

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
June 16, 2008

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SEP 08 2009

HOBBSOCD

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

Submit to appropriate District Office

☐ AMENDED REPORT

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

¹ Operator Name and Address OGX RESOURCES, LLC. P. O. BOX 2064 MIDLAND, TEXAS 79702		² OGRID Number 217955
		³ API Number 30-025-34674
⁴ Property Code 37806	⁵ Property Name CONCHO "5" STATE	⁶ Well No. # 1
⁷ Proposed Pool 1 JOHNSON RANCH WOLFCAMP GAS (79335)		⁸ Proposed Pool 2

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
I	5	24S	33E		2310'	SOUTH	660'	EAST	LEA

⁸ Proposed 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

Additional Well Information

¹¹ Work Type Code E	¹² Well Type Code O	¹³ Cable/Rotary ROTARY	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3561'
¹⁶ Multiple NO	¹⁷ Proposed Depth 13,900'	¹⁸ Formation WOLFCAMP	¹⁹ Contractor	²⁰ Spud Date WHEN APPROVED

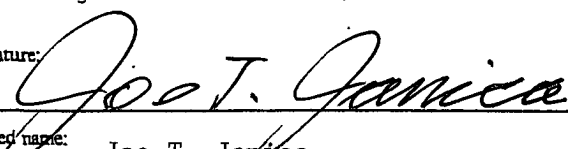

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
14 3/4"	11 3/4"	42#	658'	350 Sx.	SURFACE
11"	8 5/8"	32#	4955'	1450 Sx.	SURFACE
7 7/8"	5 1/2"	17#	12,849'	1290 Sx.	4455' FS

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.

SEE ATTACHED SHEET FOR DETAIL ON RE-ENTRY

Permit Expires 2 Years From Approval
Date Unless Drilling Underway
Re-Entry

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: 	Approved by: 	
Printed name: Joe T. Janica	Title: PETROLEUM ENGINEER	
Title: Permit Eng.	Approval Date:	Expiration Date:
E-mail Address: joejanica@valornet.com	SEP 10 2009	
Date: 09/08/09	Phone: 575-391-8503	Conditions of Approval Attached <input type="checkbox"/>

**OGX Resources – Reentry Procedure
Concho 5 State No. 1
Lea County, New Mexico
Sept 2009**

Attachments

- 1) Wellbore schematics

Procedure

- 1) Dig out & reinstall wellhead.
- 2) MI&RU 600 series PU. Rack 14,000' + 2 7/8" DP. Install 5k BOP. Set frac tanks for storage water w/ fresh & brine.
- 3) RIH-Drill w/ 7 5/8" bit + bit sub + DC's to top of 5 1/2" stub @ 4500'. POH w/ bit.
- 4) RIH-Drill w/ 4 3/4" bit + bit sub + DC's to 5200'. Test csg to 1000 psi. POH w/ bit.
- 5) RIH w/ mill & dress off 5 1/2" stub looking up.
- 6) RIH-Drill w/ 4 3/4" bit + bit sub + DC's to 12,800'.
- 7) Mud up with 30 visc. & 10.5 MW.
- 8) Drill out 5 1/2" shoe into open hole – SD & check for flow.
- 9) Drill out to 13,900'.
- 10) Run 3 1/2" 9.2# P110 from TD to surface with a hanger/pkr/PBR type assy to be landed at 11,000'.
- 11) Cement from TD to 11,000' set pkr.
- 12) Move in completion tools.

