ATS-09-526

Form 3160-3 (April 2004)

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OCD-HOBBS

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.: NM-120908

6. If Indian, Allotee or Tribe Name: ---

7. If Unit or CA Agreement, Name and No.: ---

1a. Type of work: [ ] DRILL [X] REENTER

1b. Type of Well: [X] Oil Well [ ] Gas Well [ ] Other [X] Single Zone [ ] Multiple Zone

8. Lease Name and Well No.: PADUCA "30" FEDERAL # 1 (37986)

2. Name of Operator: OGX RESOURCES, LLC. (Jeff Birkelbach 432-685-1287) (217955)

9. API Well No.: 30-025-26234

3a. Address: P. O. BOX 2064 MIDLAND, TEXAS 79702

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

10. Field and Pool, or Exploratory: WILDCAT-WOLFCAMP

4. Location of Well (Report location clearly and in accordance with any State requirements.*)

At surface: 1980' FNL & 1980' FEL SECTION 30 T24S-R32E Unit B

At proposed prod. zone: 330' FSL & 1980' FEL SECTION 30 T24S-R32E Unit D

11. Sec., T. R. M. or Blk. and Survey or Area: SECTION 30 T24S-R32E

14. Distance in miles and direction from nearest town or post office*: Approximately 30 miles West of Jal New Mexico

12. County or Parish: LEA CO.

13. State: NM

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of acres in lease	17. Spacing Unit dedicated to this well
1980'	1840	120

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth	20. BLM/BIA Bond No. on file
1320'	MD-14,427' TVD-11,650'	NMB-000244

21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date work will start*	23. Estimated duration
3540' GL	WHEN APPROVED	36. Days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (se Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature	Name (Printed/Typed)	Date
Joe T. Janica	Joe T. Janica	08/06/09

Title: Permit Eng.

Approved by (Signature)	Name (Printed/Typed)	Date
/s/ Don Peterson		NOV - 5 2009

Title: ---

Office: CARLSBAD FIELD OFFICE

Application approval 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.
Conditions of approval, if any, are attached.

APPROVAL FOR TWO YEARS

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)

Carlsbad Controlled Water Basin

SEE ATTACHED FOR CONDITIONS OF APPROVAL

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

RECEIVED
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HOBBSOCD

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
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

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

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
30-025-26234		WILDCAT-WOLFCAMP

Property Code	Property Name	Well Number
37986	PADUCA "30" FEDERAL	1

OGRID No.	Operator Name	Elevation
217955	OGX RESOURCES	3540'

Surface Location

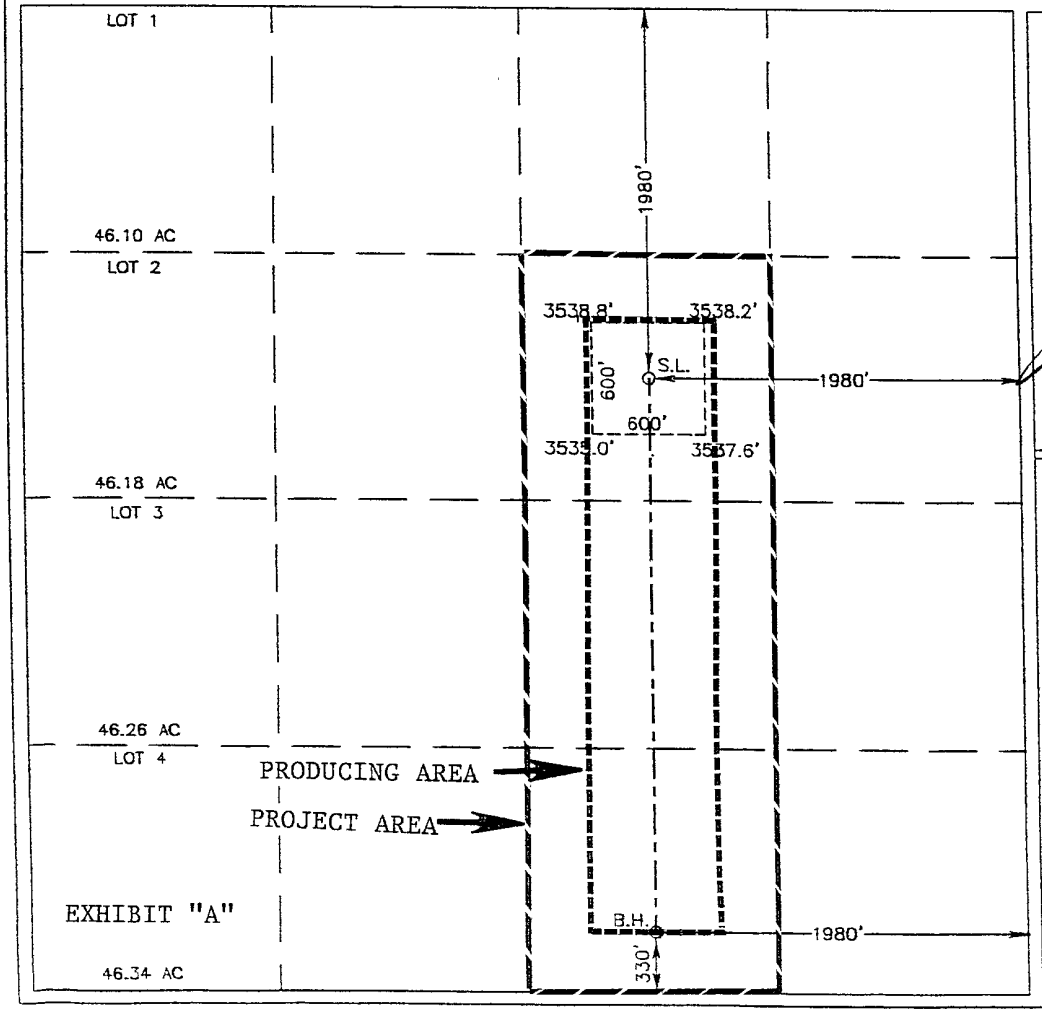
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	30	24-S	32-E		1980	NORTH	1980	EAST	LEA

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
O	30	24-S	32-E		330	SOUTH	1980	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
120			

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



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: 08/06/09

Joe T. Janica
Printed Name

NEW ... N COMMISSION

WELL LOCATION AND ACREAGE DEDICATION PLAT

A distance must be from the outer boundaries of the Section

Union Oil Co. of California		Paduca Federal	1
G	30	24 South	32 East	Lea
1980	North	1980	East
3536.7	Morrow	Wildcat	320

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

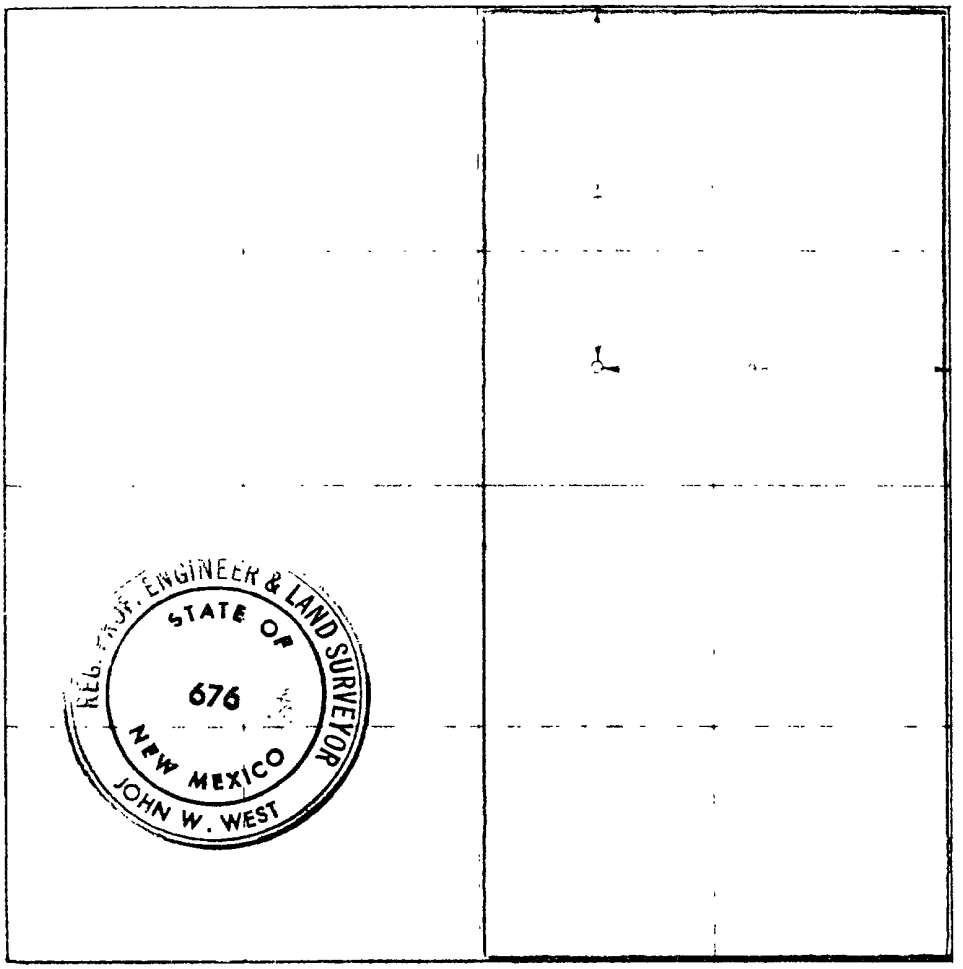
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc.

Yes ... If answer is "yes" type of consolidation _____

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

J. L. White

J.L. White

Drilling Supt.

Union Oil Co. of California

January 26, 1979

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 knowledge and belief.

