ATS-09-607

PLEASE EXPEDITE

BLM-CARLSBAD FIELD OFFICE

Form 3160-3
(April 2004)

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-120906

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

1a. Type of work: [X] DRILL [ ] REENTER — NOS 9/01/09

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

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

8. Lease Name and Well No.: TRISTE DRAW"5" FEDERAL 1

2. Name of Operator: OGX RESOURCES, LLC. (JEFF BIRKELBACH 432-685-1287)

9. API Well No.:

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

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

10. Field and Pool, or Exploratory: MESA VERDE-DELAWARE

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

At surface: 660' FNL & 660' FWL SECTION 5 T24S-R32E LEA CO.

At proposed prod. zone: 660' FWL & 330' FSL SECTION 5 T24S-R32E

11. Sec., T. R. M. or Blk. and Survey or Area: SECTION 5 T24S-R32E

14. Distance in miles and direction from nearest town or post office*: Approximately 27 miles West North 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
660'	560	160

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
NA	TVD-8500' MD-12,578'	NMB_000244

21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date work will start*	23. Estimated duration
3614' GL	WHEN APPROVED	28 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 (see 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	12/21/09

Title: Permit Eng.

Approved by *(Signature)*	Name *(Printed/Typed)*	Date

Title	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.

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)*

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
	96191	MESA VERDE-DELAWARE

Property Code	Property Name	Well Number
	TRISTE DRAW 5 FEDERAL	1

OGRID No.	Operator Name	Elevation
217955	OGX RESOURCES	3614'

Surface Location

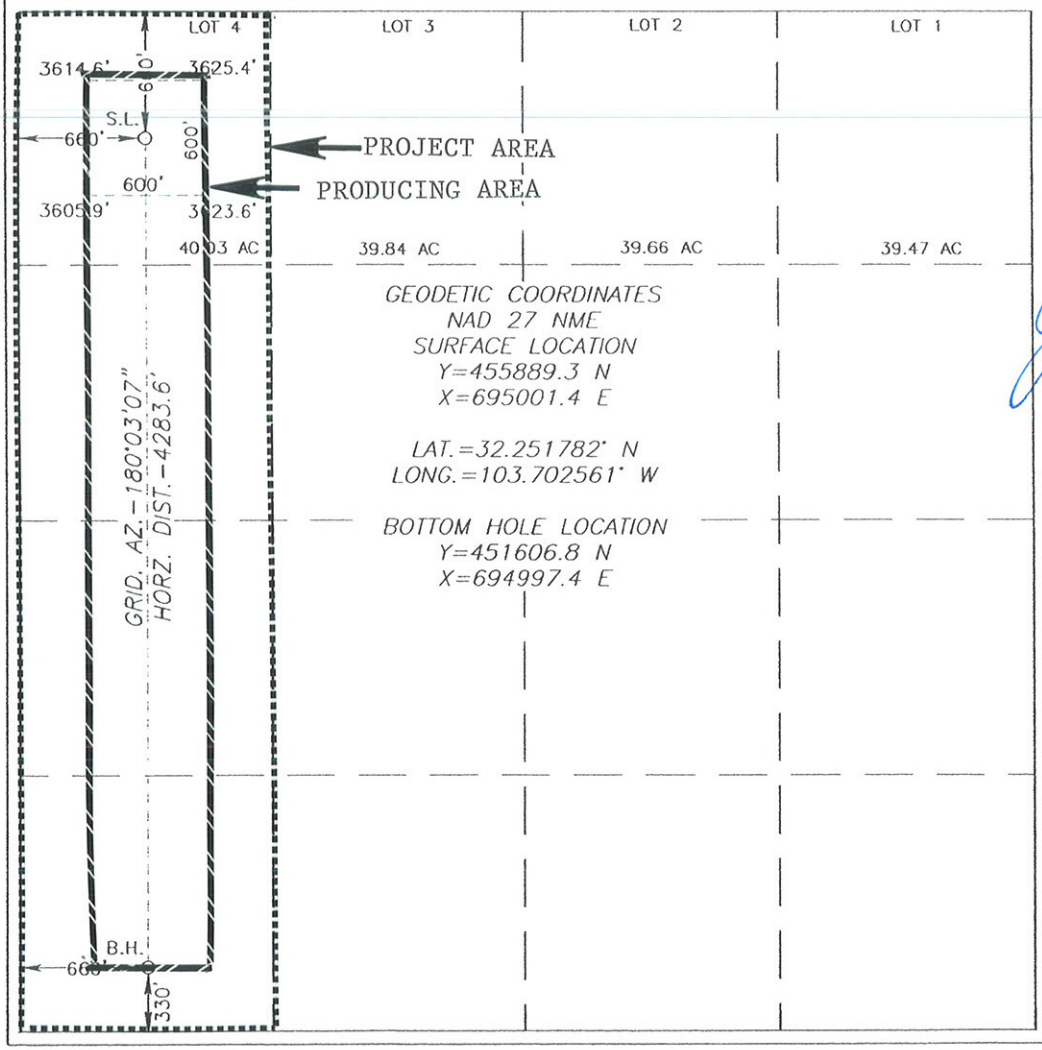
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	5	24-S	32-E		660	NORTH	660	WEST	LEA