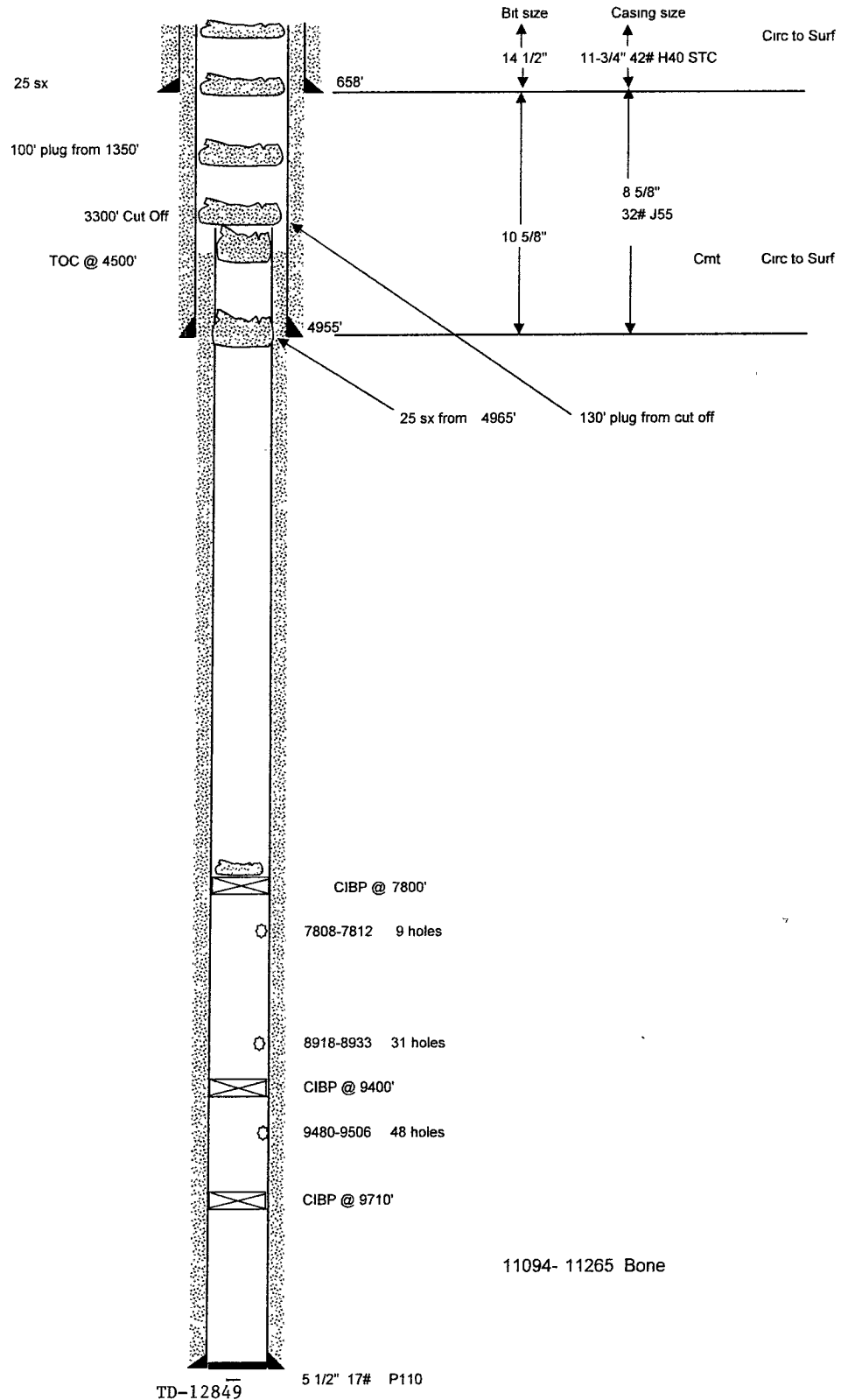
Objectives

The primary objective of this reentry is to drill out the plugs and 5 1/2" shoe into the open hole taking the well to the original TD of 13,900'. A 3 1/2" 9.2# P110 production string will be run from 13,900' back to surface, cementing from TD to +/- 11,000'. The Wolfcamp zones (13,260-630) will be sand frac'd and tested. Subsequently should the Wolfcamp not prove commercial, the 3rd Bone Spring will be sand frac'd and tested. If the well is ever to be rod pumped, pull the 3 1/2" from 11,000' & tie the 5 1/2" csg back to surface via lead bowl.