January 24, 1979

John W. West

John W. West 676

Ronald J. Eidson 3239

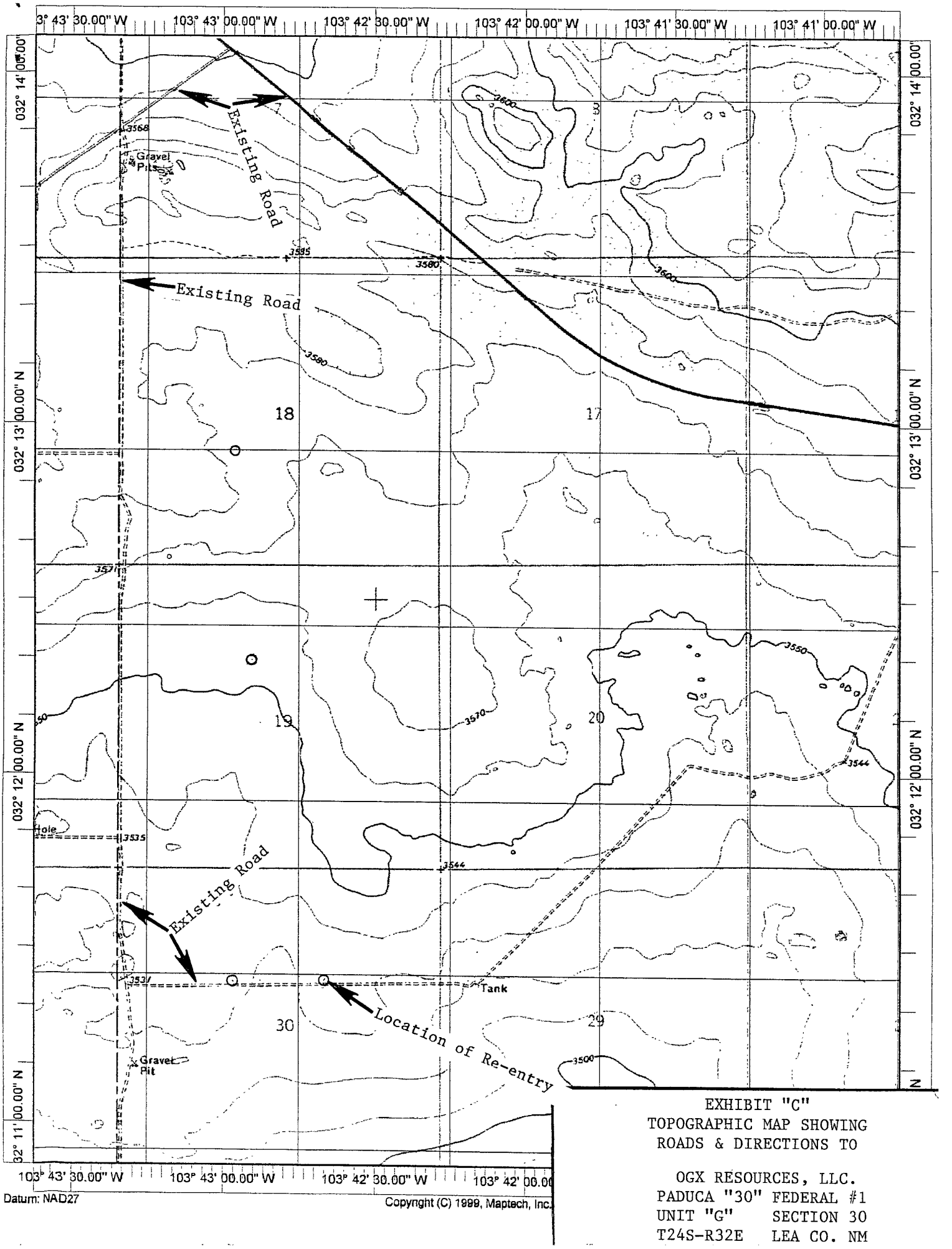


EXHIBIT "C"
TOPOGRAPHIC MAP SHOWING
ROADS & DIRECTIONS TO

OGX RESOURCES, LLC.
PADUCA "30" FEDERAL #1
UNIT "G" SECTION 30
T24S-R32E LEA CO. NM

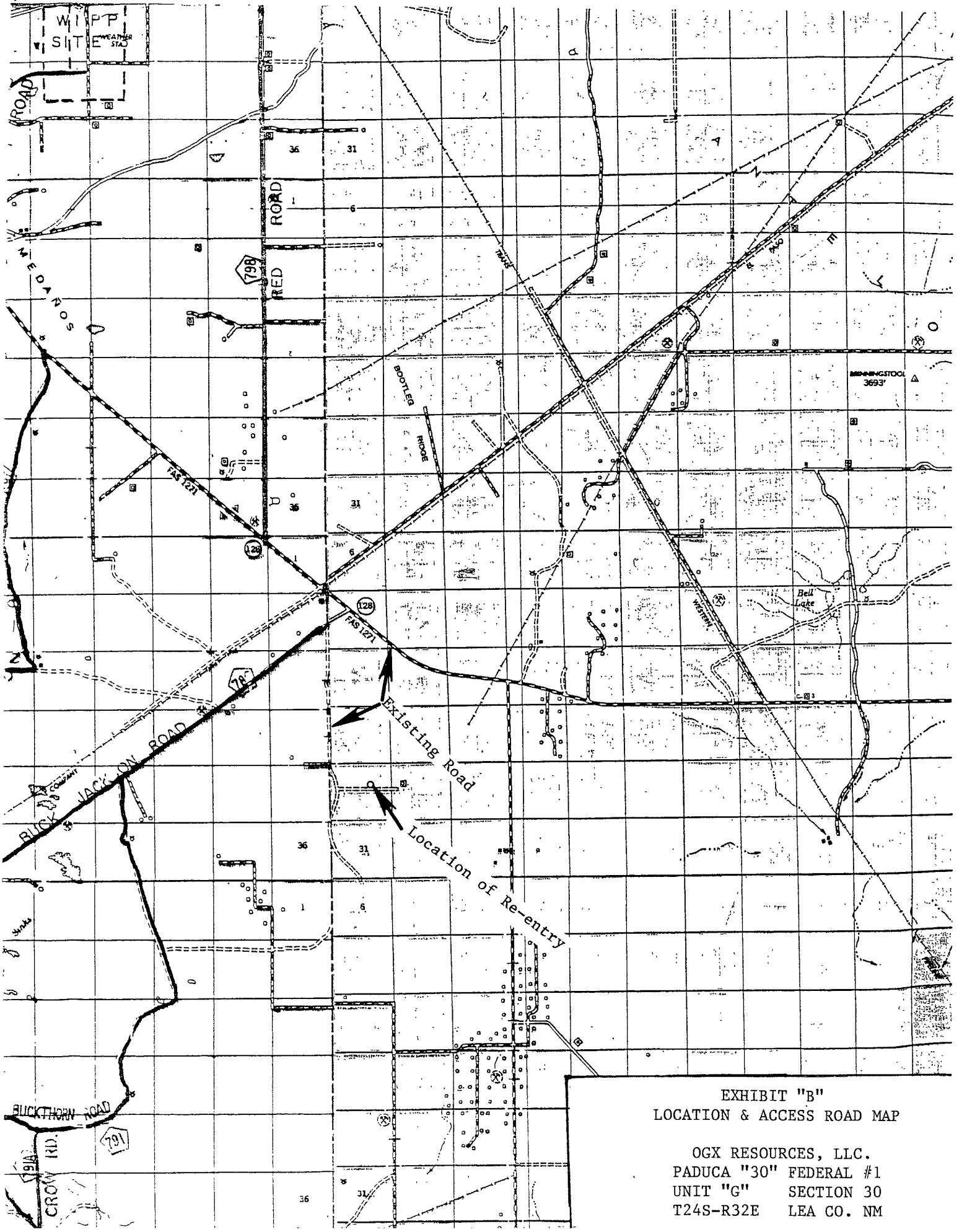


EXHIBIT "B"
LOCATION & ACCESS ROAD MAP

OGX RESOURCES, LLC.
PADUCA "30" FEDERAL #1
UNIT "G" SECTION 30
T24S-R32E LEA CO. NM

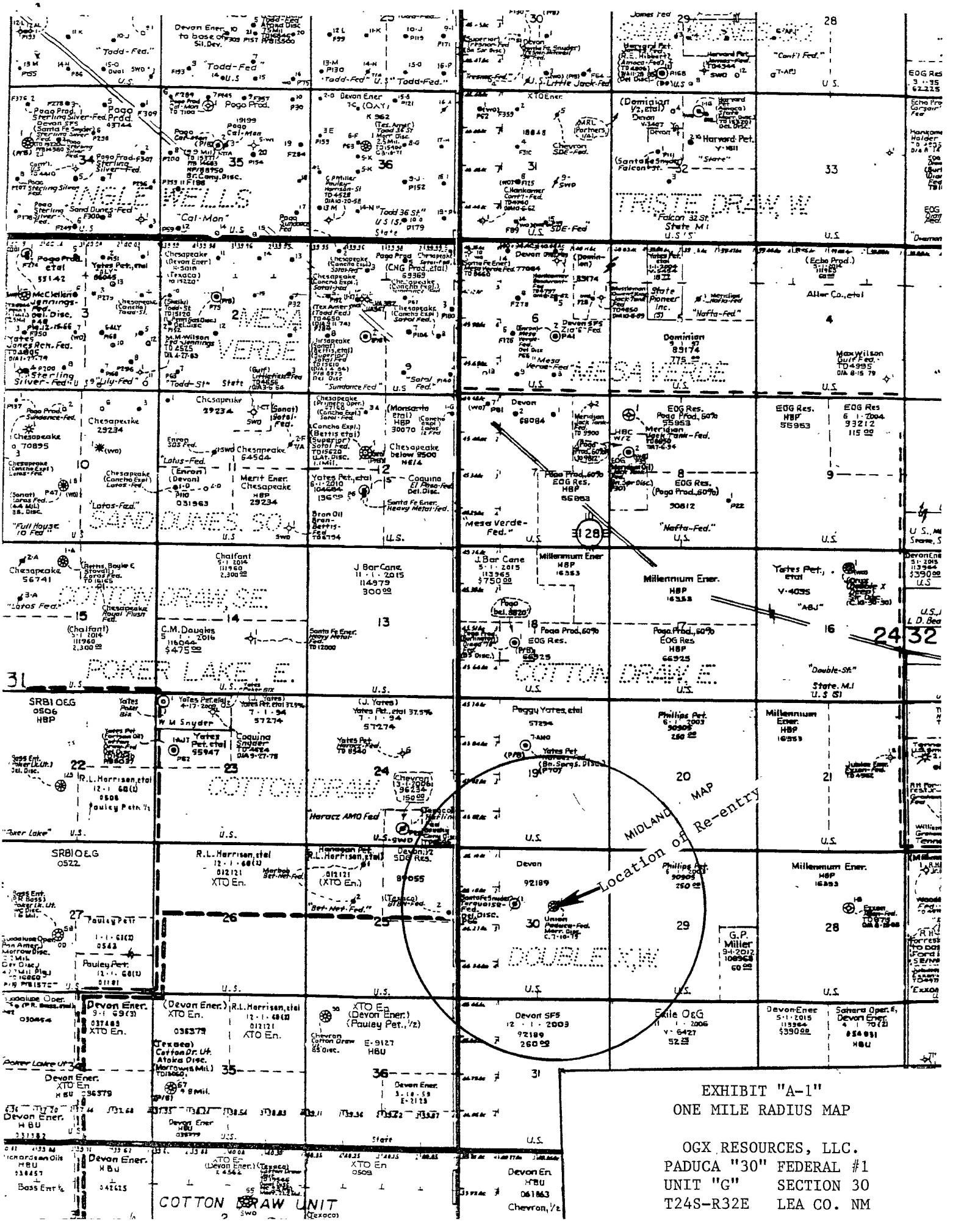


EXHIBIT "A-1"
ONE MILE RADIUS MAP

OGX RESOURCES, LLC.
PADUCA "30" FEDERAL #1
UNIT "G" SECTION 30
T24S-R32E LEA CO. NM

OGX Resources – Reentry Procedure
Paduca Fed No. 1
Lea County, New Mexico
July 2009

General Information

Lease:	Paduca	API No.:	30-025-26234
Well No.:	Fed1	Casing:	
Field:	Wildcat	Sur:	13 3/8" 48# H40
County:	Lea	1st Int:	10 3/4" 51.5#
State:	New Mexico	2nd Int:	7" 5/8" 29.7# S95
Section:	30		
Township:	24S		
Range:	32E		
Section Ties:	1980' FNL & 1980' FEL		
Ground Level:	3535'		

Objectives

The primary objective of this reentry is to tie the 7 5/8" casing back to surface & cement the 7 5/8" x 10 ¾" annulas to surface.

Attachments

1) Wellbore schematics

Procedure

1) Dig out & reinstall wellhead.
2) MI&RU 600 series PU. Rack 12,750'+ 3 1/2" DP. Install BOP. Set frac tanks for storage water w/ fresh & brine.
3) RIH-Drill w/ 9 5/8" bit + bit sub + DC's to top of 7 5/8" stub @ 4700'. POH w/ bit.
4) RIH-Drill w/ 6 3/4" bit + bit sub + DC's to top of Lnr @ 12,622'. POH w/ bit.
5) RIH w/ mill & dress off 7 5/8" stub looking up. will perf. and squeeze
6) PU a Bowen 7 5/8" lead bowl w/ ~~cement ports~~ & run 7 5/8" 29.7# S95 casing to surface. RU service company & cement w/ approx 500 sx "C" + additives. yield 1.34 per operator CRW 10/14/09.
7) RIH w/ 6 ¾" bit & scrapper to PBTD. Test casing to 7500psi. POH
8) RU wireline & Run GR/CCL/CNL from TD back to 4500'. PU & run gyro. RD wireline.
9) Set cased hole oriented whipstock at +/- 11,200.
10) Cut window in casing w/ 9# brine. Leave 3 ½" swinging. RD PU.
11) RU drilling rig & stand back 3 ½" DP. PU curve building BHA & land approx. 11,650' TVD.
12) Drill out lateral w/ 6 1/8" hole per plan.
13) Run 4 ½" 13# P110 from total MD back to +/- 10,500' (centralize the curve only) on liner hanger. Cement w/ 20% volume above fluid caliper.
14) RD Drilling rig. Move in completion tools.

APPLICATION TO RE-ENTER

OGX RESOURCES, LLC.
PADUCA "30" FEDERAL #1
UNIT "G" SECTION 30
T24S-R32E LEA CO. NM

In responce to questions asked under Section II of Bulletin NTL-6, the following information on the above well will be provider.

1. LOCATION: 1980' FNL & 1980' FEL SECTION 30 T24S-R32E LEA CO. NM

2. ELEVATION ABOVE SEA LEVEL: 3535' GL

3. GEOLOGICAL NAME OF SURFACE FORMATION: Quaternery Aeolian Deposits;

4. DRILLING TOOLS AND ASSOCIATED EQUIPMENT: Conventional rotary drilling rig using drilling mud as a circulating medium for the removal of solidsfrom the hole.

5. PROPOSED DRILLING DEPTH: MD-14,427' TVD-11,650'

6. ESTIMATED TOPS OF GEOLOGICAL FORMATIONS:

Lamar Lime	4595'
Bone Spring	8526'
Wolfcamp	11,606'

7. POSSIBLE MINERAL BEARING FORMATIONS:

Bone Spring	Oil
Wolfcamp	Oil

8. CASING PROGRAM:

HOLE SIZE	INTERVAL	CASING OD	WEIGHT	THREAD	COLLAR	GRADE	CONDITION
ORIGINAL CASING SETTING DEPTH WEIGHT & SIZE							
17½"	0-719'	13 3/8"	48#	8-R	ST&C	H-40	New
12¼"	0-4600'	10 3/4"	51.5# 45.5#	BUTT	BT&C	K55	New
9½"	0-12,834'	7 5/8"	29.7#	8-R	LT&C	S-95 P-110	New
6 1/8"	~~12,622~~ 10,500' from procedure -15531	LINER 4½"	13#	8-R	LT&C	P-110	New

Safety Design Factors:

Collapse 1.125 Burst 1.0 Joint Strength 1.8 Body Yield 1.5

APPLICATION TO RE-ENTER

OGX RESOURCES, LLC.
PADUCA "30" FEDERAL #1
UNIT "G" SECTION 30
T24S-R32E LEA CO. NM

9. CASING CEMENTING & SETTING DEPT.

13 3/8"	Surface	Ran and set 719' of 13 3/8" 48# H-40 ST&C casing. Cemented with 350 Sx. of cement and circulated cement to surface.
10 3/4"	Intermediate	Ran 4600' of 10 3/4" 51.5# & 45.5# K-55 LT&C & BT&C casing. Cemented with 1800 Sx. of cement and circulated cement to surface.
7 5/8"	2nd Intermediate	Ran 12,834' of 7 5/8" 29.7# S-95 & P-110 LT&C casing. Cemented in two stages. 1st stage 825 Sx. 2nd stage (DV Tool at 7918') cemented with 1000 Sx. Temperature survey indicated top of cement 4400'.
4½"	Production Liner	Will cut window in 7 5/8" casing for KO point at 11,200±' drill lateral with 6 1/8" bit to 14,427±' MD. Run 3930±' of 4½" 13.5# P-110 LT&C casing. Cement with 440 Sx (or 20% excess of Caliper measurement) to top of liner. Cement Yield 1.25

10. PRESSURE CONTROL EQUIPMENT: Exhibit "E" shows a 1500 Series 5000 PSI working pressure B.O.P. consisting of an annular bag type preventor, middle blind rams, and bottom pipe rams. The B.O.P. will be nippled up on the 13 3/8" casing and tested to API specifications. The B.O.P. will be operated at least once in each 24 hour period and the blind rams will be operated when the drill pipe is out of the hole on trips. Full opening stabbing valve and upper kelly cock will be utilized. Exhibit "E-1" shows a hydraulically operated closing unit and a 3" 5000 PSI working pressure choke manifold with dual adjustable chokes. No abnormal pressure or temperatures are expected while drilling this well.