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
M	5	24-S	32-E		330	SOUTH	660	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

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 12/21/09

Joe T. Janica

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.

AUGUST 20, 2009

Date Surveyed LA

Signature & Seal of Professional Surveyor

RONALD J. EIDSON NEW MEXICO 3239 REGISTERED PROFESSIONAL SURVEYOR

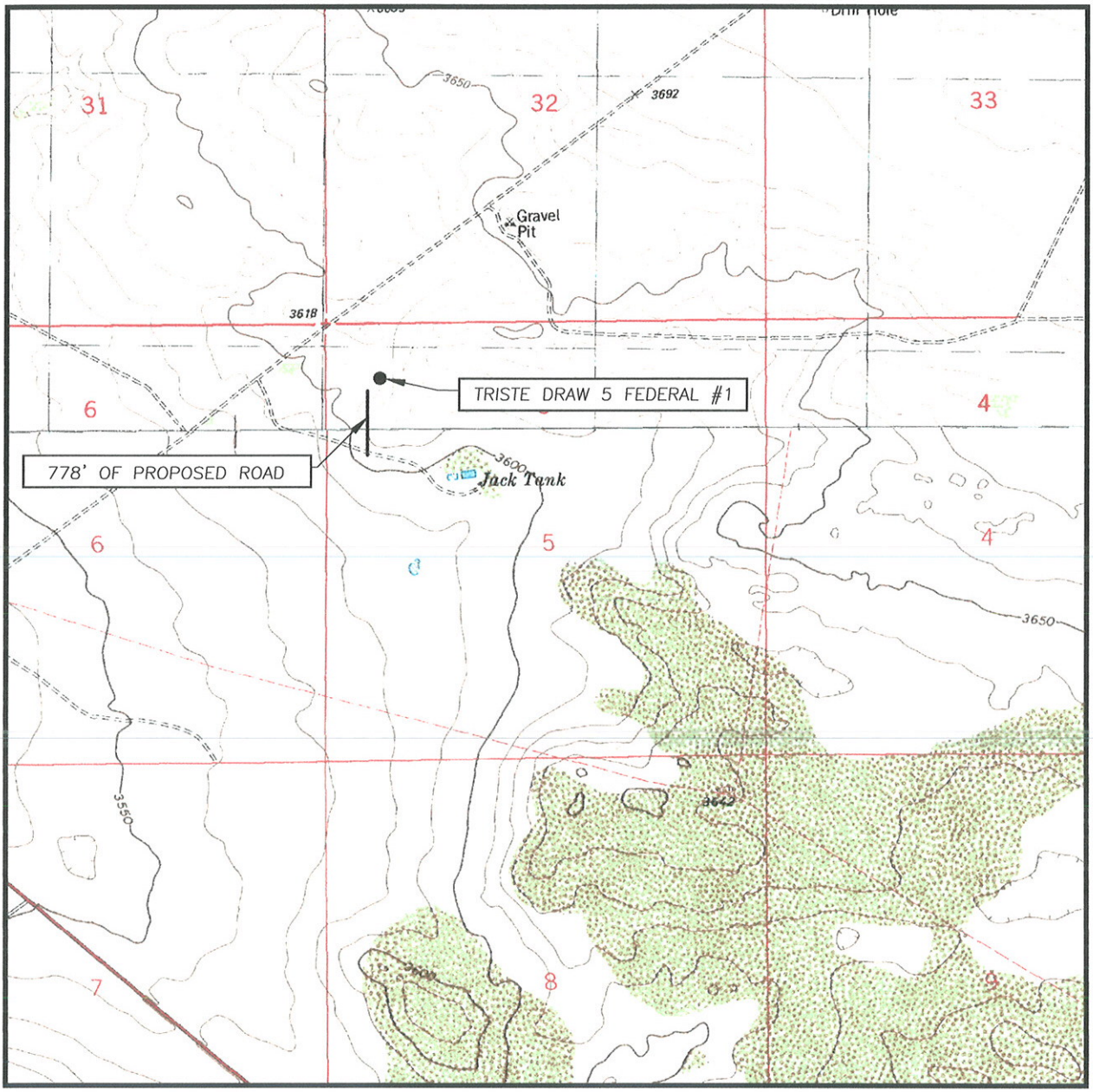
Ronald J. Eidson 11-12-09

09.11.1066

Certificate No. GARY EIDSON 12641
RONALD EIDSON 3239

EXHIBIT "A"

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
PADUCA BREAKS NW, N.M. – 10'

SEC. 5 TWP. 24-S RGE. 32-E

SURVEY N.M.P.M.

COUNTY LEA STATE NEW MEXICO

DESCRIPTION 660' FNL & 660' FWL

ELEVATION 3614'