CURRENT WELLBORE

Spud 8/15/99

API 30-025-34674

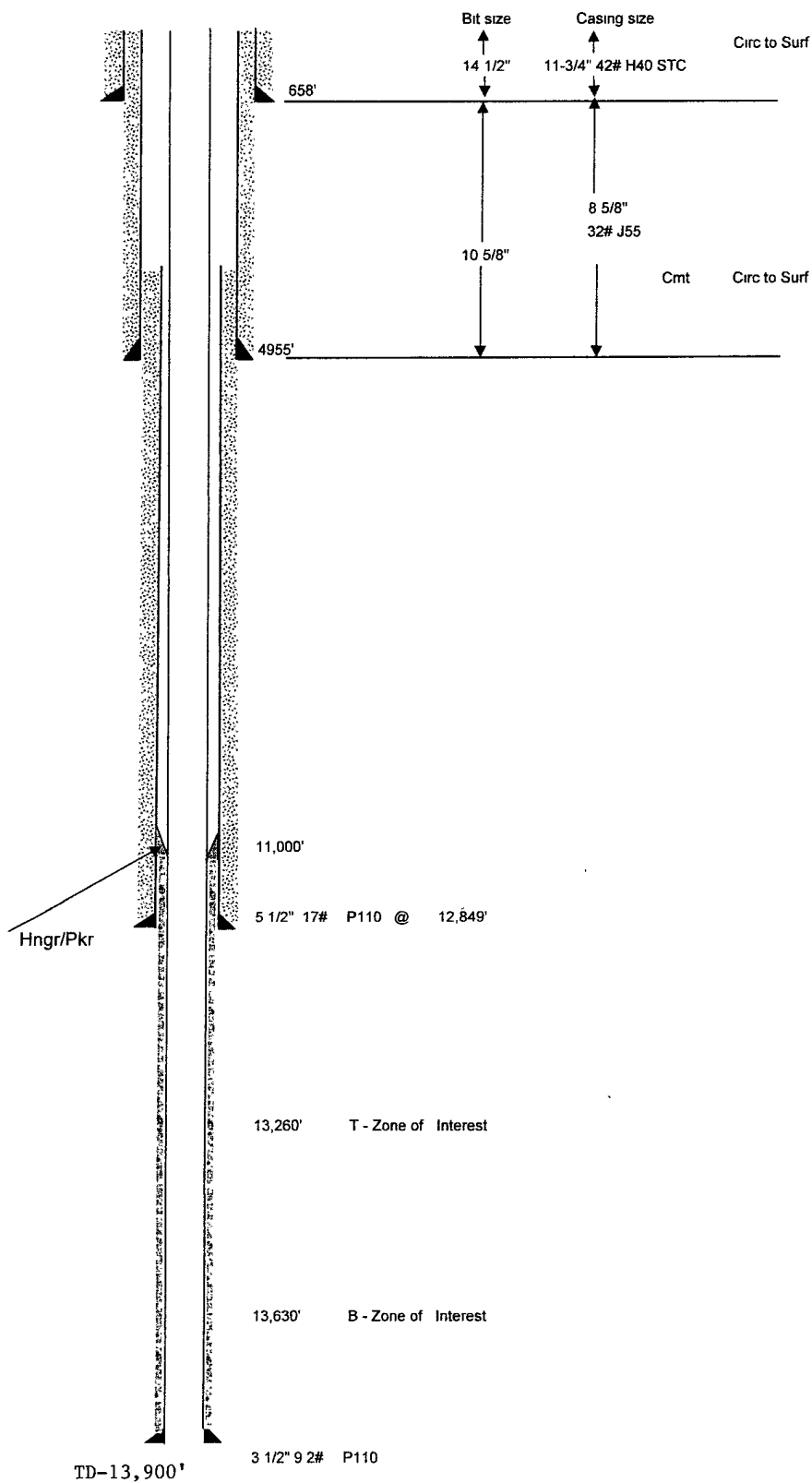


TD-12849

9/2/2009

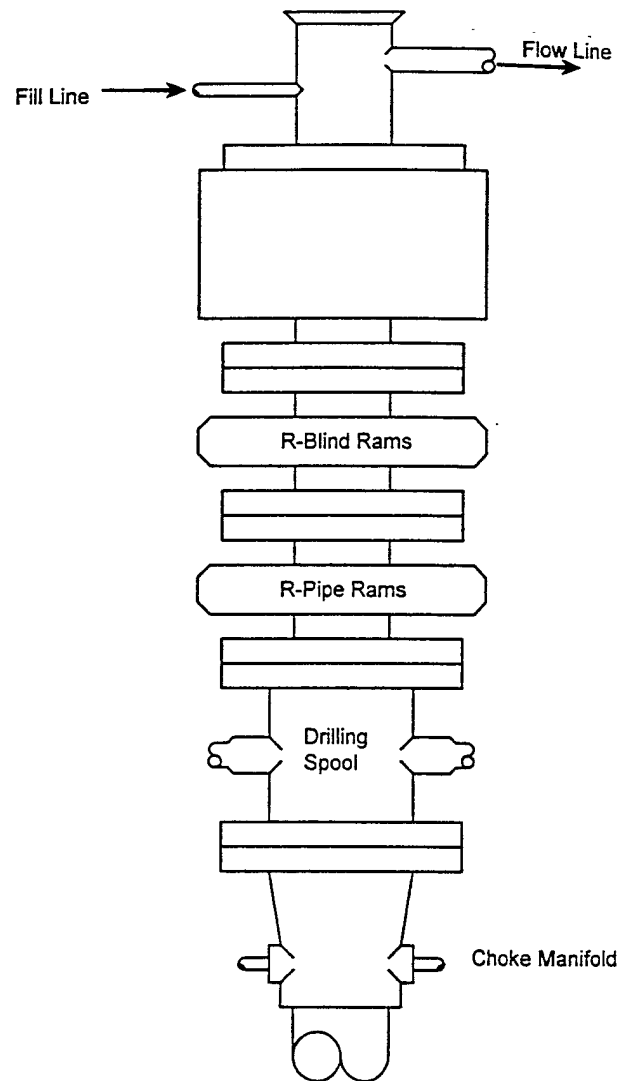
Spud 8/15/99

API. 30-025-34674



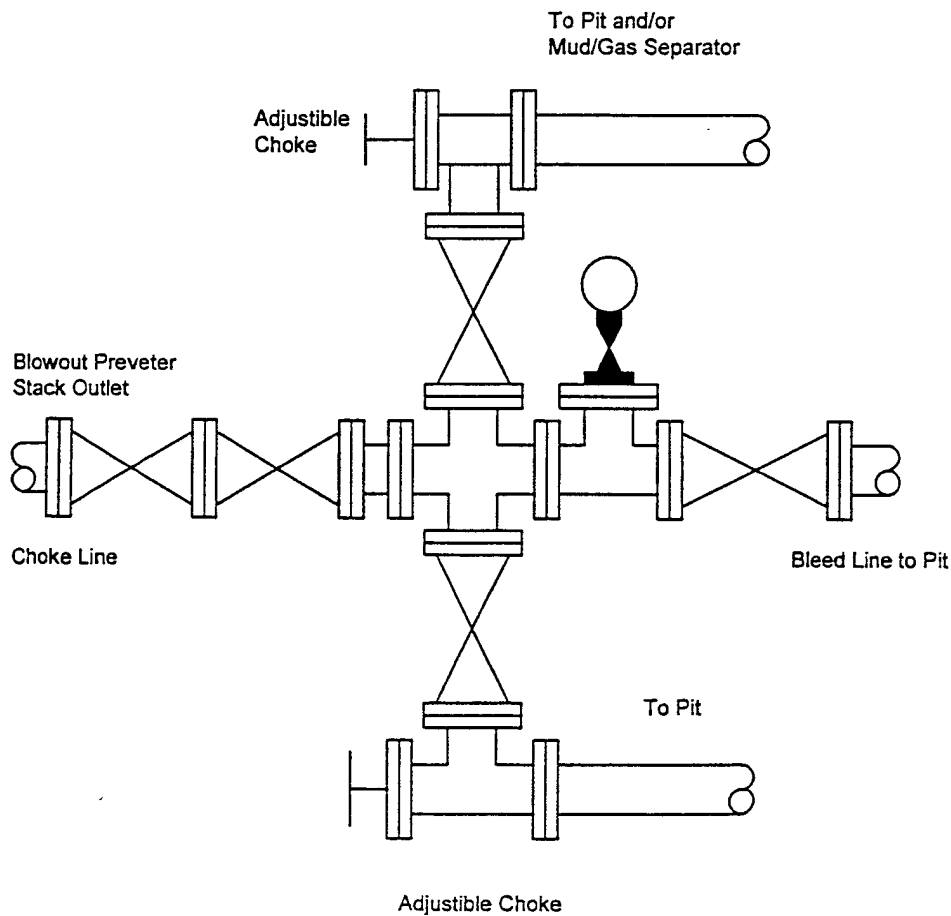
BLOWOUT PREVENTER SYSTEM

5000 PSI



Type 1500 SERIES
5000 psi WP

Choke Manifold Assembly for 5M WP System



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DISTRICT I
1626 N. FRENCH DR., HOBBS, NM 88240

HOBBSOCD

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION

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

1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

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 30-025-34674	Pool Code 79335	Pool Name JOHNSON RANCH WOLFCAMP (GAS)
Property Code 37806	Property Name CONCHO 5 STATE	Well Number 1
OGRID No. 217955	Operator Name OGX RESOURCES	Elevation 3651'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	5	24-S	33-E		2310	SOUTH	660	EAST	LEA

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
Dedicated Acres 320	Joint or Infill	Consolidation Code	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

<p>LOT 4</p> <p>39.82 AC</p>	<p>LOT 3</p> <p>39.79 AC</p>	<p>LOT 2</p> <p>39.75 AC</p>	<p>LOT 1</p> <p>39.72 AC</p>
<p>GEODETIC COORDINATES NAD 2011 NME</p> <p>Y=45381.3 N X=73063.3 E</p> <p>LAT.=32.25635° N LONG.=103.87453° W</p>			
<p>660'</p> <p>2310'</p>			

OPERATOR CERTIFICATION

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.

