

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

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

Operator Name and Address OGX RESOURCES, LLC. P. O. BOX 2064 MIDLAND, TEXAS 79702		OGRID Number 217955
Property Code 38287		API Number 30- 30-025-39945
Property Name NLA STATE UNIT		Well No. 1Y
Proposed Pool 1 FLYING M ABO SOUTH	(24590)	Proposed Pool 2

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	18	9S	33E		480'	SOUTH	530'	WEST	LEA

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
D	18	9S	33E		330'	North	480'	WEST	LEA

Additional Well Information

Work Type Code N	Well Type Code O	Cable/Rotary ROTARY	Lease Type Code S	Ground Level Elevation 4404'
Multiple NO	Proposed Depth TVD8410 MD-12,675'	Formation ABO	Contractor SILVER OAK DRILLING	Spud Date WHEN APPROVED

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
26"	20"	Conductor	40'	Redi-mix	Surface
17 1/2"	13 3/8"	54.5#	320'	355 Sx.	SURFACE
12 1/4"	9 5/8"	36#	4000'	1305 Sx.	SURFACE
8 3/4"	7"	29#	8675'	630 Sx.	3700' FS
6 1/8"	4 1/2"	11.6#	12,675-7500'	587 Sx.	Top of Liner

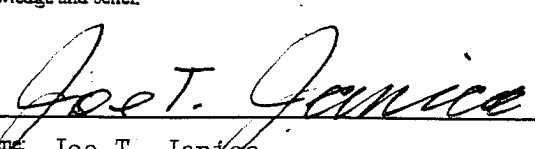
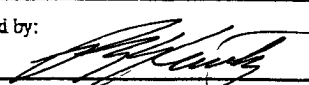
Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

SEE ATTACHED SHEET FOR DETAIL

RECEIVED

NOV 01 2010

HOBBSDO

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: NOV 02 2010	Expiration Date:
E-mail Address: joejanica@valornet.com			
Date: 11/01/10	Phone: 575-391-8503	Conditions of Approval Attached <input type="checkbox"/>	

1. Drill a 26" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
2. Drill 17½" hole to 320'. Run and set 320' of 13 3/8" 54/5# K-55 ST&C casing. Cement with 145 Sx. of Class "C" cement + 4% Bentonite, + 1% CaCl, + 0.125#/Sx., Yield 1.73, tail in with 200 Sx. of Class "C" cement + 2% CaCl, yield 1.34, circulate cement to surface.
3. Drill 12½" hole to 4000'. Run and set 4000' of 9 5/8" 36# J-55 ST&C casing. Cement with 1105 Sx. of Class "C" cement + 5% Salt, + D132 Extender, + 2% Bentonite, + 4# LCM/Sx. + 0.125# Celo Flakes/Sx. Yield 1.96, tail in with 200 Sx. of Class "C" cement Yield 1.33, circulate cement to surface.
4. Drill 8 3/4" hole to 8675' MD. Run and set 8675' of 7" 29# P-110 LT&C casing. Cement with 190 Sx. of Class "H" cement + 5% Salt, + D132 Extender, + 10% Bentonite, + 0.125 # Celoflakes/Sx. + D112, + 0.2% antifoamer, Yield 2.57, tail in with 440 Sx. of TXI Light weight cement, + 0.2% fluid loss, + 0.2% dispersant, + 0.2% anti foamer, + 0.3% retarder, Yield 1.39 estimate top of cement 3700' from surface.
5. Drill 6 1/8" hole from 8675' to 12,675' MD. Run and set a 5175' 4 1/2" 11.6# P-110 BT&C liner. hang liner at 7500±'. Cement with 587 Sx. of Class "H" cement + D132 extender, + 2% Bentonite, + Do46Foam preventor, + D112 fluid loss additive, + D065 dispersant, Yield 1.24. cement to top of liner.