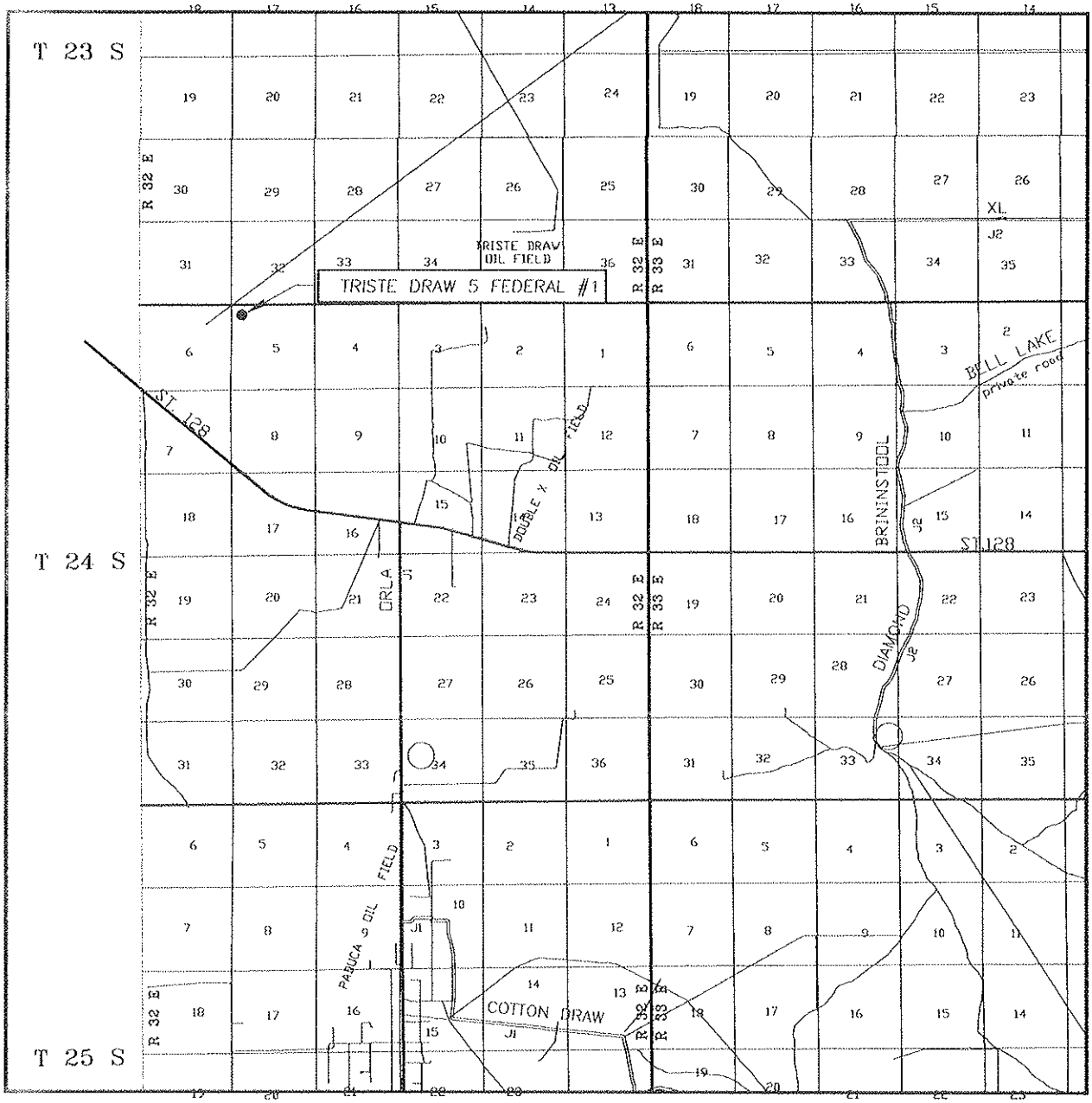
OPERATOR OGX RESOURCES

LEASE TRISTE DRAW 5 FEDERAL

U.S.G.S. TOPOGRAPHIC MAP
PADUCA BREAKSK NW, N.M.

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

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 5 TWP. 24-S RGE. 32-E

SURVEY N.M.P.M.

COUNTY LEA STATE NEW MEXICO

DESCRIPTION 660' FNL & 660' FWL

ELEVATION 3614'