11. PROPOSED MUD CIRCULATING SYSTEM:

DEPTH	MUD WT.	VISC.	FLUID LOSS	TYPE MUD SYSTEM
DRILL OUT CEMENT PLUGS WITH FRESH WATER.				
11,200'-11,650'	10.0	29-34	NC	Drill hole to EOC with brine water use high viscosity sweeps as required to clean hole.
11,650-~~14,427~~' 15,531	10.0	29-34	10 cc or less	Brine water and Polymer as needed to control WL and high viscosity sweeps clean hole.

Sufficient mud materials will be kept on location at all times in order to combat lost circulation, or unexpected kicks. In order to run DST's, open hole logs, and casing the viscosity and/or the water loss may have to be adjusted to meet these needs.

APPLICATION TO RE-ENTER

OGX RESOURCES, LLC.
PADUCA "30" FEDERAL #1
UNIT "G" SECTION 30
T24S-R32E LEA CO. NM

12. LOGGING, CORING, AND TESTING PROGRAM:

A. Run Gamma Ray, CNL, & CCL from TD (12,622') back to 4500'.

B. Run Gyro in order to orient whipstock.

13. POTENTIAL HAZARDS:

No abnormal pressures or temperatures are expected. There is no known presence of H^2S in this area. If H^2S is encountered the operator will comply with the provisions of Onshore Oil and Gas Order No. 6. No lost circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Estimated BHP 5500 PSI, and Estimated BHT 180°.

14. ANTICIPATED STARTING DATE AND DURATION OF OPERATION:

Repair road as soon as approval is obtained. Well Service Rig will move in and rig up with related equipment. Clean out of old hole and drilling of new hole will take an estimated time of 28 ± days. Running of liner and completion will take an estimated time of 30 days. The construction facilities will take an an estimated time of 15± days.

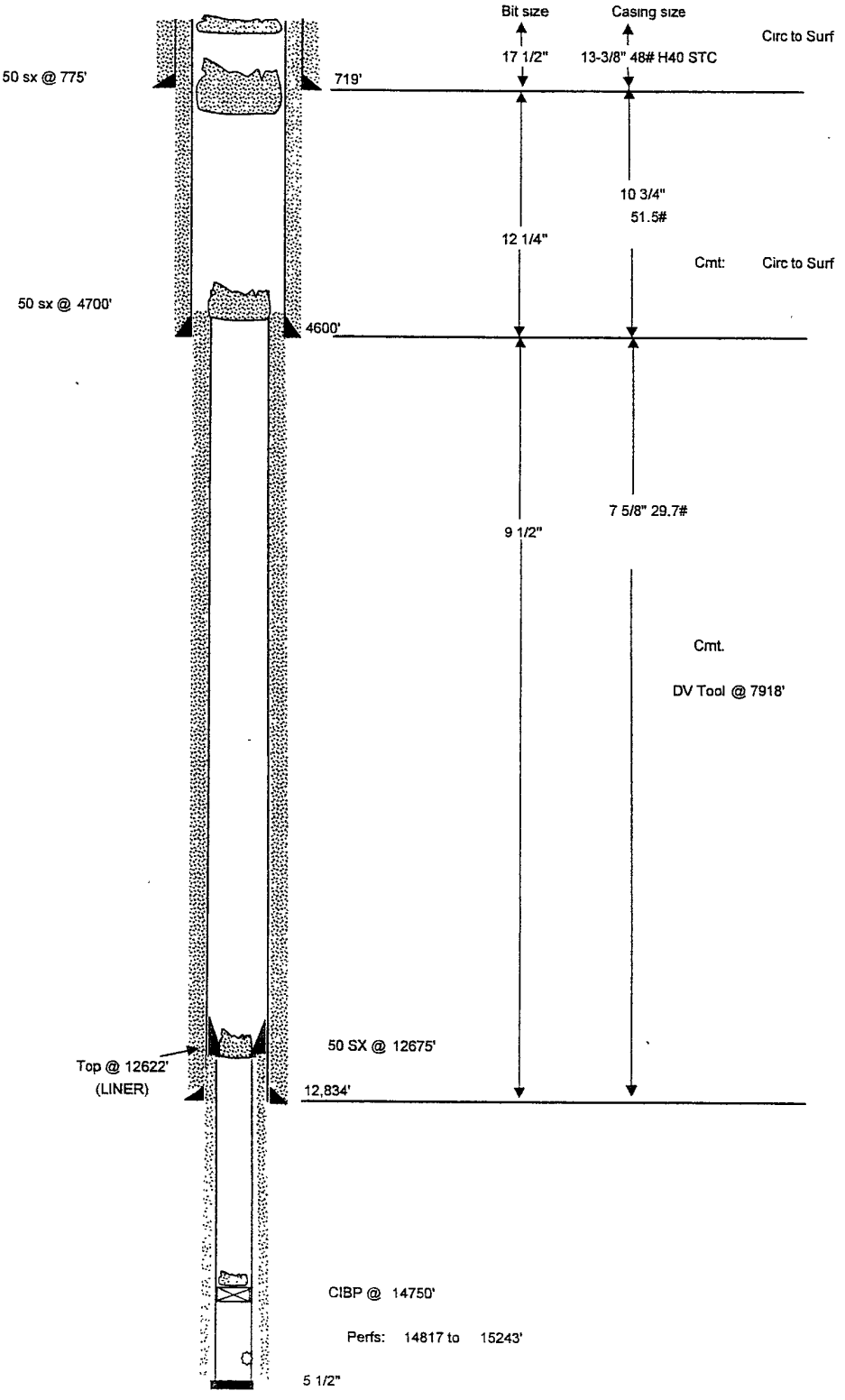
OGX Resources LLC

PADUCA FED No.1
sur:1980'FNL & 1980'FEL
bhl: 330' FSL & 1980'FEL
Sec. 30, T24S, R32E
Lea County, New Mexico

CURRENT WELLBORE

Spud 02/27/79

API: 30-025-26234



7/21/2009

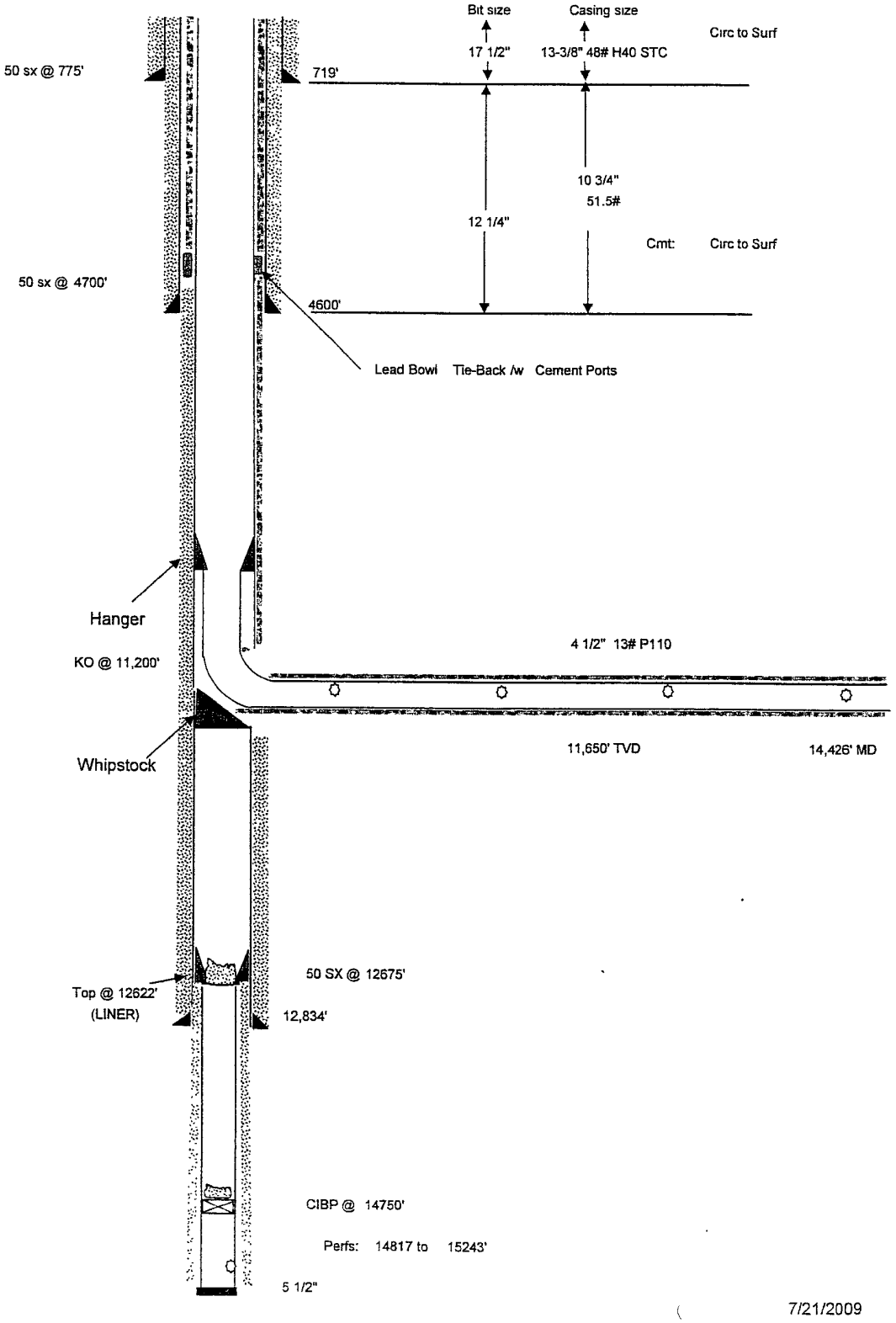
OGX Resources LLC

PADUCA FED No.1
sur:1980'FNL & 1980'FEL
bhl: 330' FSL & 1980'FEL
Sec. 30, T24S, R32E
Lea County, New Mexico

