comment
(ft)	(ft)	+N/-S	+E/-W	
		(ft)	(ft)	
7,672.50	7,672.50	0.00	0.00	KOP - 7672.50'MD, 0.00°INC, 0.00°AZI, 7672.50'TVD
8,413.61	8,150.00	-468.47	-5.23	Land Curve- 8413.61'MD, 88.91°INC, 180.64°AZI, 8150.00'TVD, 12.00
12,101.95	8,220.00	-4,155.93	-46.29	TD @ 12101.95' MD

Checked By: _____ Approved By: _____ Date: _____

PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME:	OGX Resources, LLC
LEASE NO.:	NM-101601
WELL NAME & NO.:	Tankless 35 Federal 1H
SURFACE HOLE FOOTAGE:	0770' FNL & 0730' FWL
BOTTOM HOLE FOOTAGE:	0350' FSL & 0660' FWL
LOCATION:	Section 35, T. 22 S., R 31 E., NMPM
COUNTY:	Eddy County, New Mexico

NOTE: With change in plans with the well being drilled alongside the WIPP boundary – a directional survey is to be performed every 200' with the data being tabulated and submitted to the BLM Attn.: Wesley W. Ingram (fax 575-234-5927) and to Ms. Miriam Whatley @ WIPP by email at Miriam.whatley@wipp.ws or fax to her attention at 575-234-6003.

I. DRILLING

A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified a minimum of 4 hours in advance for a representative to witness:

- a. Spudding well
- b. Setting and/or Cementing of all casing strings
- c. BOPE tests

☒ **Eddy County**

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220,
(575) 361-2822

1. **Although Hydrogen Sulfide has not been reported in this section, it is always a potential hazard. If Hydrogen Sulfide is encountered, please report measured amounts and formations to the BLM.**
2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.

3. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.

B. CASING

Changes to the approved APD casing and cement program require submitting a sundry and receiving approval prior to work. Failure to obtain approval prior to work will result in an Incident of Non-Compliance being issued.

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

Wait on cement (WOC) time for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater for all casing strings. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. See individual casing strings for details regarding lead cement slurry requirements.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

Possible brine flows in the Salado Group and Castile formation.

Possible lost circulation and water flows in the Delaware and Bone Spring formations.

1. The 13-3/8 inch surface casing shall be set **at approximately 700 feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt)** and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with a surface log readout will be used or a cement bond log shall be run to verify the top of the cement.
 - b. **Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.**
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.

- d. If cement falls back, remedial cementing will be done prior to drilling out that string.

Brine water mud to be used below surface casing.

2. The minimum required fill of cement behind the **9-5/8** inch intermediate casing is:

- ☒ Cement to surface. If cement does not circulate see B.1.a, c-d above. **Casing to be set in the Lamar Limestone at approximately 4350'. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to Secretary's Potash. Additional cement will be required to bring cement to surface.**

Pilot hole to have 185' plug at bottom of hole. If a solid plug is not set to kick off point, the plug at the bottom is to be tagged and must be witnessed by BLM.

Centralizers required on horizontal leg, must be type for horizontal service and minimum of one every other joint.

3. The minimum required fill of cement behind the **5-1/2** inch production casing is:

- ☒ Cement should tie-back at least **500 feet** into previous casing string **due to being in Secretary's Potash. Additional cement will be required to achieve the 500' tie-back.** Operator shall provide method of verification.

4. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

C. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **3000 (3M) psi**.
3. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. The tests shall be done by an independent service company.
 - b. The results of the test shall be reported to the appropriate BLM office.

- c. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- d. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug.

D. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

E. WIPP Requirements

The proposed well is located outside of the 330' of the WIPP Land Withdrawal Area boundary. However with the change in plans, OGX Resources, LLC. is required to submit daily logs and deviation survey information to the Department of Energy per requirements of the Joint Powers Agreement. Information from this well will be included in the Quarterly Drilling Report. Information will also be provided to the New Mexico Oil Conservation Division after drilling activities have been completed. Any future entry into the well for purposes of completing additional drilling will require supplemental information.

OGX Resources, LLC. can email the required information to Ms. Miriam Whatley at Miriam.whatley@wipp.ws or fax to her attention at 575-234-6003.

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