Joe T. Janica
Signature Date
Joe T. Janica 09/08/09
Printed Name

SURVEYOR CERTIFICATION

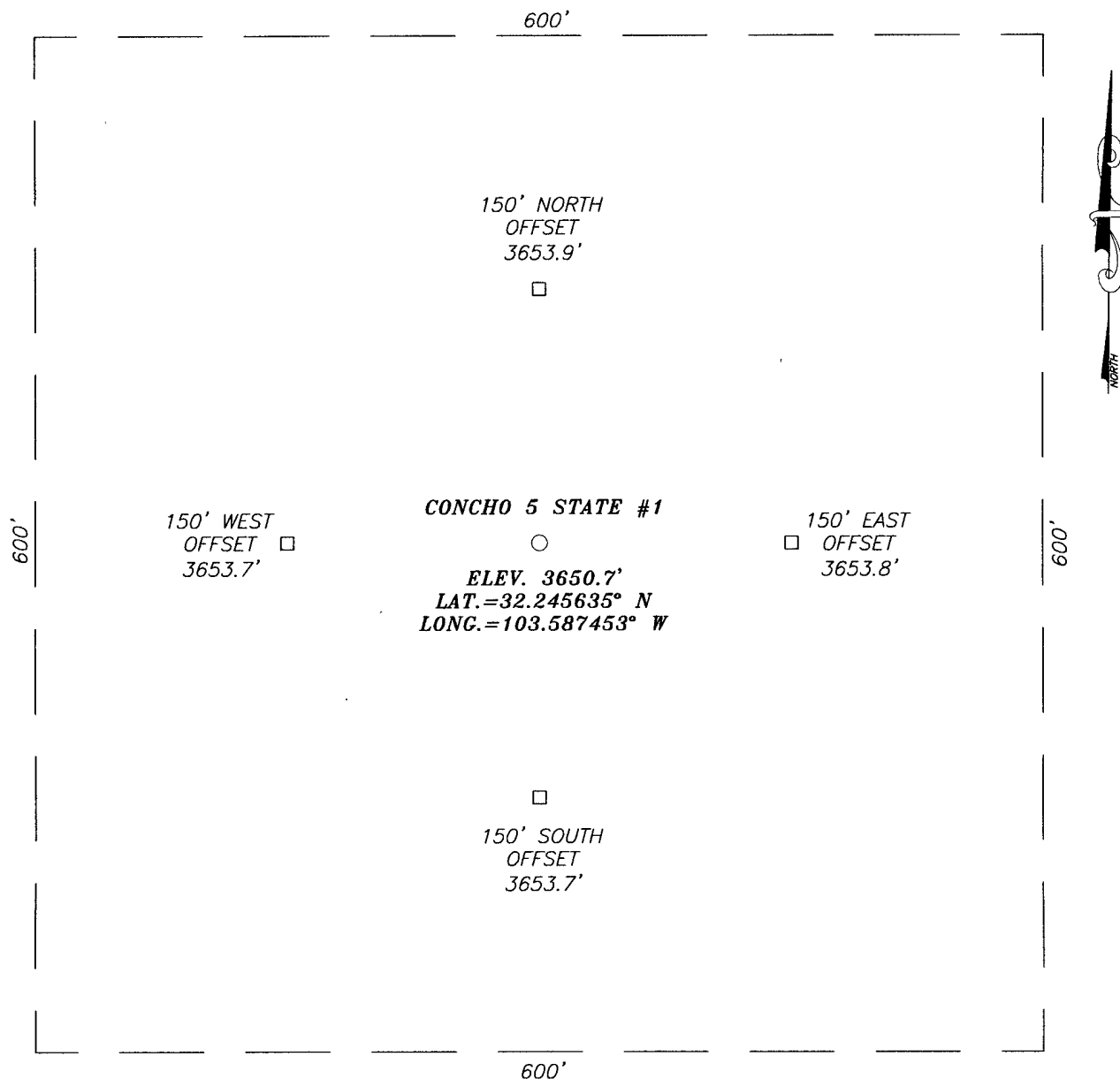
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Ronald J. Eidson
Date Surveyed: 9/23/09
Signature & Seal of Professional Surveyor
Certificate No. GARY EIDSON 12641
RON EIDSON 3239

SECTION 5, TOWNSHIP 24 SOUTH, RANGE 33 EAST, N.M.P.M.,

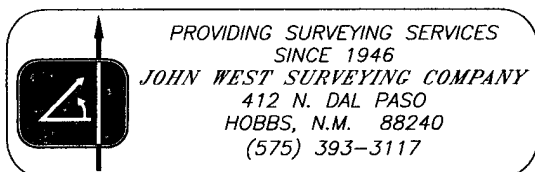
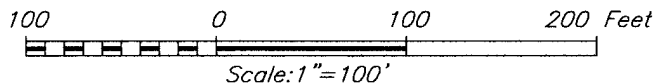
LEA COUNTY,

NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF ST. HWY. #128 AND BRINSTOOL RD., GO NORTH ON BRINSTOOL ROAD APPROX. 2.4 MILES. THIS LOCATION IS APPROX. 1.0 MILE WEST OF ROAD.

