

30.015.36932

SCIENTIFIC DRILLING CONTROLS

KEEPR GYRO SURVEY
Directional Survey Report
for

OGX RESOURCES

Well Number	:	COOPER "29" FED NO.1H
Well Location	:	EDDY COUNTY, NEW MEXICO
Job Number	:	52K0309087
Location Latitude	:	32.099
Survey Date	:	7-MAR-2009
S.D.C. Personnel	:	VICTOR MELENDEZ JR
Length Units	:	Feet
North Reference	:	GRID North
Grid Correction	:	-0.17 Degrees
Survey Depth Zero	:	RK6
Proposal Direction	:	93.53
Calculation Method	:	Minimum Curvature

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 1

Well No.: CUCPER "29" FEO NO.1H

Date : 7-MAR-2009

Job No. : 32K0309087

GRID

Proposal : 93.53

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	359.83	0.00	0.00	0.00
100.00	100.00	0.11	0.16	55.50	0.08	0.12	0.16
200.00	200.00	0.31	0.10	82.95	0.17	0.32	0.08
300.00	300.00	0.49	0.19	148.73	0.04	0.49	0.17
400.00	400.00	0.69	0.29	156.82	-0.34	0.68	0.11
500.00	500.00	1.00	0.64	163.53	-1.10	0.93	0.35
600.00	599.99	1.40	0.75	165.30	-2.27	1.26	0.11
700.00	699.98	1.71	0.51	169.10	-3.34	1.51	0.24
800.00	799.97	1.88	1.29	180.64	-4.91	1.58	0.80
900.00	899.94	2.01	1.35	179.93	-7.21	1.57	0.06
1000.00	999.91	1.95	1.39	189.81	-9.58	1.36	0.24
1100.00	1099.88	1.56	1.58	194.19	-12.11	0.82	0.22
1200.00	1199.85	1.07	1.38	194.88	-14.62	0.17	0.20
1300.00	1299.82	0.14	1.25	223.21	-16.57	-0.89	0.66
1400.00	1399.80	-1.18	0.99	229.09	-17.93	-2.29	0.28
1500.00	1499.78	-2.71	1.25	240.96	-19.03	-3.89	0.35
1600.00	1599.76	-4.43	1.13	237.67	-20.09	-5.68	0.14
1700.00	1699.73	-6.47	1.58	248.06	-21.13	-7.79	0.51
1800.00	1799.69	-9.11	1.61	265.49	-21.75	-10.47	0.48
1900.00	1899.65	-11.81	1.53	263.21	-22.02	-13.20	0.10
2000.00	1999.60	-15.21	2.41	266.26	-22.32	-16.62	0.89
2100.00	2099.52	-19.07	2.08	285.75	-21.96	-20.46	0.83
2200.00	2199.49	-21.38	0.64	290.77	-21.27	-22.73	1.44
2300.00	2299.48	-22.10	0.40	331.37	-20.77	-23.42	0.43
2400.00	2399.48	-21.86	0.57	63.25	-20.24	-23.14	0.71
2500.00	2499.47	-20.44	1.13	95.86	-20.11	-21.72	0.72
2600.00	2599.45	-18.46	1.15	99.23	-20.38	-19.75	0.07
2700.00	2699.43	-16.63	0.97	104.84	-20.75	-17.94	0.21
2800.00	2799.42	-15.28	0.61	104.10	-21.10	-16.61	0.36
2900.00	2899.42	-14.24	0.59	87.39	-21.21	-15.57	0.18
3000.00	2999.41	-13.28	0.53	107.30	-21.32	-14.62	0.20
3100.00	3099.41	-12.45	0.45	105.21	-21.56	-13.80	0.08
3200.00	3199.41	-11.45	0.70	99.26	-21.76	-12.82	0.26
3300.00	3299.40	-10.37	0.66	127.78	-22.21	-11.76	0.34
3400.00	3399.39	-9.76	0.37	158.83	-22.87	-11.19	0.39
3500.00	3499.39	-9.26	0.47	121.57	-23.38	-10.72	0.29
3600.00	3599.39	-8.76	0.32	153.41	-23.85	-10.25	0.26
3700.00	3699.39	-8.54	0.11	133.17	-24.16	-10.03	0.22
3800.00	3799.39	-8.35	0.34	158.88	-24.50	-9.87	0.25
3900.00	3899.39	-8.25	0.18	194.12	-24.93	-9.81	0.22