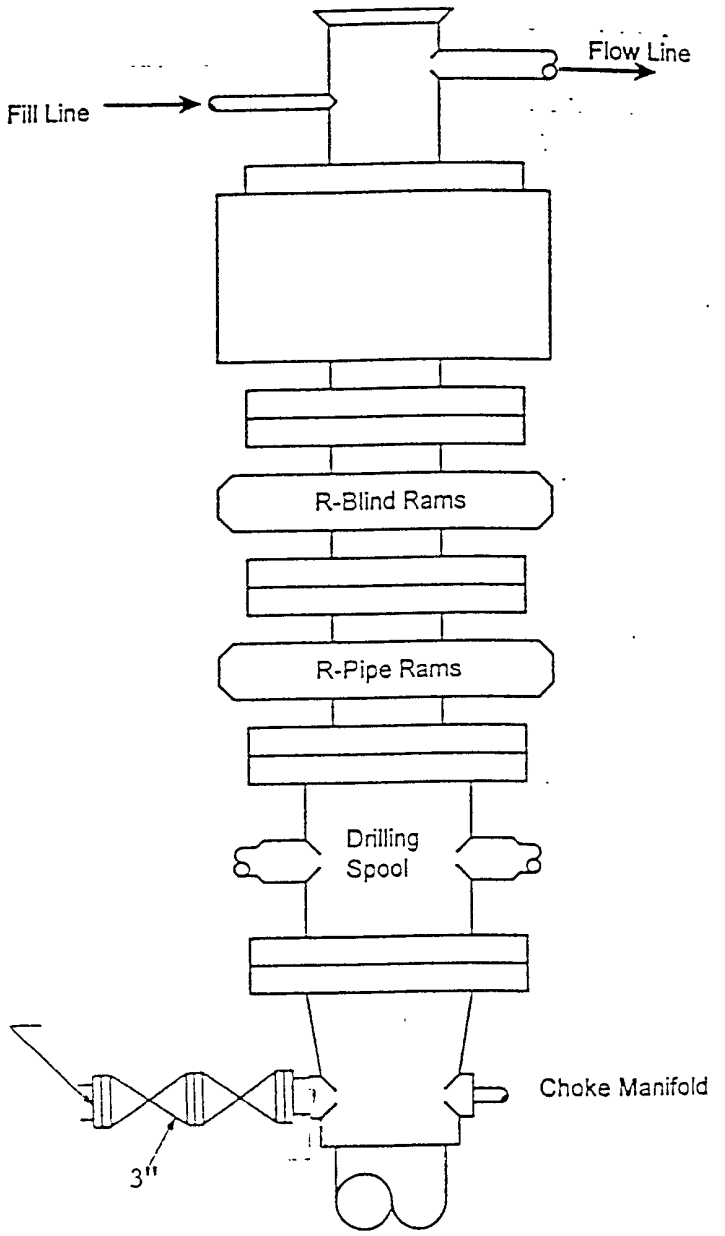
PROPOSED WELLBORE

Spud 02/27/79

API: 30-025-26234



7/21/2009



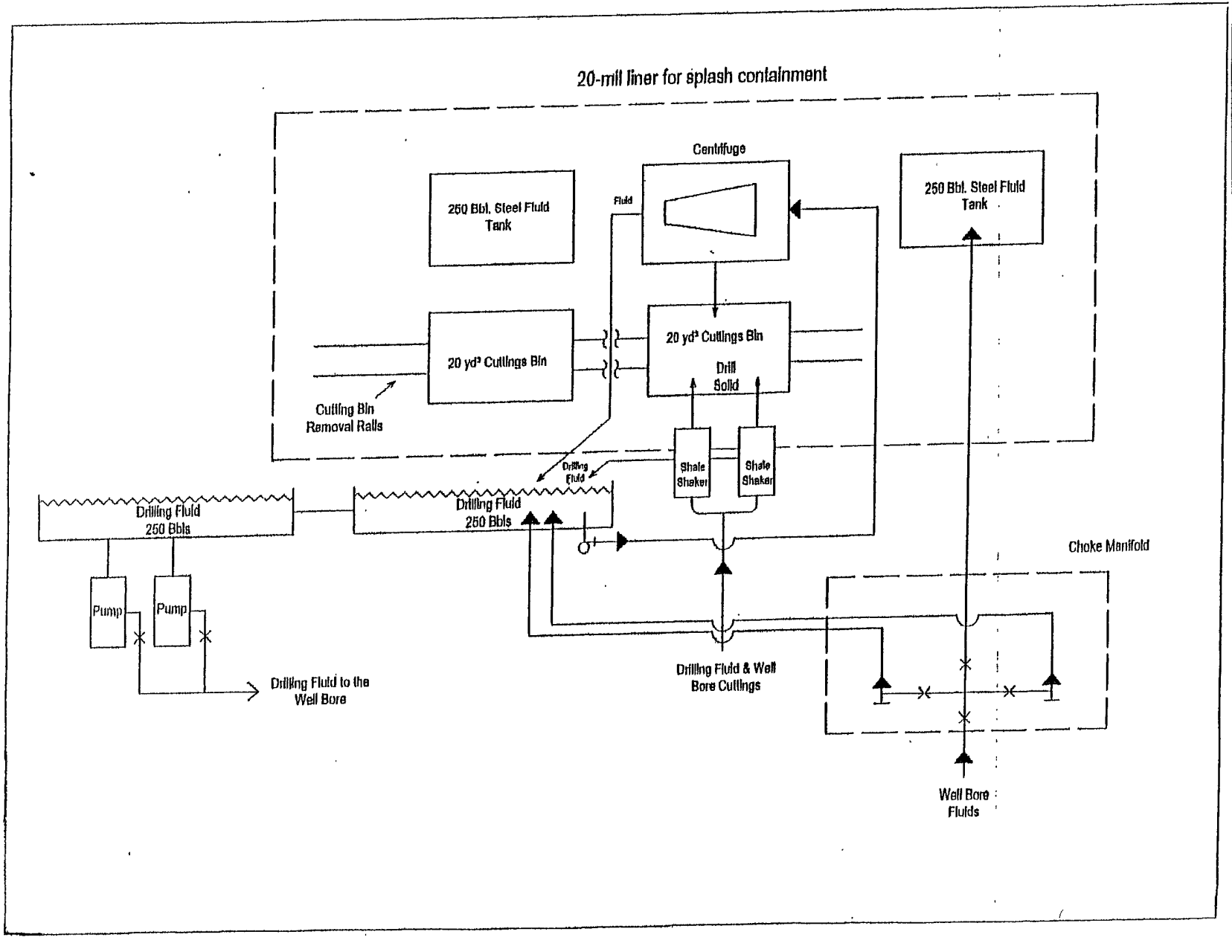
Type 1500 SERIES
5000 psi WP

EXHIBIT "E"
SKETCH OF B.O.P. TO BE USED ON

OGX RESOURCES, LLC.
PADUCA "30" FEDERAL #1
UNIT "G" SECTION 30
T24S-R32E LEA CO. NM

EXHIBIT "D"
RIG LAY OUT PLAT

OGX RESOURCES, LLC.
PADUCA "30" FEDERAL #1
UNIT "G" SECTION 30
T24S-R32E LEA CO. NM



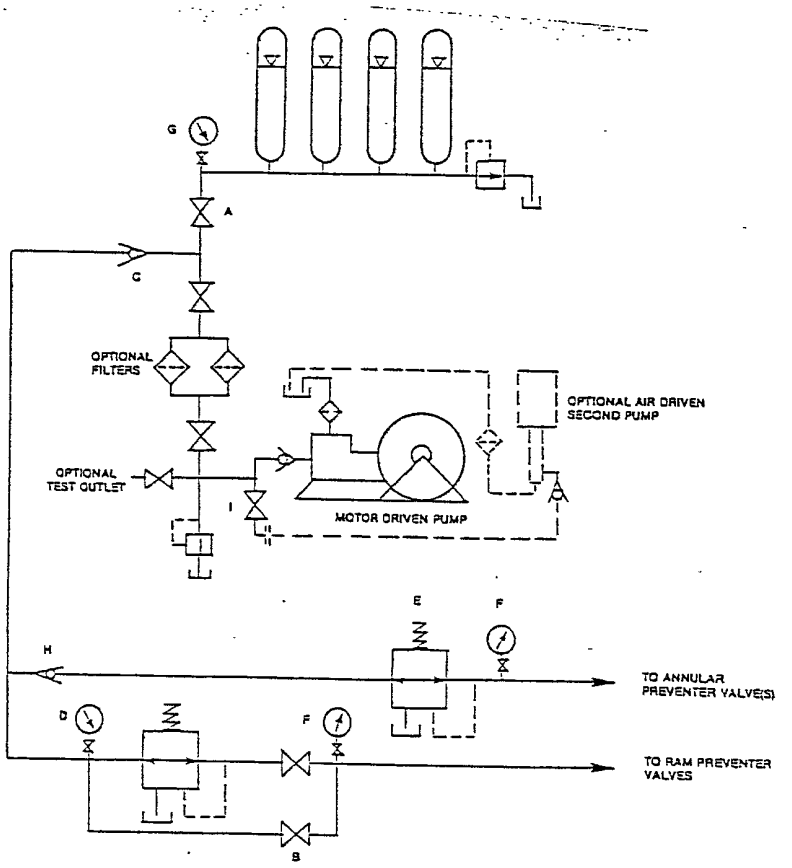


FIGURE K6-1. The schematic sketch of an accumulator system shows required and optional components.

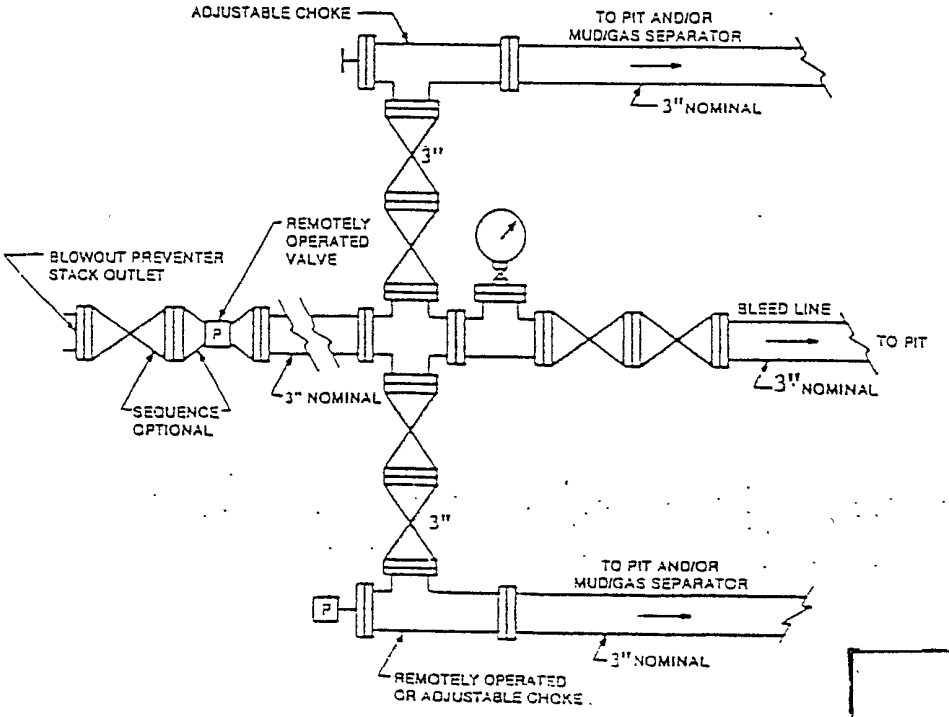


FIGURE K4-2. Typical choke manifold assembly for 5M rated working pressure service — surface installation.

EXHIBIT "E-1"
CHOKE MANIFOLD & CLOSING UNIT

OGX RESOURCES, LLC.
PADUCA "30" FEDERAL #1
UNIT "G" SECTION 30
T24S-R32E LEA CO. NM

OGX RESOURCES, LLC.

HYDROGEN SULFIDE CONTINGENCY PLAN
FOR DRILLING/WORKOVER/FACILITY

This well and its anticipated facility are not expected to have Hydrogen Sulfide releases. However, there may be Hydrogen Sulfide production in the nearby area. There are no Private residences in the area but a contingency plan has been orchestrated. OGX RESOURCES, LLC. Will have a company representative available to rig personnel throughout drilling or production operations. If Hydrogen Sulfide is detected or suspected, monitoring equipment will be acquired for monitoring and/or testing.

OGX RESOURCES, LLC.

HYDROGEN SULFIDE CONTINGENCY PLAN FOR DRILLING/WORKOVER/FACILITY

General H2S Emergency Actions:

1. All personnel will immediately evacuate to an up-wind and if possible up-hill "safe area".
2. If for any reason a person must enter the hazardous area, they must wear a SCBA (Self Contained Breathing Apparatus).
3. Always use the "buddy system"
4. Isolate the well/problem if possible
5. Account for all personnel
6. Display the proper colors warning all unsuspecting personnel of the danger at hand.
7. Contact the Company personnel as soon as possible if not at the location (use the enclosed call list as instructed)

At this point the company representative will evaluate the situation and coordinate the necessary duties to bring the situation under control, and if necessary, the notification of the emergency response agencies and nearby residents.

EMERGENCY PROCEDURES FOR AN UNCONTROLLABLE RELEASE OF H2S

1. All personnel will don the self contained breathing apparatus
2. Remove all personnel to the "safe area" (always use the buddy system)
3. Contact company personnel if not on location]
4. Set in motion the steps to protect and or remove the general public to and upwind "safe area" Maintain strict security & safety procedures while dealing with the source.
5. No entry to any unauthorized personnel
6. Notify the appropriate agencies: City Police – City Street(s)
   State Police – State Rd.
   County Sheriff – County Rd.
7. Call the NMOCD

OGX RESOURCES, LLC.

HYDROGEN SULFIDE CONTINGENCY PLAN FOR DRILLING/WORKOVER/FACILITY

If at this time the supervising person determines the release of H2S cannot be contained to the site location and the general public is in harms way he will take the necessary steps to protect the workers and the public.

EMERGENCY CALL LIST: (Start and continue until ONE of these people has been contacted)

	OFFICE	MOBILE	HOME
Jeff Birkelbach	432-685-1287	432-694-7880	432-553-0391
Donny Leek		432-634-4862	432-399-4489
JW Drilling Co	575-748-8704	575-513-2415 575-513-0321	

State Police	Eddy County		575 -748-9718
State Police	Lea County		575-392-5588
Sheriff	Eddy County		575-746-2701
Sheriff	Lea County		
Emergency Medical Service (Ambulance)	Eddy County		911 or 575-746-2701
	Lea County	Eunice	911 or 575-394-3258
Emergency Response	Eddy County SERC		575-476-9620
	Lea County		
Artesia Police Dept			575-746-5001
Artesia Fire Dept			575-746-5001
Carlsbad Police Dept			575-885-2111
Carlsbad Fire Dept			575-885-3125

OGX RESOURCES, LLC.

HYDROGEN SULFIDE CONTINGENCY PLAN
FOR DRILLING/WORKOVER/FACILITY

EMERGENCY CALL LIST (CONT.)