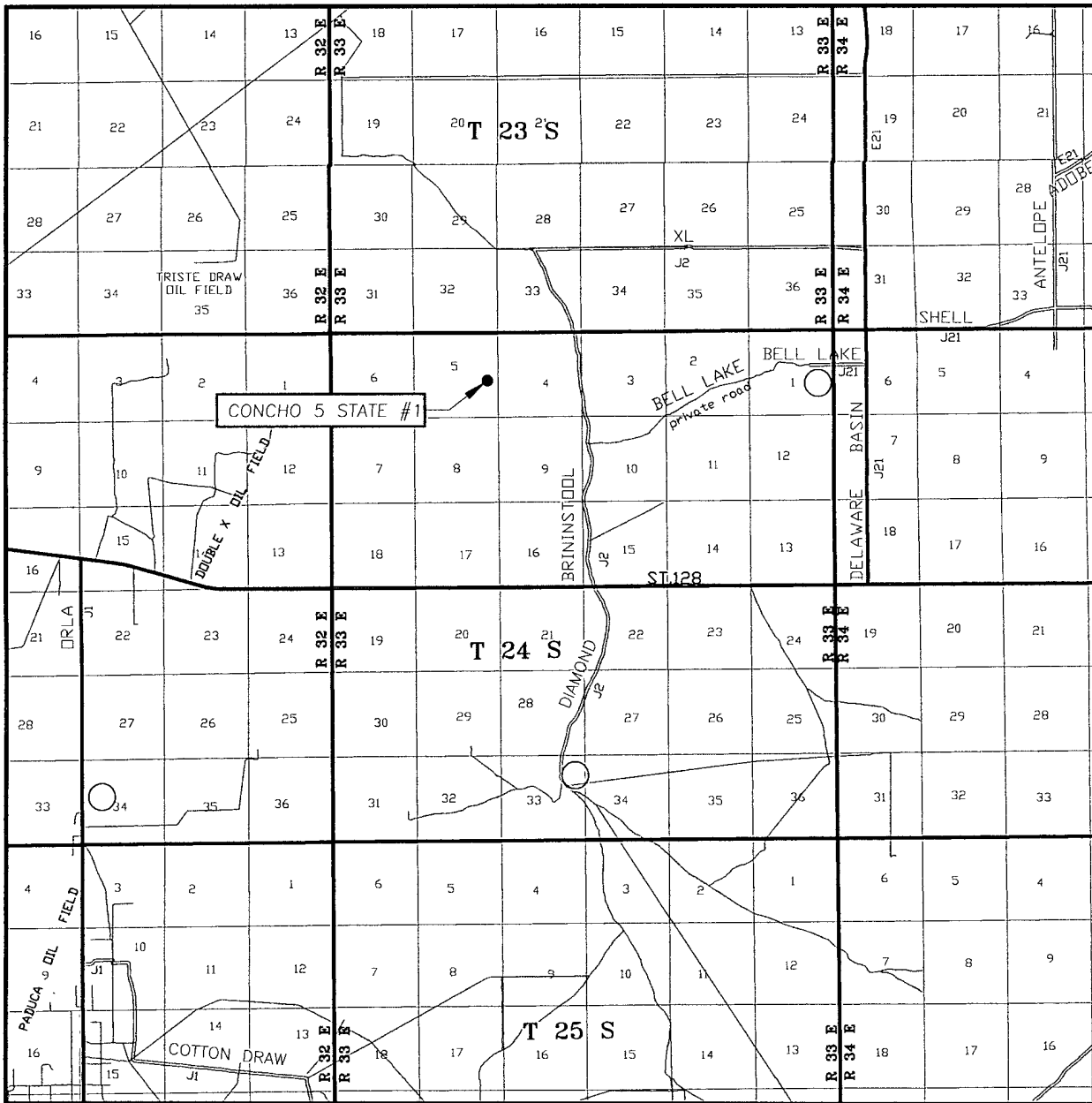


OGX RESOURCES

CONCHO 5 STATE #1 WELL
LOCATED 2310 FEET FROM THE SOUTH LINE
AND 660 FEET FROM THE EAST LINE OF SECTION 5,
TOWNSHIP 24 SOUTH, RANGE 33 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.

Survey Date: 7/23/09	Sheet 1 of 1 Sheets
W.O. Number: 09.11.0651	Dr By: LA
Date: 7/27/09	09110651
	Scale: 1"=100'

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 5 TWP. 24-S RGE. 33-E

SURVEY N.M.P.M.

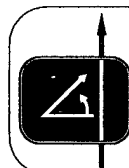
COUNTY LEA STATE NEW MEXICO

DESCRIPTION: 2310' FSL & 660' FEL

ELEVATION 3651'

