

OCD-ARTESIA

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM 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 100541

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 Other

8. Well Name and No.
Purdy 8 Federal Well #1

2. Name of Operator
OGX Resources LLC

9. API Well No.
30-015-36273

3a. Address
P. O. Box 2064
Midland, Texas

3b. Phone No. (include area code)
432-685-1287

10. Field and Pool or Exploratory Area
Carlsbad South Morrow

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1140' FNL & 1240' FEL, Sec. 8, T23S, R26E

11. Country or Parish, State
Eddy County, New Mexico

12. CHECK THE 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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<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 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 must 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 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.)

Request to recomplete from Lower Morrow (12,308' to 12,314') to Penn Intervals. Set 4 1/2" CIBP & 15' cmt at +/- 12,270'.

Perf and evaluate intervals until commercial production is achieved as follows:

- 12,168' - 12,180'
- 12,148' - 12,155'
- 12,100' - 12,130'
- 12,010' - 12,030'
- 11,750' - 11,930'
- 11,070' - 11,080'

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

Work will commence ASAP subsequent to sundry approval. Duration of work will be 10 days.

**SUBJECT TO LIKE
APPROVAL BY STATE**

RECEIVED
JAN 12 2011
NMOCD ARTESIA

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

Shelley Bush

Title Regulatory Analyst

Signature

Shelley Bush

Date 12/17/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

JAN 10 2011

Date

Office

/s/ Dustin Winkler

BUREAU OF LAND MANAGEMENT

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.

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 falsify, or to cause to be falsified, any report, statement, or other document of the United States in any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

MZ *COK*

OGX Resources LLC
NM-100541: Purdy 8 Federal Well #1
API: 30-015-36273
Eddy County, New Mexico

RE: Downhole Commingle – Conditions of Approval

There is to be no surface disturbance beyond the originally approved pad. A closed loop system is to be used. H2S monitoring and protection equipment is to be on site.

10,000 (10M) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.

10M systems shall require two independent power sources, one of which may be nitrogen bottles (three minimum) maintaining a charge equal to the manufacturer's recommendations.

Submit subsequent report and completion report with well test once work is completed.

DHW 011011