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
UGX RESOURCES

Page 2

Well No.: COOPER "29" FED NO.14

Date : 7-MAR-2009

Job No. : 32K0309087

GRID

Proposal : 93.53

Depth (Feet)	T.V.D. (Feet)	V.S. (Feet)	Inc Deg.	Azimuth Deg.	Latitude (Feet)	Departure (Feet)	D-leg /100
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4000.00	3999.39	-8.23	0.06	100.87	-25.10	-9.79	0.19
4100.00	4099.39	-8.17	0.09	181.31	-25.18	-9.74	0.10
4200.00	4199.38	-8.32	0.40	209.21	-25.57	-9.91	0.32
4300.00	4299.38	-8.81	0.58	225.53	-26.23	-10.45	0.23
4400.00	4399.38	-9.53	0.52	240.86	-26.80	-11.20	0.16
4500.00	4499.37	-10.10	0.48	210.48	-27.38	-11.81	0.26
4600.00	4599.37	-10.52	0.69	205.67	-28.29	-12.29	0.22
4700.00	4699.36	-11.17	0.71	226.40	-29.26	-13.00	0.25
4800.00	4799.35	-11.67	0.45	194.90	-30.07	-13.54	0.40
4900.00	4899.35	-12.12	0.70	220.90	-30.91	-14.05	0.36
5000.00	4999.34	-13.09	0.89	234.60	-31.82	-15.08	0.27
5100.00	5099.33	-14.06	0.52	237.44	-32.51	-16.09	0.37
5200.00	5199.32	-14.87	0.79	223.71	-33.25	-16.95	0.31
5300.00	5299.31	-15.99	1.00	233.89	-34.27	-18.14	0.26
5400.00	5399.30	-17.29	0.88	238.68	-35.18	-19.50	0.14
5500.00	5499.29	-18.24	0.54	225.73	-35.91	-20.49	0.37
5600.00	5599.28	-18.92	0.77	216.54	-36.78	-21.23	0.25
5700.00	5699.27	-19.69	0.83	217.08	-37.90	-22.06	0.06
5800.00	5799.26	-20.55	0.86	221.73	-39.03	-23.00	0.07
5900.00	5899.25	-21.44	0.79	221.60	-40.11	-23.96	0.07
6000.00	5999.24	-22.90	1.24	256.33	-40.88	-25.47	0.74
6100.00	6099.22	-24.53	1.24	216.65	-42.00	-27.16	0.84
6200.00	6199.19	-25.34	1.08	197.54	-43.77	-28.09	0.42
6300.00	6299.18	-25.70	0.99	192.32	-45.51	-28.55	0.13
6400.00	6399.17	-25.98	0.71	197.29	-46.95	-28.93	0.29
6500.00	6499.15	-26.28	0.99	193.67	-48.38	-29.32	0.28
6600.00	6599.14	-26.10	1.23	165.22	-50.26	-29.25	0.59
6700.00	6699.10	-24.50	2.07	139.43	-52.67	-27.80	1.10
6800.00	6799.03	-22.12	2.16	146.65	-55.61	-25.59	0.28
6882.00	6880.95	-20.33	2.95	159.40	-58.88	-24.00	1.18

The Horizontal Displacement (in Feet) at
Measured Depth 6882.00 is 63.58 in a Direction of 202.18 Degrees

PathFinder Energy Services, Inc.

Magnetic & Grid Calculations

OGX Resources
Cooper 29 Fed #1H
Eddy County, NM
Rig:JW 1

Tue Mar 03 10:52:12 2009

Coordinates

Latitude: 32.099645 N (32 deg. 5 min. 58.7237 sec.)
Longitude: 104.012757 W (-104 deg. 0 min. 45.9259 sec.)
Elevation: 2949.00 feet.
Calculation Date: Mar/03/2009

Magnetic Calculations

Model: IGRF2005
Dip Angle: 60.0634 degrees
Total Magnetic Field: 0.48773 gauss
Magnetic Declination: 8.039278 degrees
Horizontal Intensity: 0.243396 gauss
To Convert a Magnetic Dir. to a TRUE North Dir. Add 8.039278 Degs

Transverse Mercator Grid Calculations NAD27

Grid System: Transverse Mercator: new mexico east
Ellipsoid: Clarke 1866
X: 599269.5000 feet
Y: 400121.9000 feet
True to Grid: (convergence) -0.170353 degrees
Magnetic to Grid: 7.868924 degrees
To Convert a Magnetic Dir. to a GRID dir. Add 7.868924 Degs.

PathFinder Energy Services, Inc.

Magnetic & Grid Calculations

OGX RESOURCES, LLC.
COOPER "29" FED #1H
ROCK SPUR-BONE SPRING

Mon Mar 09 21:38:34 2009

Coordinates

Latitude: 32.099645 N (32 deg. 5 min. 58.7237 sec.)
Longitude: 104.012757 W (-104 deg. 0 min. 45.9259 sec.)
Elevation: 2949.00 feet.
Calculation Date: Mar/09/2009

Magnetic Calculations

Model: IGRF2005
Dip Angle: 60.0631 degrees
Total Magnetic Field: 0.48749 gauss
Magnetic Declination: 8.035865 degrees
Horizontal Intensity: 0.243279 gauss
To Convert a Magnetic Dir. to a TRUE North Dir. Add 8.035865 Degr

Transverse Mercator Grid Calculations NAD27

Grid System: Transverse Mercator: new mexico east
Ellipsoid: Clarke 1866
X: 599269.5000 feet
Y: 400121.9000 feet
True to Grid: (convergence) -0.170353 degrees
Magnetic to Grid: 7.865512 degrees
To Convert a Magnetic Dir. to a GRID dir. Add 7.865512 Degr.