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State of New Mexico
Energy, Minerals and Natural Resources DepartmentForm C-102
Revised October 15, 2009Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-39945	Pool Code 24590	Pool Name FLYING M ABO SOUTH
Property Code 38287	Property Name NLA STATE UNIT	Well Number !Y
OGRID No. 217955	Operator Name OGX RESOURCES, LLC	Elevation 4404'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	18	09 S	33 E		480	SOUTH	530	WEST	LEA

Bottom Hole Location If Different From Surface

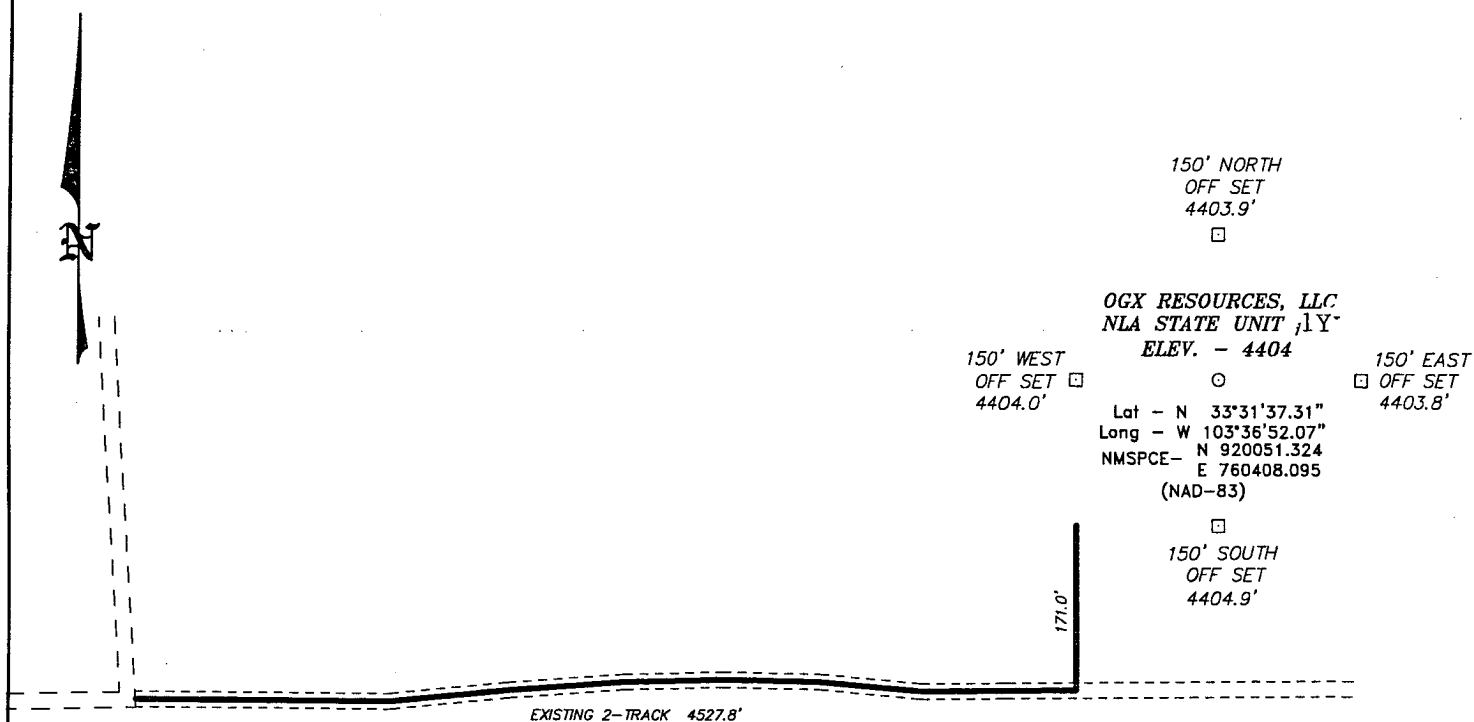
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	18	09 S	33 E		330	NORTH	480	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160			