Loco Hills Police Dept		575-677-2349
Jal Police Dept		575-395-2501
Jal Fire Dept		575-395-2221
Jal Ambulance		575-395-2221
Eunice Police Dept		575-394-0112
Eunice Fire Dept		575-394-3258
Eunice Ambulance		575-394-3258
Hobbs Police Dept		575-397-3365
Hobbs Fire Dept		575-397-9308
NMOCD	District 1 (Lea, Roosevelt, Curry)	575-393-6161
	District 2 (Eddy, Chavez)	575-748-1283
Lea County Information		575-393-8203
Callaway Safety	Eddy/Lea Counties	575-392-2973
BJ Services	Artesia	575-746-3140
	Hobbs	575-392-5556
Halliburton	Artesia	1-800-523-2482
	Hobbs	1-800-523-2482
Wild Well Control	Midland	432-550-6202
	Mobile	432-553-1166

OGX RESOURCES, LLC.

HYDROGEN SULFIDE CONTINGENCY PLAN
FOR DRILLING/WORKOVER/FACILITY

PROTECTION OF THE GENERAL PUBLIC (ROE)

- 100 ppm at any public area (any place not associated with this site)
- 500 ppm at any public road (any road with the general public may travel)
- 100 ppm radius of ¼ mile in New Mexico will be assumed if there is insufficient data to do the calculations, and there is a reasonable expectation that H2S could be present in concentrations greater than 100 ppm in the gas mixture

CALCULATIONS FOR THE 100 PPM (ROE) "PASQUILL-GIFFORD EQUATION"

X = [(1.589) (mole fraction) (Q-volume in std cu ft)] to the power of (0.6258)

CALCULATION FOR THE 500 PPM ROE:

X = [(.4546) (mole fraction) (Q – volume in std cu ft)] to the power of (0.6258)

Example:

If a well/facility has been determined to have 150 / 500 ppm H2S in the gas mixture and the well/facility is producing at a gas rate of 100 MCFPD then:

150 ppm X = [(1.589) (.00015) (100,000 cfd)] to the power of (.6258)
X = 7 ft.

500 ppm X = [(.4546) (.0005) (100,000 cfd)] to the power of (.6258)
X = 3.3 ft.

(These calculations will be forwarded to the appropriate District NMOCD office when Applicable)

PUBLIC EVACUATION PLAN:

- Notification of the emergency response agencies of the hazardous condition and implement evacuation procedures.
- A trained person in H2S safety shall monitor with detection equipment the H2S concentration, wind and area exposure (ROE). This person will determine the outer perimeter of the hazardous area. The extent of the evacuation area will be determined from the data being collected. Monitoring shall continue until the situation has been resolved. **(All monitoring equipment shall be UL approved, for use in class 1 groups A, B, C & D, Division 1, hazardous locations. All monitor will have a minimum capability of measuring H2S, oxygen and flammable values.)**

- Law enforcement shall be notified to set up necessary barriers and maintain such for the duration of the situation as well as aid in the evacuation procedure.

- The company supervising personnel shall stay in communication with all agencies through out the duration of the situation and inform such agencies when the situation has been contained and the effected area(s) is safe to enter.

PROCEDURE FOR IGNITING AN UNCONTROLABLE CONDITION:

1. Human life and/or property are in danger.

2. There is no hope of bringing the situation under control with the prevailing conditions at the site.

INSTRUCTION FOR IGNITION:

1. Two people are required. They must be equipped with positive pressure, self contained breathing apparatus and a "D" ring style full body, OSHA approved safety harness. Non flammable rope will be attached.

2. One of the people will be qualified safety person who will test the atmosphere for H2S, oxygen and LFL. The other person will be the company supervisor; he is responsible for igniting the well.

3. Ignite up wind from a distance no closer than necessary. Make sure that where you ignite from has the maximum escape avenue available. A 25 mm flare gun shall be used, with a ± 500 ft. range to ignite the gas.

4. Prior to ignition, make a final check with combustible gases.

5. Following ignition, continue with the emergency actions & procedures as before.

OGX RESOURCES, LLC.

HYDROGEN SULFIDE CONTINGENCY PLAN FOR DRILLING/WORKOVER/FACILITY

REQUIRED EMERGENCY EQUIPMENT:

1. **Breathing apparatus:**
   - Rescue packs (SCBA) – 1 unit shall be placed at each breathing area, 2 shall be stored in the safety trailer.
   - Work/Escape packs – 4 packs shall be stored on the rig floor with sufficient air hose not to restrict work activity
   - Emergency Escape Packs – 4 packs shall be stored in the doghouse for emergency evacuation.

2. **Signage & Flagging:**
   - One color code condition sign will be placed at the entrance to the site reflection the possible conditions at the site.
   - A colored conditioned flag will be on display, reflecting the condition at the site at the time.

3. **Briefing Area:**
   - Two perpendicular areas will be designated by signs and readily accessible.

4. **Wind Socks:**
   - Two windsocks will be placed in strategic locations, visible from all angles.

5. **H2S Detectors & Alarms:**
   - The stationary detector with three sensors will be placed in the upper dog house if equipped, set to visually alarm @ 10 ppm and audible at 14 ppm. Calibrate a minimum of every 30 days or as needed. The sensors will be placed in the following places: (Gas sample tubes will be stored in the safety trailer)
     - Rig Floor
     - Bell Nipple
     - End of flow line or where well bore fluid are being discharged.

6. **Auxiliary Rescue Equipment:**
   - Stretcher
   - Two OSHA full body harness
   - 100 ft. 5/8 inch OSHA approved rope.
   - 1 – 20# class ABC fire extinguisher
   - Communication via cell phones on location and vehicles on location.

OGX RESOURCES, LLC.

HYDROGEN SULFIDE CONTINGENCY PLAN FOR DRILLING/WORKOVER/FACILITY

USING SELF CONTAINED BREATHING AIR EQUIPMENT (SCBA):

- (SCBA) SHOULD BE WORN WHEN ANY OF THE FOLLOWING ARE PERFORMED:
    - Working near the top or on the top of a tank
    - Disconnecting any line where H2S can reasonably be expected
    - Sampling air in the area to determine if toxic concentration of H2S can exist.
    - Working in areas where over 10 ppm on H2S has been detected.
    - At any time there is a doubt as the level of H2S in the area.
- All personnel shall be trained in the use of SCBA prior to working in a potentially hazardous location.
- Facial hair and standard eyeglasses are not allowed with SCBA.
- Contact lenses are never allowed with SCBA.
- Air quality shall be continuously checked during the entire operation.
- After each use, the SCBA unit shall be cleaned, disinfected, serviced and inspected.
- All SCBA shall be inspected monthly.

RESCUE AND FIRST AID FOR VICTIMS OF HYDROGEN SULFIDE (H2S) POISONING:

- Do not panic
- Remain calm and think
- Get on the breathing apparatus

OGX RESOURCES, LLC.

HYDROGEN SULFIDE CONTINGENCY PLAN FOR DRILLING/WORKOVER/FACILITY

- Remove the victim to the safe breathing area as quickly as possible. Up wind and uphill from source or cross wind to achieve upwind.
- Notify emergency response personnel.
- Provide artificial respiration and or CPR, as necessary.
- Remove all contaminated clothing to avoid further exposure.
- A minimum of two personnel on location shall be trained in CPR and First Aid.

OGX RESOURCES, LLC.

HYDROGEN SULFIDE CONTINGENCY PLAN FOR DRILLING/WORKOVER/FACILITY

H2S is extremely toxic. The acceptable ceiling for eight hours of exposure is 10 ppm, which is .001% by volume. H2S is approximately 20% heavier than air (Sp. Gr = 1.19) (Air = 1) and colorless. It forms an explosive mixture with air between 4.3% and 46%. By volume hydrogen sulfide is almost as toxic as hydrogen cyanide and is 5-6 times more toxic than carbon monoxide.

COMMON NAME	CHEMICAL ABBREV.	SPECIFIC GRVTY.	THRESHOLD LIMITS	HAZARDOUS LIMITS	LETHAL CONCENTRATIONS
Hydrogen Sulfide	H2S	1.19	10 ppm 15 ppm	100 ppm/hr	600ppm
Hydrogen Cyanide	HCN	0.94	10 ppm	150 ppm/hr	300 ppm
Sulfur Dioxide	SO2	2.21	2 ppm	N/A	1000 ppm
Chlorine	CL2	2.45	1 ppm	4 ppm/hr	1000 ppm
Carbon Monoxide	CO	0.97	50 ppm	400 ppm/hr	1000 ppm
Carbon Dioxide	CO2	1.52	5000 ppm	5%	10%
Methane	CH4	0.55	90,000	Combustible @ 5%	N/A

Threshold Limit: Concentrations at which it is believed that all workers may be repeatedly exposed, day after day without adverse effects.

Hazardous Limit: Concentrations that may cause death.

Concentrations: Concentrations that will cause death with short term exposure.

Threshold Limit: (10 ppm) NIOSH guide to chemical hazards

PHYSICAL EFFECTS OF HYDROGEN SULFIDE:

CONCENTRATION	*PHYSICAL EFFECTS*
.001% 10 ppm	Obvious and unpleasant odor. Safe for 8 hr. exposure
.005% 50 ppm	Can cause some flu like symptoms and can cause pneumonia.
.01% 100 ppm	Kills the sense of smell in 3-15 minutes. May irritate the eyes and throat.
.02% 200 ppm	Kills the sense of smell rapidly. Severely irritates the eyes and throat. Severe flu-like symptoms after 4 or more hours. May cause lung damage and or death.
.06% 600 ppm	Loss of consciousness quickly, death will result if not rescued promptly.

CERTIFICATION

I HEREBY CERTIFY THAT I OR PERSONS UNDER MY DIRECT SUPERVISION HAVE INSPECTED THE PROPOSED DRILL SITE AND THE ACCESS ROAD ROUTES, THAT I AM FAMILIAR WITH THE CONDITIONS THAT CURRENTLY EXIST, THAT THE STATEMENTS MADE IN THIS PLAN ARE TO THE BEST OF MY KNOWLEDGE ARE TRUE AND CORRECT, AND THAT THE WORK ASSOCIATED WITH THE OPERATIONS PROPOSED HEREIN WILL BE PERFORMED BY OGX RESOURCES, LLC. ITS CONTRACTORS AND/OR ITS SUB-CONTRACTORS AND IS IN CONFORMANCE WITH THIS PLANS AND TERMS AND THE CONDITIONS UNDER WHICH IT IS APPROVED. THIS STATEMENT IS SUBJECT TO THE PROVISIONS OF U.S.C. FOR FILING A FALSE REPORT.

OPERATOR'S REPRESENTATIVES:

BEFORE CONSTRUCTION

TIERRA EXPLORATION, INC
P. O. BOX 2188
HOBBS, NEW MEXICO 88241
JOE JANICA 575-391-8503
CELL 575-390-1598

DURING & AFTER CONSTRUCTION

OGX RESOURCES, LLC.
P. O. BOX 2064
MIDLAND, TEXAS 79701
JEFF BIRKELBACH 432-685-1287
CELL 432-553-0391

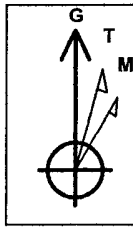
NAME Joe T. Janica

TITLE Permit Eng.

DATE 08/06/09

OGX

Project: Lea County
Site: Paduca Federal
Well: #1H
Wellbore: OH
Plan: Plan #1 (#1H/OH)



Azimuths to Grid North
True North: 0.82°
Magnetic North: 9.52°

Magnetic Field
Strength: 47826.8snT
Dip Angle: 58.64°
Date: 07/15/2009
Model: IGRF200510

PATHFINDER

PROJECT DETAILS: Lea County
Geodetic System: US State Plane 1927 (Exact solution)
Datum: NAD 1927 (NADCON CONUS)
Ellipsoid: Clarke 1866
Zone: New Mexico East 3001
System Datum: Mean Sea Level
Local North: Grid

WELLBORE TARGET DETAILS (MAP CO-ORDINATES)

Name	TVD	+N/-S	+E/-W	Northing	Easting	Shape
PBHL(P#1)	11650.00	-2970.00	0.00	-2970.000	0.000	Point

