

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.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
OGX Resources LLC3a. Address
P. O. Box 2064
Midland, Texas 797023b. Phone No. (include area code)
432-685-12874. Location of Well (Footage, Sec., T., R., M., or Survey Description)
880' FSL & 580' FEL
Sec. 22, T25S, R29E

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

8. Well Name and No.
Mescal "22" Federal #2H9. API Well No.
30-015-3794910. Field and Pool or Exploratory Area
Corral Draw - Bone Springs11. Country or Parish, State
Eddy Co., New Mexico

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

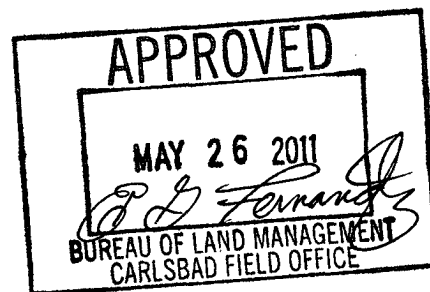
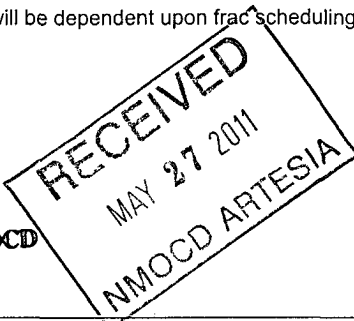
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> 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 checked="" type="checkbox"/> Other Add Williamson
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	to wellbore
	<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.)

This request is to temporarily abandon the current Avalon interval via RBP set at approximately 5500', which was, until it quit flowing, producing 33 BOPD / 92 BWPD / 440 MCFPD. We will open the Williamson zone (5296' to 5306') sand frac, and production test with a rod pump. Subsequently, the RBP will be pulled and the Avalon production will be added back to the wellbore.

There will be no threat of cross-flow, as the rod pump will be set at +/- 7000' and will be kept in a pumped -off state.

Work will begin as soon as this Sundry is approved. Duration will be dependent upon frac scheduling.

SEE ATTACHED FOR
CONDITIONS OF APPROVALAccepted for record - NMOCD
D.L. 5-31-11

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

Shelley Bush

Title Regulatory Analyst

Signature

Shelley Bush

Date 03/16/2011

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)

**Mescal 22 Fed #2H
30-015-37949
OGX Resources
May 26, 2011
Conditions of Approval**

- 1. Surface disturbance beyond the existing pad must have prior approval.**
- 2. Closed loop system required.**
- 3. 2000 (2M) 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.**
- 4. Operator to apply for a Down Hole Commingle Order with NMOCD and receive approval from NMOCD and like approval by BLM prior to removing the RBP.**
- 5. Subsequent sundry with well test and wellbore schematic required.**

EGF 052611