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

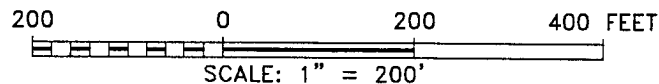
	<p><u>PROPOSED BOTTOM HOLE LOCATION</u></p> <p>Lat - N 33°32'21.47" Long - W 103°36'51.74" NMSPC- N 924514.671 E 760405.729 (NAD-83)</p>	<p><u>PROPOSED BOTTOM HOLE LOCATION</u></p> <p>Lat - N 33°32'21.11" Long - W 103°36'49.90" NMSPC- N 924449.394 E 719229.027 (NAD-27)</p>	<p>OPERATOR CERTIFICATION</p> <p>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>Signature: <i>Joe T. Janica</i> Date: 11/01/10</p> <p>Printed Name: Joe T. Janica</p>	
	<p><u>SURFACE LOCATION</u></p> <p>Lat - N 33°31'37.32" Long - W 103°36'51.48" NMSPC- N 920052.245 E 760458.296 (NAD-83)</p>	<p><u>SURFACE LOCATION</u></p> <p>Lat - N 33°31'36.95" Long - W 103°36'49.64" NMSPC- N 919986.916 E 719281.576 (NAD-27)</p>		<p>SURVEYOR CERTIFICATION</p> <p>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>NOVEMBER 1, 2010</p> <p>Date Surveyed: _____</p> <p>Signature & Seal of Professional Surveyor: <i>[Signature]</i></p> <p>W.O. No. 23288</p> <p>Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>

SECTION 18, TOWNSHIP 09 SOUTH, RANGE 33 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



Directions to Location:

FROM THE JUNCTION OF CARROL AND BUTTON MESA,
GO NORTH ON LEASE ROAD 0.5 MILES TO LEASE
ROAD, ON LEASE ROAD GO EAST 1.2 MILES TO
PROPOSED LEASE ROAD AND 2-TRACK.



BASIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO

W.O. Number: 23148 Drawn By: J. SMALL

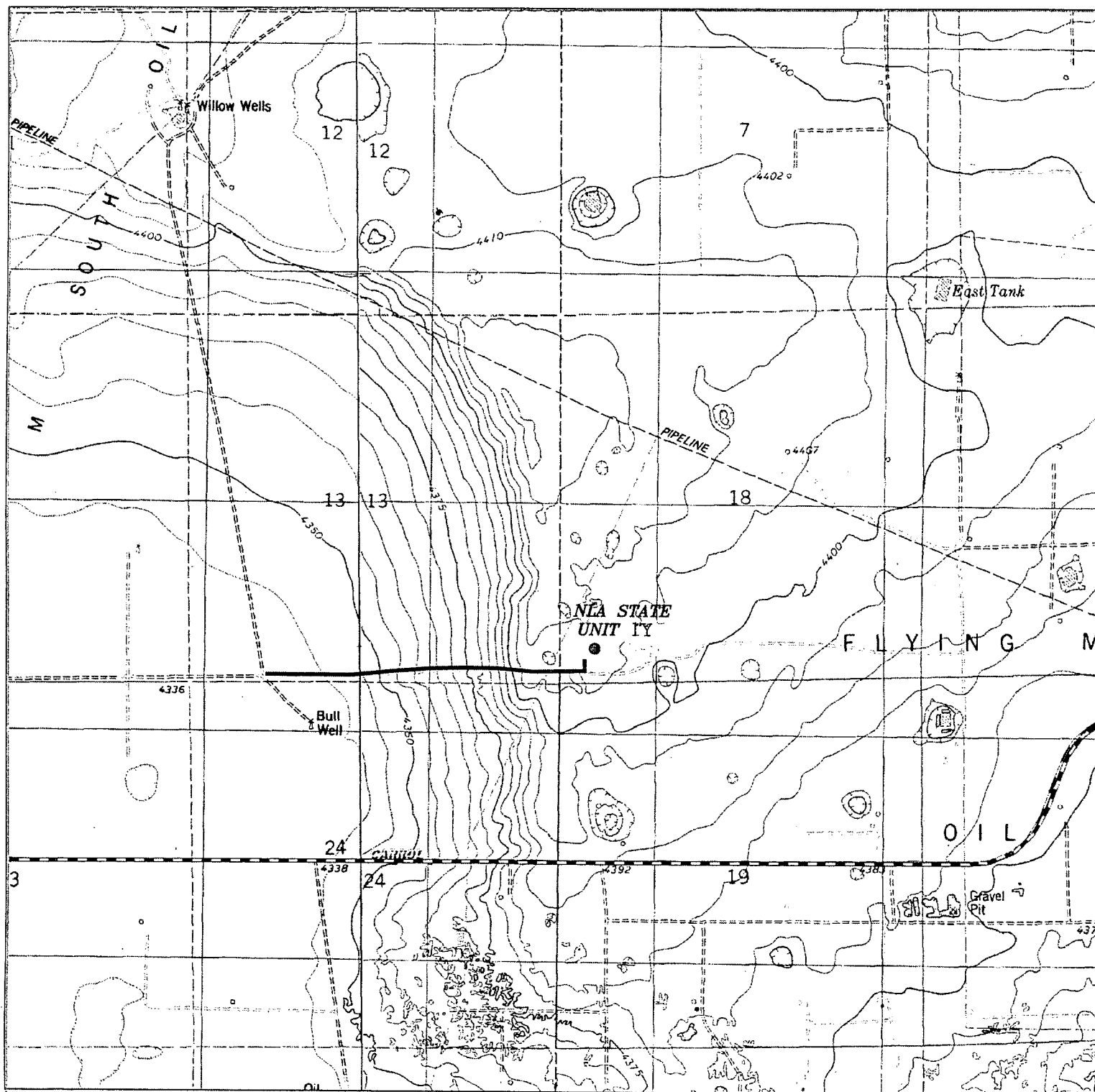
Date: 08-12-2010 Disk: JMS 23148

OGX RESOURCES, LLC

REF: NLA STATE UNIT #1H / WELL PAD TOPO

THE NLA STATE UNIT 1Y LOCATED 480'
FROM THE SOUTH LINE AND 530' FROM THE WEST LINE OF
SECTION 18, TOWNSHIP 09 SOUTH, RANGE 33 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO.

Survey Date: 08-11-2010 Sheet 1 of 1 Sheets



NLA STATE UNIT # 1Y
 Located 480' FSL and 530' FWL
 Section 18, Township 09 South, Range 33 East,
 N.M.P.M., Lea County, New Mexico.



P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (575) 393-7316 - Office
 (575) 392-2206 - Fax
 basinsurveys.com