\$

OCD-ARTESIA

FEB 13 2009

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No. *NM 119755 3H2*
NM-100555 *0HL*

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No. *✓*
COOPER "29" FEDERAL # 1H

9. API Well No.
30-015-36932

10. Field and Pool, or Exploratory
ROCK SPUR-BONE SPRING

11. Sec., T. R. M. or Blk. and Survey or Area
SECTION 29 T25S-R29E

12. County or Parish
EDDY CO.

13. State
NM

1a. Type of work: ☒ DRILL

☐ REENTER

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 *2330'* FSL & *560'* FWL SECTION 29 T25S-R29E EDDY CO.
At proposed prod. zone *BWY* 1980' FSL & 350' FEL SEC. 29 T25S-R29E

14. Distance in miles and direction from nearest town or post office*
Approximately 11 miles Southeast of Malaga New Mexico

15. Distance from proposed*
location to nearest
property or lease line, ft. 330'
(Also to nearest drig. unit line, if any)

16. No. of acres in lease
160

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
MR-~~11907~~ 12122
TVD-7922 8080

20. BLM/BIA Bond No. on file
NMB_000244

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
2937' GL

22. Approximate date work will start*
WHEN APPROVED

23. Estimated duration
38 Days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall 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 shall 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 authorized officer.

25. Signature *Joe T. Janica*
Title Permit Eng.

Name (Printed/Typed)
Joe T. Janica

Date
12/24/08

Approved by (Signature) */s/ Don Peterson*

Name (Printed/Typed) */s/ Don Peterson*

Date
FEB 11 2009

Title
FIELD MANAGER

Office
CARLSBAD FIELD OFFICE

Application approval 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.
Conditions of approval, if any, are attached.

APPROVAL FOR TWO YEARS

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)

Carlsbad Controlled Water Basin

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

Approval Subject to General Requirements
& Special Stipulations Attached

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

294

UM B No. 1004-013/
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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NM-100555
2. Name of Operator OGX RESOURCES, LLC. (JEFF BIRKELBACH)		6. If Indian, Allottee or Tribe Name -----
3a. Address P. O. BOX 2064 MIDLAND, TEXAS 79702	3b. Phone No. (include area code) 432-685-1287	7. If Unit or CA/Agreement, Name and/or No. -----
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2230' FSL & 560' FWL SECTION 29 T25S-R29E EDDY CO. NM		8. Well Name and No. COOPER "29" FEDERAL # 1H
		9. API Well No. 30-015-36932
		10. Field and Pool, or Exploratory Area ROCK SPUR-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			
<input checked="" 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 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 type="checkbox"/> Other
	<input checked="" 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 recomplete 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.)

- OGX RESOURCES, LLC requests the approval to move the location of their COOPER "29" FEDERAL # 1H FROM 1980' FSL & 660' FWL SECTION 29 T25S-R29E EDDY CO. NM TO 2230' FSL & 560' FWL SECTION 29 T25S-R29E EDDY CO. NM
- The reason for this move is to comply with the request by The Bureau of Land Management.
- This well will be drilled with a closed mud system.

*Engr. Reviewed
Directional Plan
Incorrect -
Replaced
Rec'd: in ADD
WWT
2/9/09*

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Joe T. Janica		Title Permit Eng.
Signature <i>Joe T. Janica</i>		Date 01/08/09

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by /s/ Don Peterson	Title FIELD MANAGER	Date FEB 11 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)

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

DISTRICT II
1000 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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-36932	Pool Code 52775	Pool Name / ROCK SPUR-BONE SPRING
Property Code 37590	Property Name COOPER "29" FEDERAL	Well Number 1H
OGRID No. 217955	Operator Name OGX RESOURCES	Elevation 2932'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	29	25-S	29-E		2230	SOUTH	560	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
1	29	25-S	29-E		1980	SOUTH	350	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160			

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

<p>GEODETIC COORDINATES NAD 27 NME SURFACE LOCATION Y=400121.9 N X=599269.5 E</p> <p>LAT.=32.099645°N LONG.=104.012757°W</p> <p>BOTTOM HOLE LOCATION Y=399851.1 N X=603664.6 E</p>		<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information 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 or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Joe T. Janica</i> Signature Date Joe T. Janica 01/08/09 Printed Name</p>	
<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p><i>Ronald J. Edson</i> Signature & Seal of Professional Surveyor RONALD J. EDSON Date Surveyed JANUARY 05, 2009</p>		<p>Certificate No. GARY EIDSON 12641 RONALD J. EDSON 3239</p>	

EXHIBIT "A"