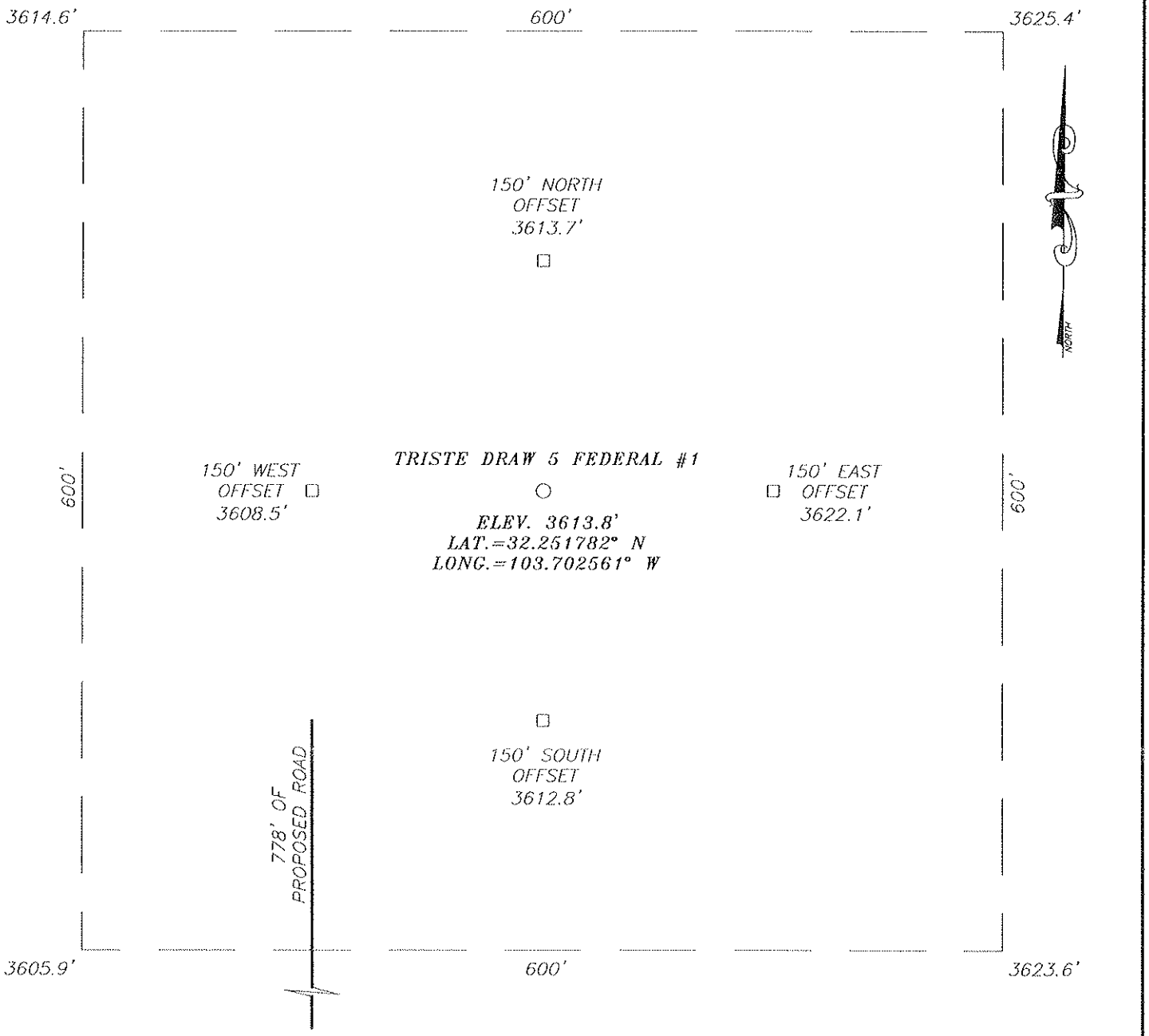
OPERATOR OGX RESOURCES

LEASE TRISTE DRAW 5 FEDERAL

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

SECTION 5, TOWNSHIP 24 SOUTH, RANGE 32 EAST, N.M.P.M.,

LEA COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF ST. HWY. #128 AND BUCK JACKSON RD. GO NORTHWEST ON ST. HWY. #128 APPROX. 0.7 MILES. TURN RIGHT AND GO NORTHEAST APPROX. 1.3 MIELS. TURN RIGHT AND GO SOUTHEAST APPROX. 0.2 MILES TO A TRAIL ROAD. FOLLOW TRAIL ROAD SOUTH APPROX. 0.1 MILE TO A POPROSED ROAD SURVEY. FOLLOW ROAD SURVEY NORTH APPROX. 778 FEET TO THIS LOCATION.

100 0 100 200 Feet

Scale:1"=100'

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

OGX RESOURCES

TRISTE DRAW 5 FEDERAL #1 WELL
LOCATED 660 FEET FROM THE NORTH LINE
AND 660 FEET FROM THE WEST LINE OF SECTION 5,
TOWNSHIP 24 SOUTH, RANGE 32 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.

Survey Date: 8/20/09	Sheet 1 of 1 Sheets	
W.O. Number: 09.11.0755	Dr By: LA	Rev 1:N/A
Date: 8/25/09	09110755_ALT	Scale:1"=100'