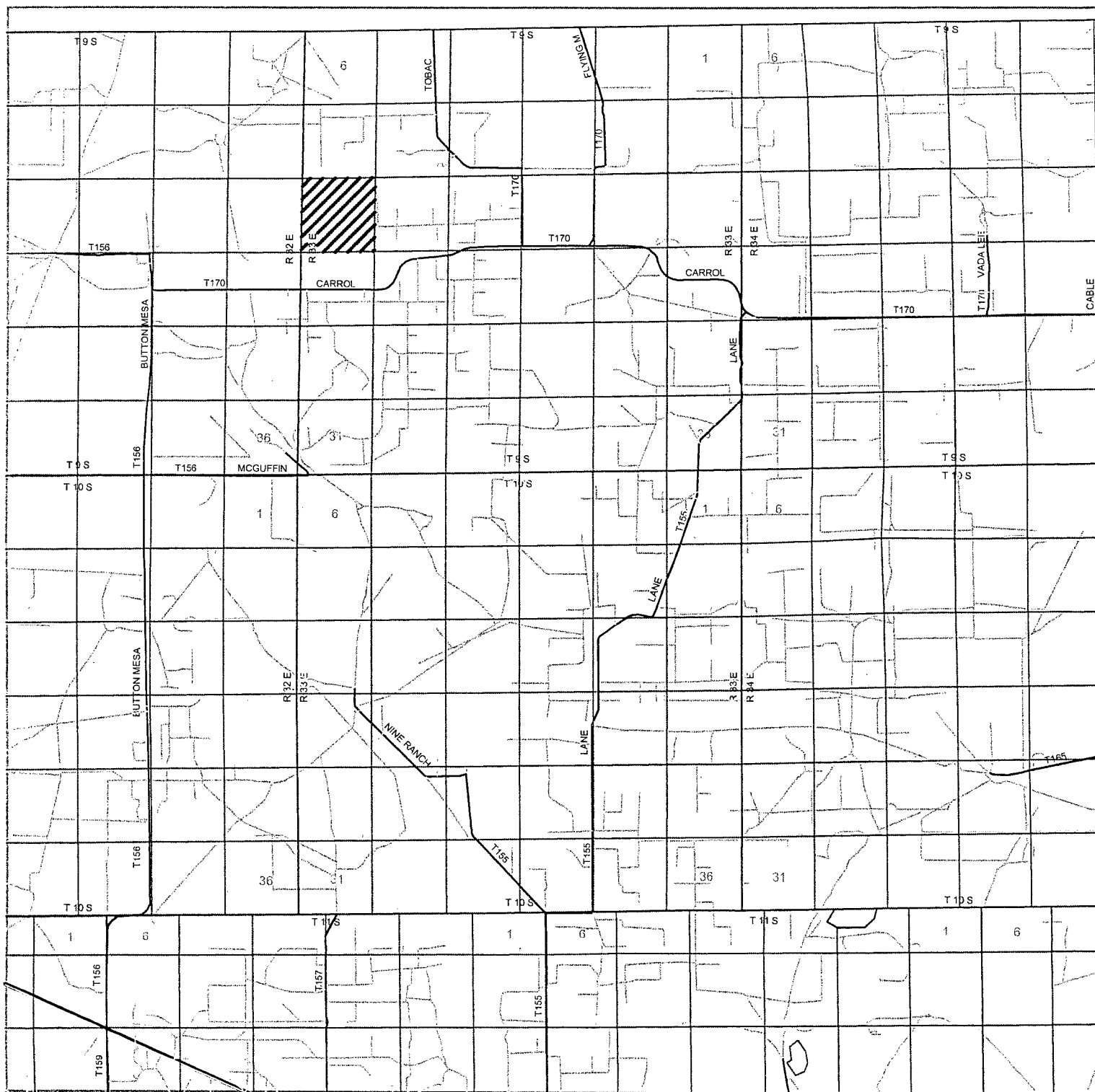
W.O. Number: JMS 23148

Survey Date: 08-11-2010

Scale: 1" = 2000'

Date: 08-12-2010

OGX
 RESOURCES,
 LLC



NLA STATE UNIT # 1Y

Located 480' FSL and 530' FWL

Section 18, Township 09 South, Range 33 East,
N.M.P.M., Lea County, New Mexico.

