

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

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
Revised June 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies
☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address		² OGRID Number
GMX RESOURCES, INC. 9400 NO. BROADWAY, SUITE 600 OKLAHOMA CITY, OK 73114		168906
³ Property Code	⁵ Property Name	³ API Number
302625	Lane B	30-025-00975
		⁶ Well No.
		33

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	1	10S	33E		660	NORTH	1980	West	LEA

⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot o.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

⁹ Proposed Pool 1
Wildcat Queen

¹⁰ Proposed Pool 2

¹¹ Work Type Code P	¹² Well Type Code O	¹³ Cable/Rotary Rotary	¹⁴ Lease Type Code STATE	¹⁵ Ground Level Elevation 4271 GR
¹⁶ Multiple	¹⁷ Proposed Depth 4400	¹⁸ Formation Queen	¹⁹ Contractor	²⁰ Spud Date 1/28/56

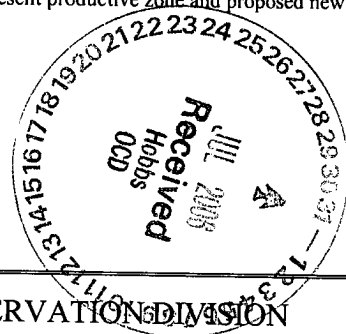
²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	36#	335'	350 sxs (circ)	Surface
12 1/4"	9 5/8"	36#	4025'	1900 sxs (circ)	Surface
8 3/4"	7"	23, 26, 28#	9855'	500 sxs	Top of 7" 3906

²² 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.

Please see attached procedure

Oil Expires 1 Year From Approval
Date Unless Drilling Underway
Plugback



²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature: <i>Marvin D. Witcher, Jr.</i>		Approved by: <i>[Signature]</i>	
Printed name: MARVIN D. WITCHER, JR.		Title: PETROLEUM ENGINEER	
Title: CONSULTING ENGINEER		Approval Date: AUG 09 2006	
E-mail Address:		Expiration Date:	
Date: 7-21-06	Phone: 432-520-2242	Conditions of Approval:	
		Attached <input type="checkbox"/>	

GMX Resources Inc.
Lane B # 3
API # 30-025-00975
Unit Letter "C", Section 1, T10S, R33E
Lea County, New Mexico

GMX proposes to plug back and test the queen for commercial production with the following procedure

A 3000psi BOP will be installed prior to commencing operations
Manual BOP will be equipped with pipe rams and blind rams

1. RBP will be set at 4400ft
2. RU perforating company and perforate the Queen intervals 3830'-3853', 3864'-3875', 3878'-3885', 3900'-3905' and 3910'-3917' with 2 jspf (106 total holes). POH RD wire line service company.
3. GIH with 9 5/8" packer on 2 3/8" tbg and set at 3700' and acidize the Queen perforations per acid service company recommendation.
4. Swab test and report results to GMX Resources for production evaluation and consideration for frac job.

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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 October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-00975	² Pool Code	³ Pool Name WILDCAT QUEEN
⁴ Property Code 302625	⁵ Property Name LANE B	
⁶ Well Number 3		
⁷ OGRID No. 168906	⁸ Operator Name GMX RESOURCES, INC.	⁹ Elevation 4284 DF 4271 GR

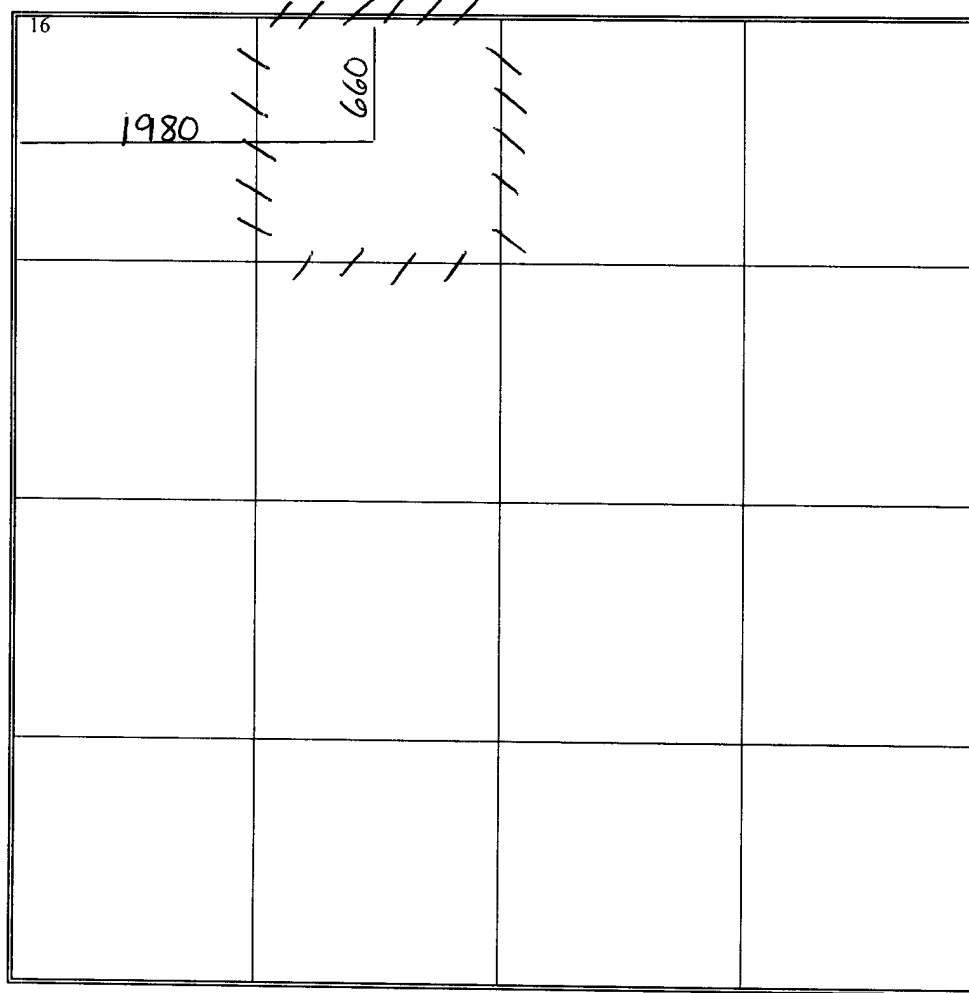
¹⁰ Surface Location

UL or lot no. C	Section 1	Township 10S	Range 33E	Lot Idn	Feet from the 660	North/South line NORTH	Feet from the 1980	East/West line WEST	County LEA
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¹¹ 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
¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code		¹⁵ Order No.					

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 	<p>¹⁷ 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 or has a right to drill this well at this 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.</p> <p><i>Marvin Witcher</i> 7/2/06 Signature Date</p> <p>MARVIN WITCHER, AGENT Printed Name</p>
	<p>¹⁸ 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.</p>
	<p>Date of Survey Signature and Seal of Professional Surveyor:</p>
	<p>Certificate Number</p>