EXHIBIT "A-1"
ONE MILE RADIUS MAP

OGX RESOURCES, LLC.
TRISTE DRAW "5" FEDERAL #1
LOT # 4 SECTION 5
T24S-R32E LEA CO. NM

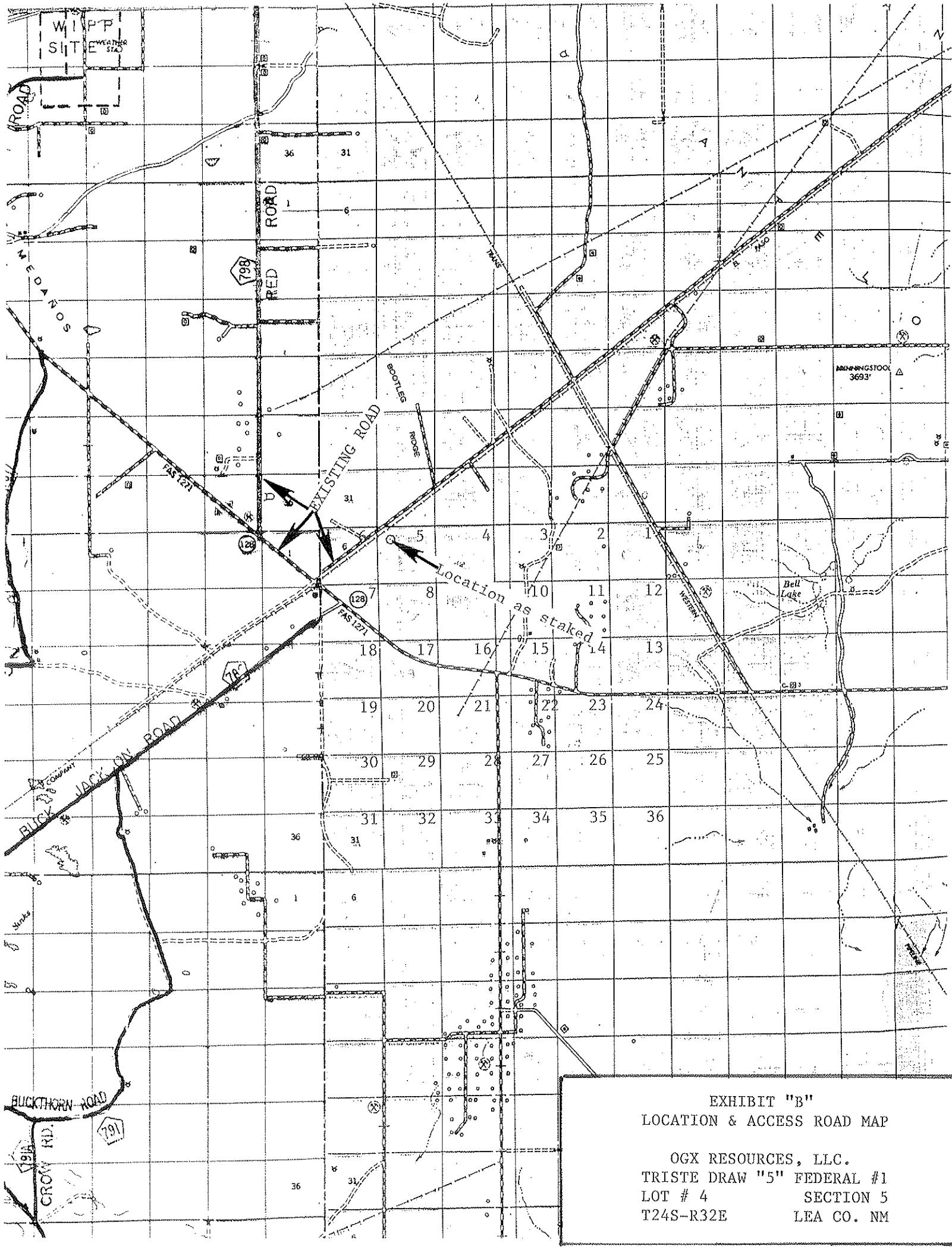


EXHIBIT "B"
LOCATION & ACCESS ROAD MAP

OGX RESOURCES, LLC.
TRISTE DRAW "5" FEDERAL #1
LOT # 4 SECTION 5
T24S-R32E LEA CO. NM

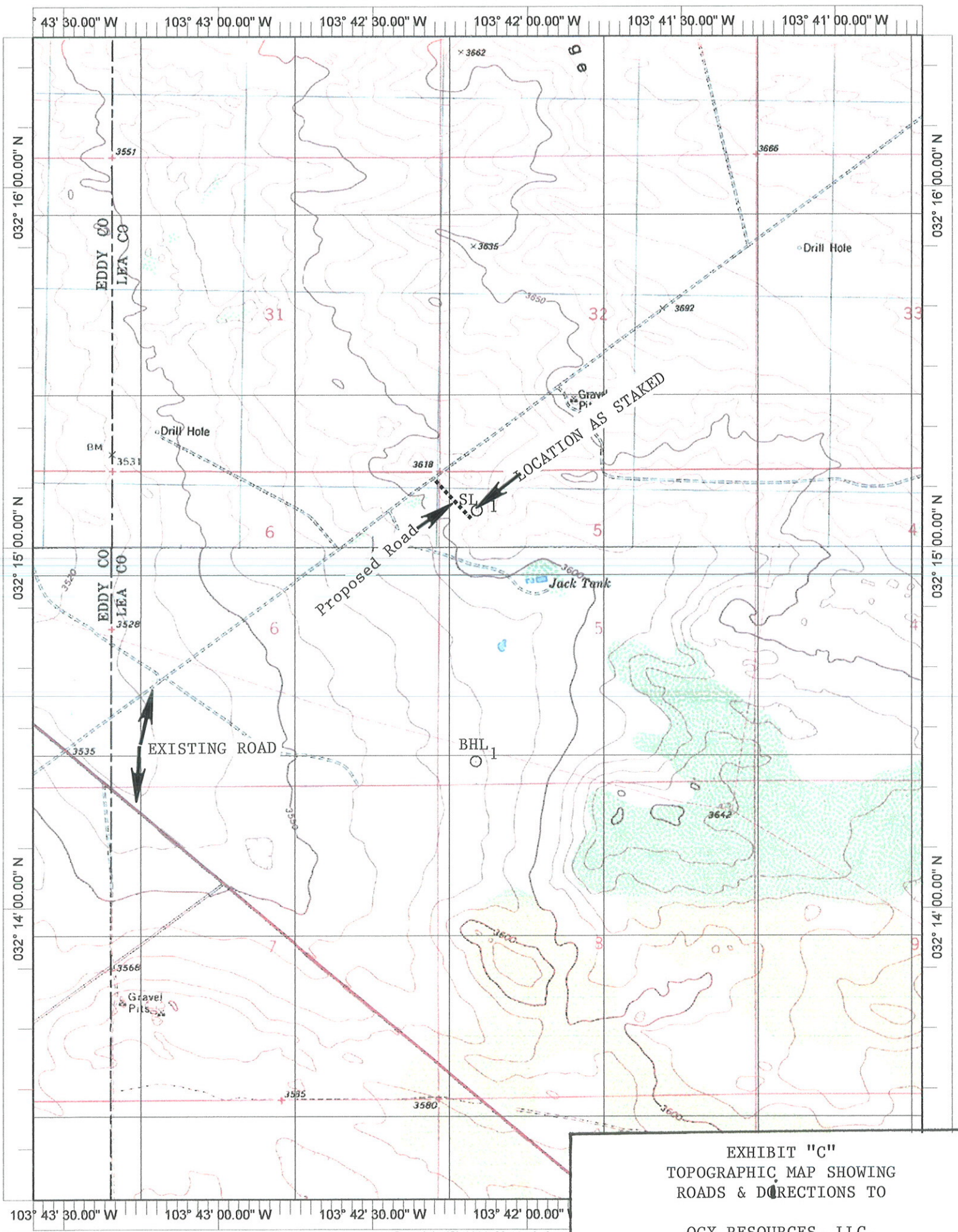


EXHIBIT "C"
TOPOGRAPHIC MAP SHOWING
ROADS & DIRECTIONS TO

OGX RESOURCES, LLC.
TRISTE DRAW "5" FEDERAL #1
LOT # 4 SECTION 5
T24S-R32E LEA CO. NM

Datum: NAD27

Copyright (C) 1999, Maptech, Inc.