basin
surveys

focused on excellence
in the oilfield

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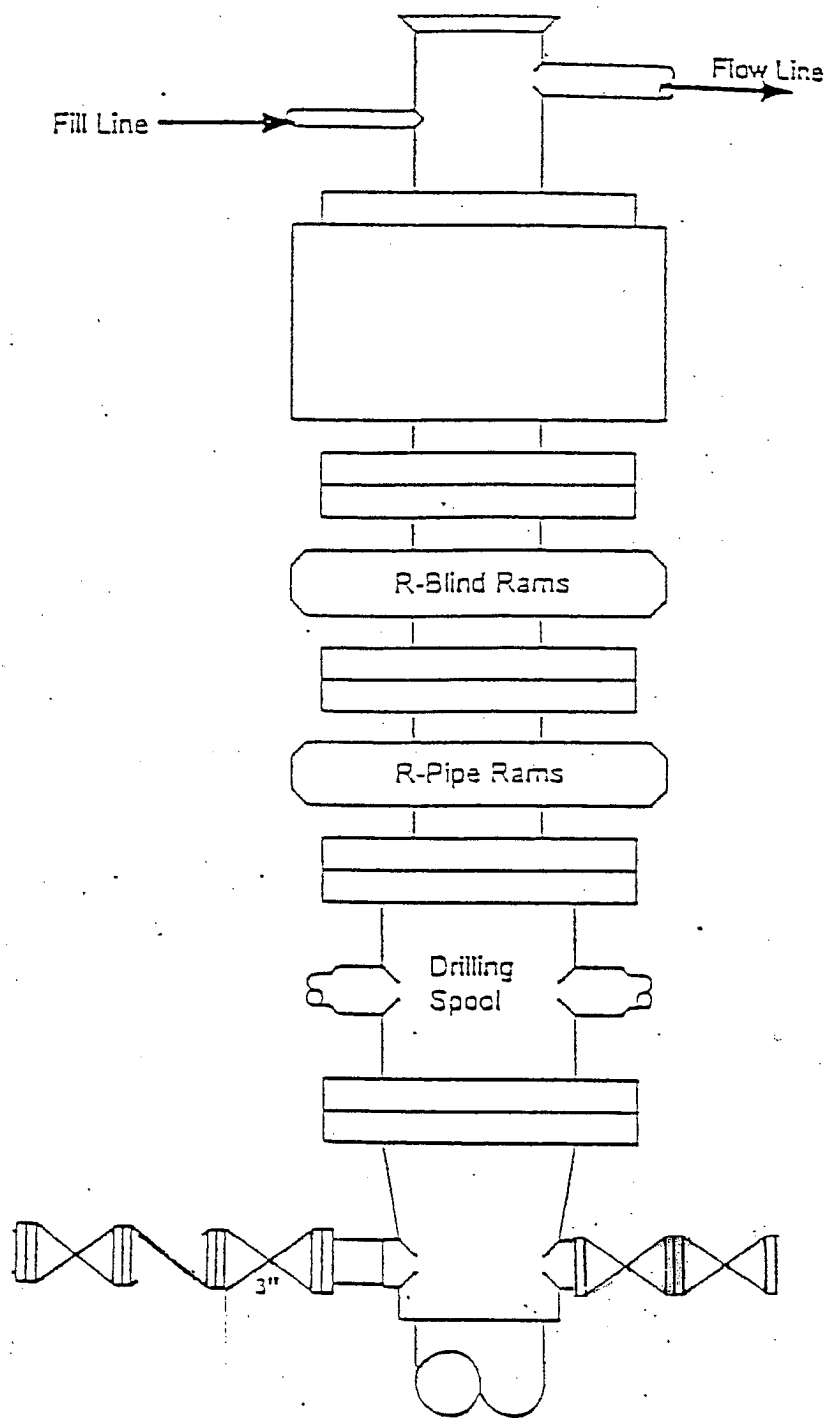
W.O. Number: JMS 23148