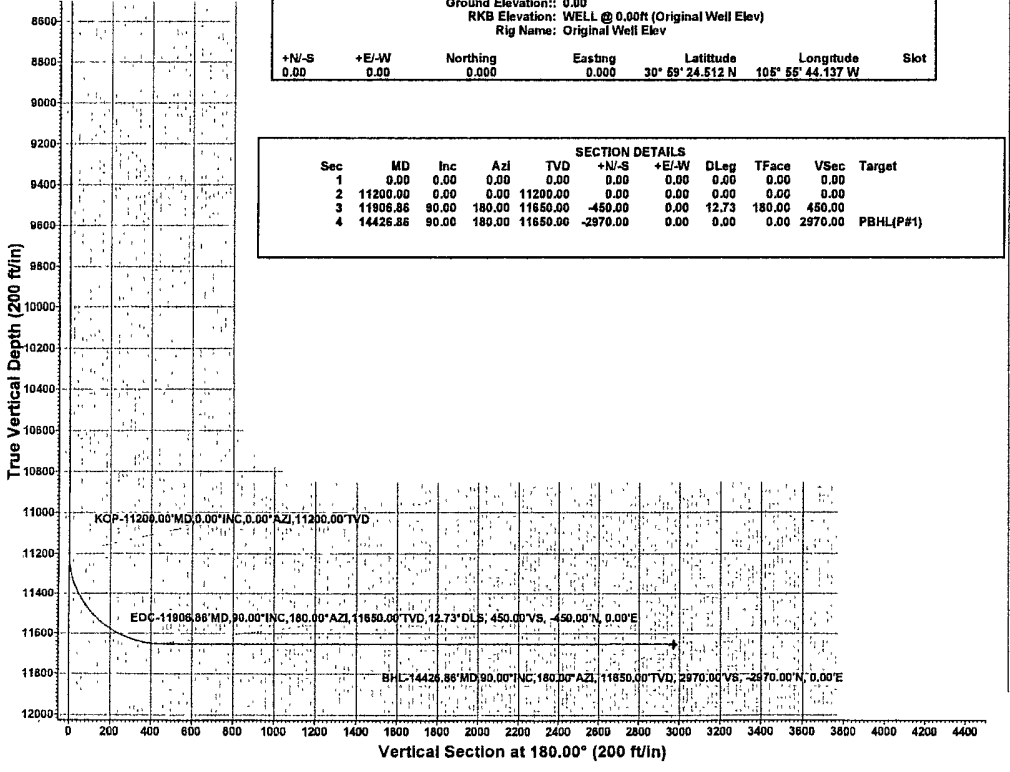
WELL DETAILS: #1H

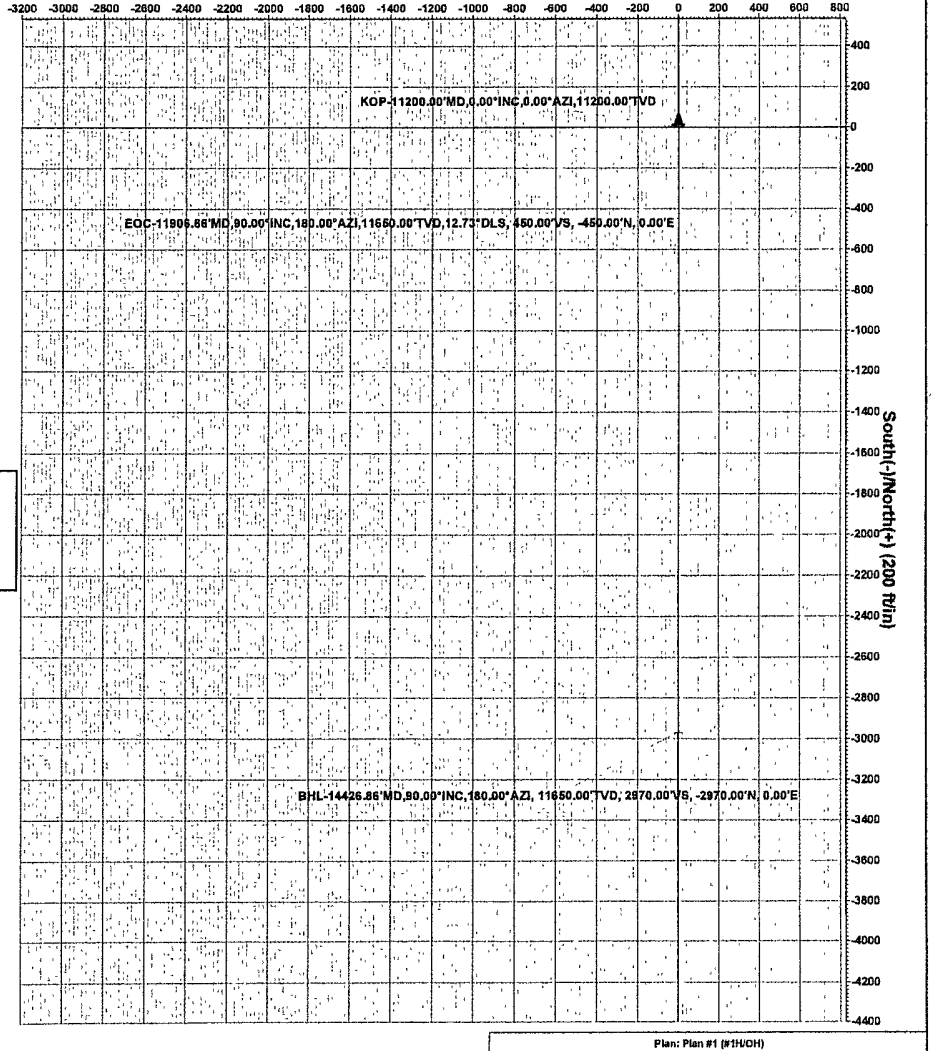
Ground Elevation:: 0.00
RKB Elevation: WELL @ 0.00ft (Original Well Elev)
Rig Name: Original Well Elev

+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
0.00	0.00	0.000	0.000	30° 59' 24.512 N	105° 55' 44.137 W	

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2	11200.00	0.00	0.00	11200.00	0.00	0.00	0.00	0.00	0.00	
3	11906.86	90.00	180.00	11650.00	-450.00	0.00	12.73	180.00	450.00	
4	14426.86	90.00	180.00	11650.00	-2970.00	0.00	0.00	0.00	2970.00	PBHL(P#1)





Plan: Plan #1 (#1H/OH)
Created By: Nate Bingham Date: 10:34, July 15 2009
Checked. _____ Date. _____

OGX

OGX Resources

Lea County
Paduca Federal
#1H
OH

Plan: Plan #1

Pathfinder X & Y Planning Report

15 July, 2009

PATHFINDER

Company:	OGX Resources	**Local Co-ordinate Reference:**	Well #1H
Project:	Lea County	**TVD Reference:**	WELL @ 0.00ft (Original Well Elev)
Site:	Paduca Federal	**MD Reference:**	WELL @ 0.00ft (Original Well Elev)
Well:	#1H	**North Reference:**	Grid
Wellbore:	OH	**Survey Calculation Method:**	Minimum Curvature
Design:	Plan #1	**Database:**	Midland Database

Project Lea County

Map System:	US State Plane 1927 (Exact solution)	**System Datum:**	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico East 3001		

Site Paduca Federal

Site Position:		**Northing:**	ft	**Latitude:**	
From:	None	**Easting:**	ft	**Longitude:**	
Position Uncertainty:	0.00 ft	**Slot Radius:**	"	**Grid Convergence:**	0.00 °

Well #1H

Well Position	**+N/-S**	0.00 ft	**Northing:**	0.000 ft	**Latitude:**	30° 59' 24.512 N
	+E/-W	0.00 ft	**Easting:**	0.000 ft	**Longitude:**	105° 55' 44.137 W
Position Uncertainty		0.00 ft	**Wellhead Elevation:**	ft	**Ground Level:**	0.00 ft

Wellbore OH

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF200510	07/15/2009	8.70	58.64	47,827

Design Plan #1

Audit Notes:

Version:		**Phase:**	PLAN	**Tie On Depth:**	0.00

Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)
	0.00	0.00	0.00	180.00

Survey Tool Program **Date** 07/15/2009

From (ft)	To (ft)	Survey (Wellbore)	Tool Name	Description
0.00	14,426.86	Plan #1 (OH)	MWD	MWD - Standard

Company:	OGX Resources	**Local Co-ordinate Reference:**	Well #1H
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Well:	#1H	**North Reference:**	Grid
Wellbore:	OH	**Survey Calculation Method:**	Minimum Curvature
Design:	Plan #1	**Database:**	Midland Database

Planned Survey

MD (ft)	Inc (°)	Azi (°)	TVD (ft)	TVDSS (ft)	N/S (ft)	E/W (ft)	V. Sec (ft)	DLeg (°/100ft)	Northing (ft)	Easting (ft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	0.00	0.00	500.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00
600.00	0.00	0.00	600.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00
700.00	0.00	0.00	700.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00
800.00	0.00	0.00	800.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00
900.00	0.00	0.00	900.00	900.00	0.00	0.00	0.00	0.00	0.00	0.00
1,000.00	0.00	0.00	1,000.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00
1,100.00	0.00	0.00	1,100.00	1,100.00	0.00	0.00	0.00	0.00	0.00	0.00
1,200.00	0.00	0.00	1,200.00	1,200.00	0.00	0.00	0.00	0.00	0.00	0.00
1,300.00	0.00	0.00	1,300.00	1,300.00	0.00	0.00	0.00	0.00	0.00	0.00
1,400.00	0.00	0.00	1,400.00	1,400.00	0.00	0.00	0.00	0.00	0.00	0.00
1,500.00	0.00	0.00	1,500.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00
1,600.00	0.00	0.00	1,600.00	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00
1,700.00	0.00	0.00	1,700.00	1,700.00	0.00	0.00	0.00	0.00	0.00	0.00
1,800.00	0.00	0.00	1,800.00	1,800.00	0.00	0.00	0.00	0.00	0.00	0.00
1,900.00	0.00	0.00	1,900.00	1,900.00	0.00	0.00	0.00	0.00	0.00	0.00
2,000.00	0.00	0.00	2,000.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00
2,100.00	0.00	0.00	2,100.00	2,100.00	0.00	0.00	0.00	0.00	0.00	0.00
2,200.00	0.00	0.00	2,200.00	2,200.00	0.00	0.00	0.00	0.00	0.00	0.00
2,300.00	0.00	0.00	2,300.00	2,300.00	0.00	0.00	0.00	0.00	0.00	0.00
2,400.00	0.00	0.00	2,400.00	2,400.00	0.00	0.00	0.00	0.00	0.00	0.00
2,500.00	0.00	0.00	2,500.00	2,500.00	0.00	0.00	0.00	0.00	0.00	0.00
2,600.00	0.00	0.00	2,600.00	2,600.00	0.00	0.00	0.00	0.00	0.00	0.00

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Planned Survey

MD (ft)	Inc (°)	Azi (°)	TVD (ft)	TVDSS (ft)	N/S (ft)	E/W (ft)	V. Sec (ft)	DLeg (°/100ft)	Northing (ft)	Easting (ft)
2,700.00	0.00	0.00	2,700.00	2,700.00	0.00	0.00	0.00	0.00	0.00	0.00
2,800.00	0.00	0.00	2,800.00	2,800.00	0.00	0.00	0.00	0.00	0.00	0.00
2,900.00	0.00	0.00	2,900.00	2,900.00	0.00	0.00	0.00	0.00	0.00	0.00
3,000.00	0.00	0.00	3,000.00	3,000.00	0.00	0.00	0.00	0.00	0.00	0.00
3,100.00	0.00	0.00	3,100.00	3,100.00	0.00	0.00	0.00	0.00	0.00	0.00
3,200.00	0.00	0.00	3,200.00	3,200.00	0.00	0.00	0.00	0.00	0.00	0.00
3,300.00	0.00	0.00	3,300.00	3,300.00	0.00	0.00	0.00	0.00	0.00	0.00
3,400.00	0.00	0.00	3,400.00	3,400.00	0.00	0.00	0.00	0.00	0.00	0.00
3,500.00	0.00	0.00	3,500.00	3,500.00	0.00	0.00	0.00	0.00	0.00	0.00
3,600.00	0.00	0.00	3,600.00	3,600.00	0.00	0.00	0.00	0.00	0.00	0.00
3,700.00	0.00	0.00	3,700.00	3,700.00	0.00	0.00	0.00	0.00	0.00	0.00
3,800.00	0.00	0.00	3,800.00	3,800.00	0.00	0.00	0.00	0.00	0.00	0.00
3,900.00	0.00	0.00	3,900.00	3,900.00	0.00	0.00	0.00	0.00	0.00	0.00
4,000.00	0.00	0.00	4,000.00	4,000.00	0.00	0.00	0.00	0.00	0.00	0.00
4,100.00	0.00	0.00	4,100.00	4,100.00	0.00	0.00	0.00	0.00	0.00	0.00
4,200.00	0.00	0.00	4,200.00	4,200.00	0.00	0.00	0.00	0.00	0.00	0.00
4,300.00	0.00	0.00	4,300.00	4,300.00	0.00	0.00	0.00	0.00	0.00	0.00
4,400.00	0.00	0.00	4,400.00	4,400.00	0.00	0.00	0.00	0.00	0.00	0.00
4,500.00	0.00	0.00	4,500.00	4,500.00	0.00	0.00	0.00	0.00	0.00	0.00
4,600.00	0.00	0.00	4,600.00	4,600.00	0.00	0.00	0.00	0.00	0.00	0.00
4,700.00	0.00	0.00	4,700.00	4,700.00	0.00	0.00	0.00	0.00	0.00	0.00
4,800.00	0.00	0.00	4,800.00	4,800.00	0.00	0.00	0.00	0.00	0.00	0.00
4,900.00	0.00	0.00	4,900.00	4,900.00	0.00	0.00	0.00	0.00	0.00	0.00
5,000.00	0.00	0.00	5,000.00	5,000.00	0.00	0.00	0.00	0.00	0.00	0.00
5,100.00	0.00	0.00	5,100.00	5,100.00	0.00	0.00	0.00	0.00	0.00	0.00
5,200.00	0.00	0.00	5,200.00	5,200.00	0.00	0.00	0.00	0.00	0.00	0.00
5,300.00	0.00	0.00	5,300.00	5,300.00	0.00	0.00	0.00	0.00	0.00	0.00