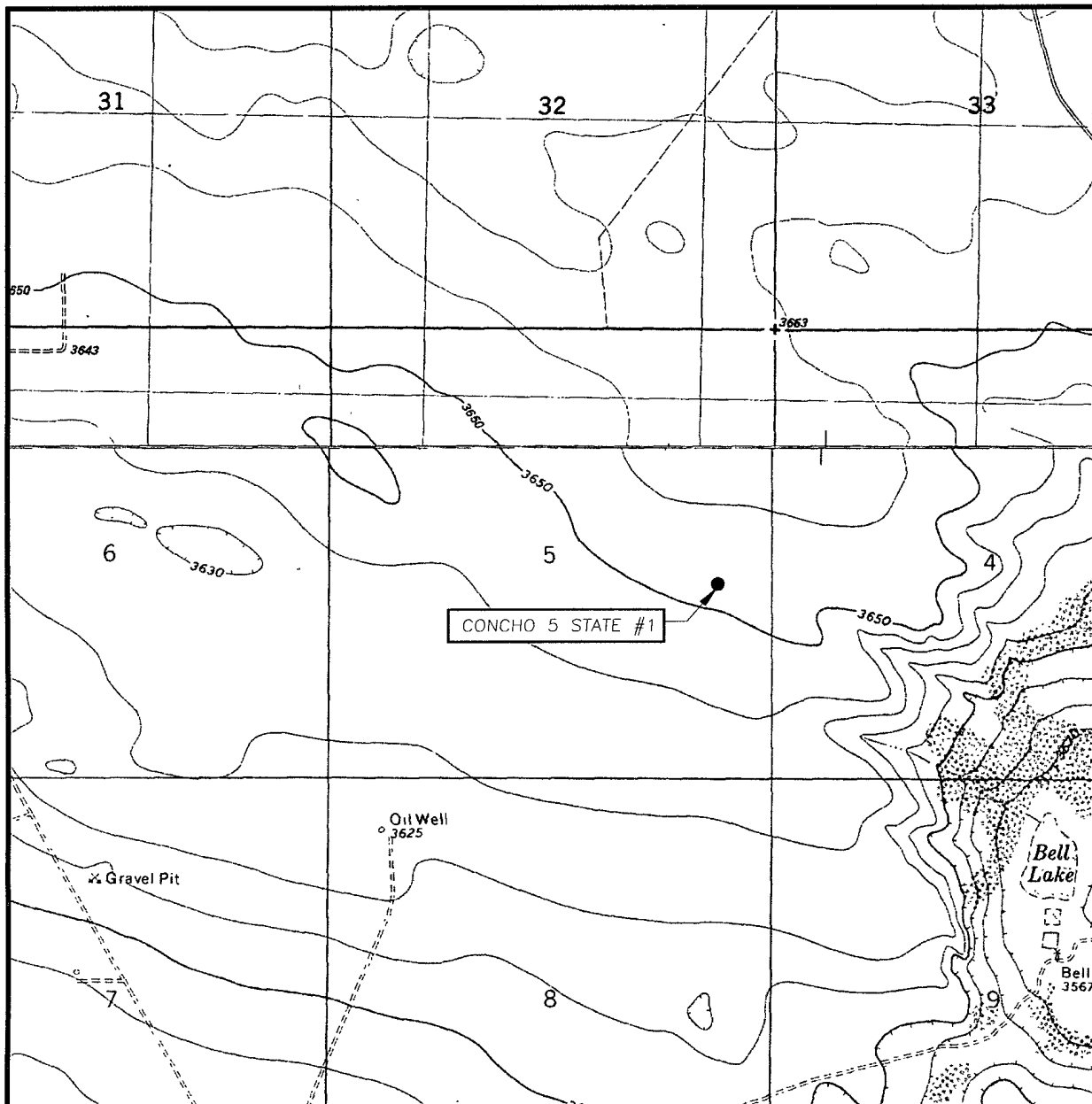
OPERATOR OGX RESOURCES

LEASE CONCHO 5 STATE



PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(575) 393-3117

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
BELL LAKE, N.M. - 10'
TIP TOP WELLS, N.M. - 10'

SEC. 5 TWP. 24-S RGE. 33-E

SURVEY _____ N.M.P.M.

COUNTY LEA STATE NEW MEXICO

DESCRIPTION 2310' FSL & 660' FEL

ELEVATION 3651'

OPERATOR OGX RESOURCES

LEASE CONCHO 5 STATE

U.S.G.S. TOPOGRAPHIC MAP

BELL LAKE, N.M.