Survey Date: 08-11-2010

Scale: 1" = 2 Miles

Date: 08-12-2010

OGX
RESOURCES,
LLC



Type 900 Series
3000 psi WP

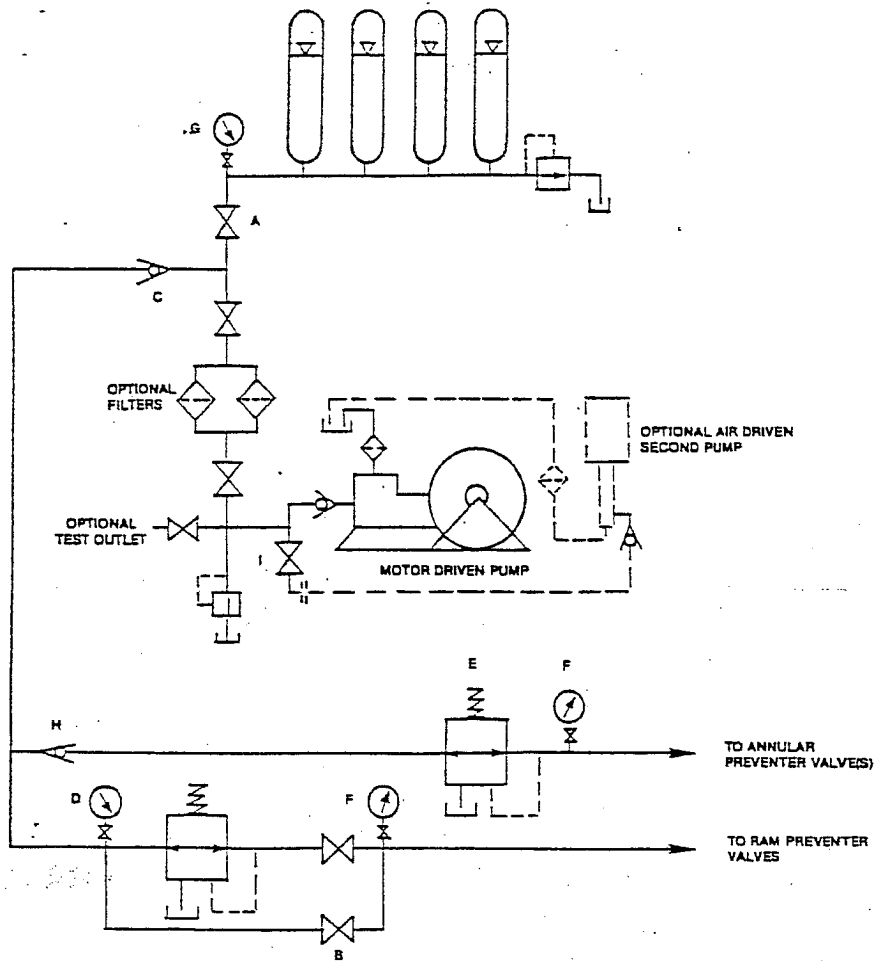


FIGURE K6-1. The schematic sketch of an accumulator system shows required and optional components.

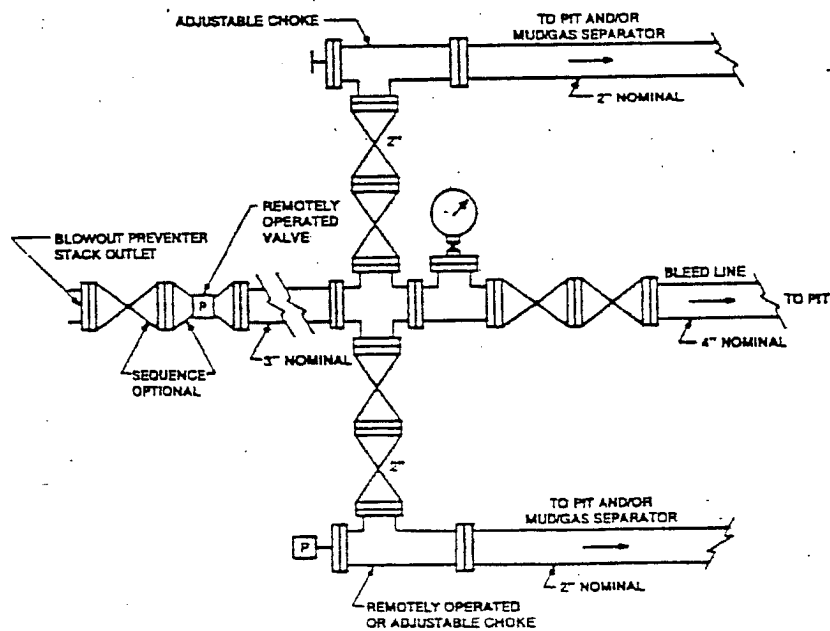


FIGURE K4-2. Typical choke manifold assembly for 5M rated working pressure service — surface installation.