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5,400.00	0.00	0.00	5,400.00	5,400.00	0.00	0.00	0.00	0.00	0.00	0.00
5,500.00	0.00	0.00	5,500.00	5,500.00	0.00	0.00	0.00	0.00	0.00	0.00
5,600.00	0.00	0.00	5,600.00	5,600.00	0.00	0.00	0.00	0.00	0.00	0.00
5,700.00	0.00	0.00	5,700.00	5,700.00	0.00	0.00	0.00	0.00	0.00	0.00
5,800.00	0.00	0.00	5,800.00	5,800.00	0.00	0.00	0.00	0.00	0.00	0.00
5,900.00	0.00	0.00	5,900.00	5,900.00	0.00	0.00	0.00	0.00	0.00	0.00
6,000.00	0.00	0.00	6,000.00	6,000.00	0.00	0.00	0.00	0.00	0.00	0.00
6,100.00	0.00	0.00	6,100.00	6,100.00	0.00	0.00	0.00	0.00	0.00	0.00
6,200.00	0.00	0.00	6,200.00	6,200.00	0.00	0.00	0.00	0.00	0.00	0.00
6,300.00	0.00	0.00	6,300.00	6,300.00	0.00	0.00	0.00	0.00	0.00	0.00
6,400.00	0.00	0.00	6,400.00	6,400.00	0.00	0.00	0.00	0.00	0.00	0.00
6,500.00	0.00	0.00	6,500.00	6,500.00	0.00	0.00	0.00	0.00	0.00	0.00
6,600.00	0.00	0.00	6,600.00	6,600.00	0.00	0.00	0.00	0.00	0.00	0.00
6,700.00	0.00	0.00	6,700.00	6,700.00	0.00	0.00	0.00	0.00	0.00	0.00
6,800.00	0.00	0.00	6,800.00	6,800.00	0.00	0.00	0.00	0.00	0.00	0.00
6,900.00	0.00	0.00	6,900.00	6,900.00	0.00	0.00	0.00	0.00	0.00	0.00
7,000.00	0.00	0.00	7,000.00	7,000.00	0.00	0.00	0.00	0.00	0.00	0.00
7,100.00	0.00	0.00	7,100.00	7,100.00	0.00	0.00	0.00	0.00	0.00	0.00
7,200.00	0.00	0.00	7,200.00	7,200.00	0.00	0.00	0.00	0.00	0.00	0.00
7,300.00	0.00	0.00	7,300.00	7,300.00	0.00	0.00	0.00	0.00	0.00	0.00
7,400.00	0.00	0.00	7,400.00	7,400.00	0.00	0.00	0.00	0.00	0.00	0.00
7,500.00	0.00	0.00	7,500.00	7,500.00	0.00	0.00	0.00	0.00	0.00	0.00
7,600.00	0.00	0.00	7,600.00	7,600.00	0.00	0.00	0.00	0.00	0.00	0.00
7,700.00	0.00	0.00	7,700.00	7,700.00	0.00	0.00	0.00	0.00	0.00	0.00
7,800.00	0.00	0.00	7,800.00	7,800.00	0.00	0.00	0.00	0.00	0.00	0.00
7,900.00	0.00	0.00	7,900.00	7,900.00	0.00	0.00	0.00	0.00	0.00	0.00
8,000.00	0.00	0.00	8,000.00	8,000.00	0.00	0.00	0.00	0.00	0.00	0.00

Company:	OGX Resources	**Local Co-ordinate Reference:**	Well #1H
Project:	Lea County	**TVD Reference:**	WELL @ 0.00ft (Original Well Elev)
Site:	Paduca Federal	**MD Reference:**	WELL @ 0.00ft (Original Well Elev)
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Wellbore:	OH	**Survey Calculation Method:**	Minimum Curvature
Design:	Plan #1	**Database:**	Midland Database

Planned Survey

MD (ft)	Inc (°)	Azi (°)	TVD (ft)	TVDSS (ft)	N/S (ft)	E/W (ft)	V. Sec (ft)	DLeg (°/100ft)	Northing (ft)	Easting (ft)
8,100.00	0.00	0.00	8,100.00	8,100.00	0.00	0.00	0.00	0.00	0.00	0.00
8,200.00	0.00	0.00	8,200.00	8,200.00	0.00	0.00	0.00	0.00	0.00	0.00
8,300.00	0.00	0.00	8,300.00	8,300.00	0.00	0.00	0.00	0.00	0.00	0.00
8,400.00	0.00	0.00	8,400.00	8,400.00	0.00	0.00	0.00	0.00	0.00	0.00
8,500.00	0.00	0.00	8,500.00	8,500.00	0.00	0.00	0.00	0.00	0.00	0.00
8,600.00	0.00	0.00	8,600.00	8,600.00	0.00	0.00	0.00	0.00	0.00	0.00
8,700.00	0.00	0.00	8,700.00	8,700.00	0.00	0.00	0.00	0.00	0.00	0.00
8,800.00	0.00	0.00	8,800.00	8,800.00	0.00	0.00	0.00	0.00	0.00	0.00
8,900.00	0.00	0.00	8,900.00	8,900.00	0.00	0.00	0.00	0.00	0.00	0.00
9,000.00	0.00	0.00	9,000.00	9,000.00	0.00	0.00	0.00	0.00	0.00	0.00
9,100.00	0.00	0.00	9,100.00	9,100.00	0.00	0.00	0.00	0.00	0.00	0.00
9,200.00	0.00	0.00	9,200.00	9,200.00	0.00	0.00	0.00	0.00	0.00	0.00
9,300.00	0.00	0.00	9,300.00	9,300.00	0.00	0.00	0.00	0.00	0.00	0.00
9,400.00	0.00	0.00	9,400.00	9,400.00	0.00	0.00	0.00	0.00	0.00	0.00
9,500.00	0.00	0.00	9,500.00	9,500.00	0.00	0.00	0.00	0.00	0.00	0.00
9,600.00	0.00	0.00	9,600.00	9,600.00	0.00	0.00	0.00	0.00	0.00	0.00
9,700.00	0.00	0.00	9,700.00	9,700.00	0.00	0.00	0.00	0.00	0.00	0.00
9,800.00	0.00	0.00	9,800.00	9,800.00	0.00	0.00	0.00	0.00	0.00	0.00
9,900.00	0.00	0.00	9,900.00	9,900.00	0.00	0.00	0.00	0.00	0.00	0.00
10,000.00	0.00	0.00	10,000.00	10,000.00	0.00	0.00	0.00	0.00	0.00	0.00
10,100.00	0.00	0.00	10,100.00	10,100.00	0.00	0.00	0.00	0.00	0.00	0.00
10,200.00	0.00	0.00	10,200.00	10,200.00	0.00	0.00	0.00	0.00	0.00	0.00
10,300.00	0.00	0.00	10,300.00	10,300.00	0.00	0.00	0.00	0.00	0.00	0.00
10,400.00	0.00	0.00	10,400.00	10,400.00	0.00	0.00	0.00	0.00	0.00	0.00
10,500.00	0.00	0.00	10,500.00	10,500.00	0.00	0.00	0.00	0.00	0.00	0.00
10,600.00	0.00	0.00	10,600.00	10,600.00	0.00	0.00	0.00	0.00	0.00	0.00
10,700.00	0.00	0.00	10,700.00	10,700.00	0.00	0.00	0.00	0.00	0.00	0.00

Company:	OGX Resources	**Local Co-ordinate Reference:**	Well #1H
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10,800.00	0.00	0.00	10,800.00	10,800.00	0.00	0.00	0.00	0.00	0.00	0.00
10,900.00	0.00	0.00	10,900.00	10,900.00	0.00	0.00	0.00	0.00	0.00	0.00
11,000.00	0.00	0.00	11,000.00	11,000.00	0.00	0.00	0.00	0.00	0.00	0.00
11,100.00	0.00	0.00	11,100.00	11,100.00	0.00	0.00	0.00	0.00	0.00	0.00
11,200.00	0.00	0.00	11,200.00	11,200.00	0.00	0.00	0.00	0.00	0.00	0.00
KOP-11200.00'MD,0.00°INC,0.00°AZI,11200.00'TVD										
11,225.00	3.18	180.00	11,224.99	11,224.99	-0.69	0.00	0.69	12.73	-0.69	0.00
11,250.00	6.37	180.00	11,249.90	11,249.90	-2.77	0.00	2.77	12.73	-2.77	0.00
11,275.00	9.55	180.00	11,274.65	11,274.65	-6.24	0.00	6.24	12.73	-6.24	0.00
11,300.00	12.73	180.00	11,299.18	11,299.18	-11.07	0.00	11.07	12.73	-11.07	0.00
11,325.00	15.92	180.00	11,323.40	11,323.40	-17.25	0.00	17.25	12.73	-17.25	0.00
11,350.00	19.10	180.00	11,347.24	11,347.24	-24.77	0.00	24.77	12.73	-24.77	0.00
11,375.00	22.28	180.00	11,370.62	11,370.62	-33.60	0.00	33.60	12.73	-33.60	0.00
11,400.00	25.46	180.00	11,393.48	11,393.48	-43.72	0.00	43.72	12.73	-43.72	0.00
11,425.00	28.65	180.00	11,415.74	11,415.74	-55.09	0.00	55.09	12.73	-55.09	0.00
11,450.00	31.83	180.00	11,437.34	11,437.34	-67.68	0.00	67.68	12.73	-67.68	0.00
11,475.00	35.01	180.00	11,458.20	11,458.20	-81.45	0.00	81.45	12.73	-81.45	0.00
11,500.00	38.20	180.00	11,478.27	11,478.27	-96.35	0.00	96.35	12.73	-96.35	0.00
11,525.00	41.38	180.00	11,497.47	11,497.47	-112.35	0.00	112.35	12.73	-112.35	0.00
11,550.00	44.56	180.00	11,515.76	11,515.76	-129.39	0.00	129.39	12.73	-129.39	0.00
11,575.00	47.75	180.00	11,533.08	11,533.08	-147.41	0.00	147.41	12.73	-147.41	0.00
11,600.00	50.93	180.00	11,549.37	11,549.37	-166.38	0.00	166.38	12.73	-166.38	0.00
11,625.00	54.11	180.00	11,564.58	11,564.58	-186.21	0.00	186.21	12.73	-186.21	0.00
11,650.00	57.30	180.00	11,578.66	11,578.66	-206.86	0.00	206.86	12.73	-206.86	0.00
11,675.00	60.48	180.00	11,591.58	11,591.58	-228.27	0.00	228.27	12.73	-228.27	0.00
11,700.00	63.66	180.00	11,603.29	11,603.29	-250.35	0.00	250.35	12.73	-250.35	0.00
11,725.00	66.85	180.00	11,613.75	11,613.75	-273.05	0.00	273.05	12.73	-273.05	0.00

Company:	OGX Resources	**Local Co-ordinate Reference:**	Well #1H
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Well:	#1H	**North Reference:**	Grid
Wellbore:	OH	**Survey Calculation Method:**	Minimum Curvature
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Planned Survey

MD (ft)	Inc (°)	Azi (°)	TVD (ft)	TVDSS (ft)	N/S (ft)	E/W (ft)	V. Sec (ft)	DLeg (°/100ft)	Northing (ft)	Easting (ft)
11,750.00	70.03	180.00	11,622.94	11,622.94	-296.30	0.00	296.30	12.73	-296.30	0.00
11,775.00	73.21	180.00	11,630.82	11,630.82	-320.02	0.00	320.02	12.73	-320.02	0.00
11,800.00	76.39	180.00	11,637.37	11,637.37	-344.14	0.00	344.14	12.73	-344.14	0.00
11,825.00	79.58	180.00	11,642.58	11,642.58	-368.59	0.00	368.59	12.73	-368.59	0.00
11,850.00	82.76	180.00	11,646.41	11,646.41	-393.29	0.00	393.29	12.73	-393.29	0.00
11,875.00	85.94	180.00	11,648.87	11,648.87	-418.17	0.00	418.17	12.73	-418.17	0.00
11,900.00	89.13	180.00	11,649.95	11,649.95	-443.14	0.00	443.14	12.73	-443.14	0.00
11,906.86	90.00	180.00	11,650.00	11,650.00	-450.00	0.00	450.00	12.73	-450.00	0.00
EOC-11906.86'MD,90.00°INC,180.00°AZI,11650.00'TVD,12.73°DLS, 450.00'VS, -450.00'N, 0.00'E										
12,000.00	90.00	180.00	11,650.00	11,650.00	-543.14	0.00	543.14	0.00	-543.14	0.00
12,100.00	90.00	180.00	11,650.00	11,650.00	-643.14	0.00	643.14	0.00	-643.14	0.00
12,200.00	90.00	180.00	11,650.00	11,650.00	-743.14	0.00	743.14	0.00	-743.14	0.00
12,300.00	90.00	180.00	11,650.00	11,650.00	-843.14	0.00	843.14	0.00	-843.14	0.00
12,400.00	90.00	180.00	11,650.00	11,650.00	-943.14	0.00	943.14	0.00	-943.14	0.00
12,500.00	90.00	180.00	11,650.00	11,650.00	-1,043.14	0.00	1,043.14	0.00	-1,043.14	0.00
12,600.00	90.00	180.00	11,650.00	11,650.00	-1,143.14	0.00	1,143.14	0.00	-1,143.14	0.00
12,700.00	90.00	180.00	11,650.00	11,650.00	-1,243.14	0.00	1,243.14	0.00	-1,243.14	0.00
12,800.00	90.00	180.00	11,650.00	11,650.00	-1,343.14	0.00	1,343.14	0.00	-1,343.14	0.00
12,900.00	90.00	180.00	11,650.00	11,650.00	-1,443.14	0.00	1,443.14	0.00	-1,443.14	0.00
13,000.00	90.00	180.00	11,650.00	11,650.00	-1,543.14	0.00	1,543.14	0.00	-1,543.14	0.00
13,100.00	90.00	180.00	11,650.00	11,650.00	-1,643.14	0.00	1,643.14	0.00	-1,643.14	0.00
13,200.00	90.00	180.00	11,650.00	11,650.00	-1,743.14	0.00	1,743.14	0.00	-1,743.14	0.00
13,300.00	90.00	180.00	11,650.00	11,650.00	-1,843.14	0.00	1,843.14	0.00	-1,843.14	0.00
13,400.00	90.00	180.00	11,650.00	11,650.00	-1,943.14	0.00	1,943.14	0.00	-1,943.14	0.00
13,500.00	90.00	180.00	11,650.00	11,650.00	-2,043.14	0.00	2,043.14	0.00	-2,043.14	0.00
13,600.00	90.00	180.00	11,650.00	11,650.00	-2,143.14	0.00	2,143.14	0.00	-2,143.14	0.00
13,700.00	90.00	180.00	11,650.00	11,650.00	-2,243.14	0.00	2,243.14	0.00	-2,243.14	0.00