APPLICATION TO DRILL

OGX RESOURCES, LLC.
TRISTE DRAW "5" FEDERAL #1
LOT # 4 SECTION 5
T24S-R32E LEA CO. NM

In response to questions asked under Section II of Bulletin NTL-6 the following information on the above well is provided for your information.

1. LOCATION: 660' FNL & 660' FWL SECTION 5 T24S-R32E LEA CO. NM

2. ELEVATION ABOVE SEA LEVEL: 3614' GL

3. GEOLOGIC NAME OF SURFACE FORMATION: Quaternery Aeolian Deposits.

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

5. PROPOSED DRILLING DEPTH: TVD-8500' MD-12,578'

6. ESTIMATED TOPS OF GEOLOGICAL MARKERS:

Rustler Anhydrite	835'	Cherry Canyon	5700'
Salado Salt	1194'	Brushy Canyon	6800'
Delaware	4600'	TVD	8500'

7. POSSIBLE MINERAL BEARING FORMATION:

Cherry Canyon	Oil-Gas	8500'	Oil-Gas
Brushy Canyon	Oil-Gas		

8. CASING PROGRAM:

HOLE SIZE	INTERVAL	OD OF CASING	WEIGHT	THREAD	COLLAR	GRADE	CONDITION
14 5/8"	0-585'	11 3/4"	42#	8-R	ST&C	J-55	New
10 5/8"	0-4500'	8 5/8"	32#	8-R	ST&C	J-55	New
7 7/8"	0-12,578'	5½ "	17#	8-R & Bittress	LT&C Butt	P-110	New

