District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV

State of New Mexico Energy Minerals and Natural Resources RECEIVED

Form C-101 Revised March 17, 1999

Oil Conservation Division 1220 South St. Francis Dr.

Submit to appropriate District Office FEB 2 4 2004

State Lease - 6 Copies Fee Lease - 5 Copies

OCD-ARTESIA Santa Fe, NM 87505 1220 S. St. Francis Dr., Santa Fe, NM 87505 AMENDED REPORT APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE Operator Name and Address OGX RESOURCES LLC P.O. BOX 2064 ³ API Number MIDLAND, TX 79702 30-015-22894 Well No. Property Code Property Name State GQ Com Surface Location UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County **25**S 1980 J 28E South 1980 East Eddy Proposed Bottom Hole Location If Different From Surface UL or lot no. Section Township Lot Idn Feet from the North/South line Feet from the East/West line County Range 10 Proposed Pool 2 ⁹Proposed Pool 1 Wildcat Morrow Well Type Code 13 Cable/Rotary Lease Type Code Ground Level Elevation Work Type Code 3069.8 G Rotary Spud Date Multiple Proposed Depth 13200 Morrow Unknown ASAP ²¹ Proposed Casing and Cement Program Hole Size Casing Size Casing weight/foot Setting Depth Sacks of Cement Estimated TOC 20" 16" 413' 84# & 65# In place 2419 In place 14-3/4" 10-3/4" 40.5# 9273 ** 9-1/2" 33.7# & 39# 7-5/8" Cut & pulled 3334' 01 7-5/81 casing in 1979 Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary. OGX Resources LLC plans to re-enter this well, originally drilled by Amoco Production Company in April 1979 and plugged and abandoned in July 1979, and drill out all plugs and clean out to original TD of 13290'. Will dress off casing stub and run 7-5/8" production casing and tie into existing casing at approximately 3340'. Propose to test the Morrow and all intermediate zones of interest. MUD PROGRAM: Brine and fresh water to adequately control hole conditions. Mud properties will be adjusted accordingly. BOR PROGRAM: Attached. Gas not declicated of Thereby/cepify that the information given above is true and complete to the best of OIL CONSERVATION DIVISION Approved by: Printed name: FRANK M. AGAR. Title: Title: Member Approval Date: Date: Phone: Conditions of Approval: 2/23/04 432/685-1287 Attached

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

State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

AMENDED DEDOUT

1220 S. St. Francis	Dr., Santa F	e, NM 87505						☐ AMEN	DED KEPOK I	
		W	ÆLL LC	CATIO	N AND ACR	EAGE DEDICA	ATION PLAT			
30-015-22894				² Pool Code		Pool Name Wildcat Morrow				
⁴ Property Code		'Property Name State GQ COM						'We	'Well Number 1	
'OGRID №. 217955		OGX Resources LLC							'Elevation	
					¹⁰ Surface I	Location				
UL or lot no. J	Section 7	Township 25S	Range 28E	Lot Idn	Feet from the 1980	North/South line South	Feet from the 1980	East/West line East	County Eddy	
			11 Bc	ottom Ho	le 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	
" Dedicated Acres	s ¹³ Joint or	r Infili "C	Consolidation (Code 15 Ori	der No.		<u> </u>			

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

16	. militingson samme		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of hydrowledge and ballier FRANK M. AGAR, JR. Printed Name Member Title and E-mail Address
		1980'	February 23, 2004 Date 18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by
	/980/	VA: 2139	me or under my supervision, and that the same is true and correct to the best of my belief. SEE ORIGINAL PLAT Date of Survey Signature and Seal of Professional Surveyor:
		14.	Certificate Number



February 24, 2004

Via Fax 505-748-9720 and Mail

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
811 South First Street
Artesia, New Mexico 88210

Attention: Mr. Bryan Arrant

RE: State GQ Com #1

Eddy County, New Mexico

Delta Prospect

Gentlemen:

Pursuant to Rule 118, we believe that there will not be any occurrence of H2S in connection with our operation on the referenced well. We therefore ask for an exception to rule 118 in regards to our application to re-enter.

Yours truly,

Frank M. Agar, Jr.

Member

FMAJr/dc