Company:	OGX Resources	**Local Co-ordinate Reference:**	Well #1H
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13,800.00	90.00	180.00	11,650.00	11,650.00	-2,343.14	0.00	2,343.14	0.00	-2,343.14	0.00
13,900.00	90.00	180.00	11,650.00	11,650.00	-2,443.14	0.00	2,443.14	0.00	-2,443.14	0.00
14,000.00	90.00	180.00	11,650.00	11,650.00	-2,543.14	0.00	2,543.14	0.00	-2,543.14	0.00
14,100.00	90.00	180.00	11,650.00	11,650.00	-2,643.14	0.00	2,643.14	0.00	-2,643.14	0.00
14,200.00	90.00	180.00	11,650.00	11,650.00	-2,743.14	0.00	2,743.14	0.00	-2,743.14	0.00
14,300.00	90.00	180.00	11,650.00	11,650.00	-2,843.14	0.00	2,843.14	0.00	-2,843.14	0.00
14,400.00	90.00	180.00	11,650.00	11,650.00	-2,943.14	0.00	2,943.14	0.00	-2,943.14	0.00
14,426.86	90.00	180.00	11,650.00	11,650.00	-2,970.00	0.00	2,970.00	0.00	-2,970.00	0.00

BHL-14426.86'MD,90.00°INC,180.00°AZI, 11650.00'TVD, 2970.00'VS, -2970.00'N, 0.00'E - PBHL(P#1)

Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
PBHL(P#1) - plan hits target - Point	0.00	360.00	11,650.00	-2,970.00	0.00	-2,970.000	0.000	30° 58' 55.125 N	105° 55' 43.648 W

Plan Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates +N/-S (ft)	Local Coordinates +E/-W (ft)	Comment
11,200.00	11,200.00	0.00	0.00	KOP-11200.00'MD,0.00°INC,0.00°AZI,11200.00'TVD
11,906.86	11,650.00	-450.00	0.00	EOC-11906.86'MD,90.00°INC,180.00°AZI,11650.00'TVD,12.73°DLS, 4
14,426.86	11,650.00	-2,970.00	0.00	BHL-14426.86'MD,90.00°INC,180.00°AZI, 11650.00'TVD, 2970.00'VS,

Checked By: _____ Approved By: _____ Date: _____

PECOS DISTRICT
CONDITIONS OF APPROVAL

OPERATOR'S NAME:	OGX RESOURCES, LLC
LEASE NO.:	NM120908
WELL NAME & NO.:	PADUCA 30 FEDERAL #1
SURFACE HOLE FOOTAGE:	1980' FNL & 1980' FEL
BOTTOM HOLE FOOTAGE	330' FSL & 1980' FEL
LOCATION:	Section 30, T. 24 S., R 32 E., NMPM
COUNTY:	Lea County, New Mexico

TABLE OF CONTENTS

Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

I. GENERAL PROVISIONS

The approval of the Application For Permit To Drill (APD) is in compliance with all applicable laws and regulations: 43 Code of Federal Regulations 3160, the lease terms, Onshore Oil and Gas Orders, Notices To Lessees, New Mexico Oil Conservation Division (NMOCD) Rules, National Historical Preservation Act As Amended, and instructions and orders of the Authorized Officer. Any request for a variance shall be submitted to the Authorized Officer on Form 3160-5, Sundry Notices and Report on Wells.

II. PERMIT EXPIRATION

If the permit terminates prior to drilling and drilling cannot be commenced within 60 days after expiration, an operator is required to submit Form 3160-5, Sundry Notices and Reports on Wells, requesting surface reclamation requirements for any surface disturbance. However, if the operator will be able to initiate drilling within 60 days after the expiration of the permit, the operator must have set the conductor pipe in order to allow for an extension of 60 days beyond the expiration date of the APD. (Filing of a Sundry Notice is required for this 60 day extension.)

III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

Any cultural and/or paleontological resource discovered by the operator or by any person working on the operator's behalf shall immediately report such findings to the Authorized Officer. The operator is fully accountable for the actions of their contractors and subcontractors. The operator shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery shall be made by the Authorized Officer to determine the appropriate actions that shall be required to prevent the loss of significant cultural or scientific values of the discovery. The operator shall be held responsible for the cost of the proper mitigation measures that the Authorized Officer assesses after consultation with the operator on the evaluation and decisions of the discovery. Any unauthorized collection or disturbance of cultural or paleontological resources may result in a shutdown order by the Authorized Officer.

IV. NOXIOUS WEEDS

The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

V. SPECIAL REQUIREMENT(S)

Timing Limitation Stipulation/Condition of Approval for Lesser Prairie-Chicken: Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, geophysical exploration other than 3-D operations, and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 ft. from the source of the noise.

Ground-level Abandoned Well Marker to avoid raptor perching: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well. For more installation details, contact the Carlsbad Field Office at 575-234-5972.

VI. CONSTRUCTION

A. NOTIFICATION

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Hobbs Field Station at (575) 393-3612 at least 3 working days prior to commencing construction of the access road and/or well pad.

When construction operations are being conducted on this well, the operator shall have the approved APD and Conditions of Approval (COA) on the well site and they shall be made available upon request by the Authorized Officer.

B. TOPSOIL

The operator shall stockpile the topsoil of the well pad. The topsoil shall not be used to backfill the reserve pit and will be used for interim and final reclamation.

C. RESERVE PITS

The operator has applied for a closed-loop system. The operator shall properly dispose of drilling contents at an authorized disposal site.

D. FEDERAL MINERAL MATERIALS PIT

If the operator elects to surface the access road and/or well pad, mineral materials extracted during construction of the reserve pit may be used for surfacing the well pad and access road and other facilities on the lease.

Payment shall be made to the BLM prior to removal of any additional federal mineral materials from any site other than the reserve pit. Call the Carlsbad Field Office at (575) 234-5972.

E. WELL PAD SURFACING

Surfacing of the well pad is not required.

If the operator elects to surface the well pad, the surfacing material may be required to be removed at the time of reclamation.

The well pad shall be constructed in a manner which creates the smallest possible surface disturbance, consistent with safety and operational needs.

VII. DRILLING – Re-entry

A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified a minimum of 4 hours in advance for a representative to witness:

a. BOPE tests
b. Setting and Cementing the production casing strings
c. CIT test
d. Plugs

☒ **Lea County**
Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240,
(575) 393-3612

1. **Hydrogen Sulfide has been reported as a hazard in formations deeper than the proposed depth. It is recommended that monitoring equipment be onsite for potential Hydrogen Sulfide. If Hydrogen Sulfide is encountered, please report measurements and formations to the BLM.**

2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.

3. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.

B. CASING – Re-entry

Changes to the approved APD casing and cement program require submitting a sundry and receiving approval prior to work. Failure to obtain approval prior to work will result in an Incident of Non-Compliance being issued.

Wait on cement (WOC) time for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater for all casing strings. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. See individual casing strings for details regarding lead cement slurry requirements.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

1. The 13-3/8" surface casing is set at 719 feet with cement circulated to surface.

A CIT is to be performed on the intermediate casing per Onshore Oil and Gas Order 2.III.B.1.h prior to drilling the shoe plug.

2. The 10-3/4" intermediate casing is set at 4,600' feet with cement circulated to surface.

A cement bond log is required to determine the top of cement on the 7-5/8" production casing. The BLM will evaluate the CBL and revise the conditions of approval accordingly.

3. The 7-5/8" Production casing is set at 12,834' feet with cement to the top of casing. **Tie back production casing to surface and circulate cement to surface. Additional cement may be required as the excess cement calculated to be -29%.**

Prior to setting whipstock, the plug at 12,675' must be drilled out and a 25 sack plug is to be set across the production casing shoe at 12,885'. WOC and tag no shallower than 12,785'. An additional 25 sack plug must be set across the liner top at 12,675'. WOC and tag no shallower than 12,575'. These plugs can be combined into one plug from 12,885' to 12,575', which will save a tag and WOC time.

A CIT is to be performed on the production casing per Onshore Oil and Gas Order 2.III.B.1.h prior to setting the whipstock.

Formation below the kick off point (KOP) to be tested according to Onshore Order 2.III.B.1.i. Test to be done as a mud equivalency test using the mud weight necessary for the pore pressure of the formation below the KOP and the mud weight for the bottom of the hole. Report results to BLM office.

Centralizers required on horizontal leg, must be type for horizontal service and minimum of one every other joint.

4. The minimum required fill of cement behind the **4-1/2** inch production liner is:

   ☒ Cement to top of liner. Operator shall provide method of verification.

5. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

C. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.

2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **5000 (5M)** psi. **5M/10M system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.**

3. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.

   a. The tests shall be done by an independent service company.

   b. The results of the test shall be reported to the appropriate BLM office.

   c. All tests are required to be recorded on a calibrated test chart. **A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.**

   d. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test

plug and 30 minutes without a test plug.

e. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the **Wolfcamp** formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

D. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the **Wolfcamp** formation, and shall be used until production casing is run and cemented.

Proposed mud weight may not be adequate for drilling through Wolfcamp.

E. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

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VIII. PRODUCTION (POST DRILLING)

A. WELL STRUCTURES & FACILITIES

Placement of Production Facilities
Production facilities should be placed on the well pad to allow for maximum interim recontouring and revegetation of the well location.

Containment Structures
The containment structure shall be constructed to hold the capacity of the entire contents of the largest tank, plus 24 hour production, unless more stringent protective requirements are deemed necessary by the Authorized Officer.

Painting Requirement
All above-ground structures including meter housing that are not subject to safety requirements shall be painted a flat non-reflective paint color
Shale Green, Munsell Soil Color Chart # 5Y 4/2

IX. INTERIM RECLAMATION & RESERVE PIT CLOSURE

A. INTERIM RECLAMATION

If the well is a producer, interim reclamation shall be conducted on the well site in accordance with the orders of the Authorized Officer. The operator shall submit a Sundry Notices and Reports on Wells (Notice of Intent), Form 3160-5, prior to conducting interim reclamation.

During the life of the development, all disturbed areas not needed for active support of production operations should undergo interim reclamation in order to minimize the environmental impacts of development on other resources and uses.

Operators should work with BLM surface management specialists to devise the best strategies to reduce the size of the location. Any reductions should allow for remedial well operations, as well as safe and efficient removal of oil and gas.

During reclamation, the removal of caliche is important to increasing the success of revegetating the site. Removed caliche may be used for road repairs, fire walls or for building other roads and locations. In order to operate the well or complete workover operations, it may be necessary to drive, park and operate on restored interim vegetation within the previously disturbed area. Disturbing revegetated areas for production or workover operations will be allowed. If there is significant disturbance and loss of vegetation, the area will need to be revegetated. Communicate with the appropriate BLM office for any exceptions/exemptions if needed.

Seed Mixture 2, for Sandy Sites

The holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)* per acre. There shall be no primary or secondary noxious weeds in the seed mixture. Seed will be tested and the viability testing of seed will be done in accordance with State law (s) and within nine (9) months prior to purchase. Commercial seed will be either certified or registered seed. The seed container will be tagged in accordance with State law(s) and available for inspection by the authorized officer.

Seed will be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The see mixture will be evenly and uniformly planted over the disturbed area (smaller/heavier seeds have a tendency to drop the bottom of the drill and are planted first). The holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed will be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre are to be doubled. The seeding will be repeated until a satisfactory stand is

established as determined by the authorized officer. Evaluation of growth will not be made before completion of at least one full growing season after seeding.

Species to be planted in pounds of pure live seed* per acre:

Species	lb/acre
Sand dropseed (Sporobolus cryptandrus)	1.0
Sand love grass (Eragrostis trichodes)	1.0
Plains bristlegrass (Setaria macrostachya)	2.0

*Pounds of pure live seed:

Pounds of seed x percent purity x percent germination = pounds pure live seed

X. FINAL ABANDONMENT & REHABILITATION REQUIREMENTS

Upon abandonment of the well and/or when the access road is no longer in service the Authorized Officer shall issue instructions and/or orders for surface reclamation and restoration of all disturbed areas.

On private surface/federal mineral estate land the reclamation procedures on the road and well pad shall be accomplished in accordance with the private surface land owner agreement.

Ground-level Abandoned Well Marker to avoid raptor perching: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well. For more installation details, contact the Carlsbad Field Office at 575-234-5972.