APPLICATION TO DRILL

OGX RESOURCES, LLC.
TRISTE DRAW "5" FEDERAL #1
LOT # 4 SECTION 5
T24S-R32E LEA CO. NM

9. CASING SETTING DEPTHS & CEMENTING:

20"	Conductor	Drill 26" hole to 40'. Set 40' of 20" conductor pipe and cement to surface with Redi-mix.
11 3/4"	Surface	Drill 14 4/8" hole to 585'. Run and set 585' of 11 3/4" 42# J-55 ST&C casing. Cement with 250 Sx. of 35/65/6 Premium Plus Class "C" POZ + 6% Bentonite, + 5% Salt +5% MPA-5, + 0.7% Sodium Metasilicate, + 5# LCM/Sx. Yield 2.00, tail in with 200 Sx. of Premium PLus Class "C" cement + 2% CaCl, Yield 1.34, circulate cement.
8 5/8"	Intermediate	Drill 10 5/8" hole to 4500'. Run and set 4500' of 8 5/8" 32# J-55 ST&C casing. Cement with 500 Sx of 35/65 Premium Plus Class "C" POZ + 4% Bentonite, + 5% Salt, + 5% MPA-5, + 0.7% Sodium Metasilicate, + 5# LCM/ Sx. Yield 2.02, Tail in with 200 Sx. of Class "C" cement + 2% CaCl, Yield 1.34, circulate cement to surface.
5½"	Production	Drill 7 7/8" hole to 12,578'. Run and set 5½' casing as follows: 4580' of 5½" 17# P-110 BUTTRESS T & C, 8000' of 5½" 17# P-110 LT&C. Cement with 400 Sx. of 35/65 Premium Plus Class "C" POZ, + 45 Bentonite, + 5% Salt. + 5% MPA-5, + 0.7% Sodium Metasilicate,+ 5# LCM/Sx, Yield 2.02, tail in with 600 Sx. of Class "C" cement + 2% CaCl, Yield 1.34, circulatercement. Volumes may be changed after logging well.

10. PRESSURE CONTROL EQUIPMENT: Exhibit "E" shows a 900 Series 3000 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 11 3/4" casingand 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. Full opening stabbing valve and upper kelly cock will available at all times on the derrick floor. Exhibit "E-1" shows a hydraulically operate closing unit and a 5000 PSI working pressure choke manifold with dual adjustiable choles. No abnormal pressures or temperatures are expected while drilling this well.

APPLICATION TO DRILL

OGX RESOURCES, LLC.
TRISTE DRAW "5" FEDERAL #1
LOT # 4 SECTION 5
T24S-R32E LEA CO. NM

11. PROPOSED MUD CIRCULATING SYSTEM:

DEPTH	MUD WT.	VISC.	FLUID LOSS	TYPE MUD SYSTEM
0-585'	8.6-8.8	36-38	NC	Fresh water Spud mud use paper to control seepage
585-4500'	10.0-10.1	29-30	NC	Brine water use paper to control seepage and high viscosity sweeps to clean hole.
4500-7500'	8.4-9.1	28-29	NC	Fresh water use paper to control seepage and high viscosity sweeps to clean hole.
7500-12,578'	8.4-9.1	34-36	12-15 cc oe less	Fresh water base use HB-411 Dynazan/starch to control water loss

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/or casing the viscosity and/or water loss may to be adjusted in order to meet these needs.

12. LOGGING, CORING, TESTING PROGRAM:

A. Open hole logs from TD back to 11 3/4" casing shoe. Gyro through Drill pipe, Gamma Ray Neutron, Dual Laterolog, Density, Caliper.

B. No cores or DST' are planned at this time.

C. Mud logger will be placed on the hole at 4500'± .

13. POTENTIAL HAZZARDS:

No abnormal pressures or temperatures are expected. There are no known existance of H_2S in this area however H_2S detection equipment will be on the hole from 4500' to TD. If H_2S is encountered the operator will comply with the provisions of on-shoreoil & gas Order No.6. No lost circulationis expected to occur. All personnel will be familiar with all aspects of safe operations of equipment being used to drill this well.Estimated BHP 3680 PSI, AND Estimated BHT 125° .

14. ANTICIPATED STARTING DATE AND DURATION OF OPERATIONS:

Road and location construction will begin after the BLM has approved the APD. Anticipated spud date will be as soon after BLM approval and as soon as a rig is available. Movein operations and drilling is espected to take 35± days. If production casing is run an additional 30 day may be require to complete the well, construct surface facilities and/or lay pipelines in order to place well on production.

15. OTHER FACETS OF OPERATION:

After running production casing cased hole collar, Gamma Ray Neutron log may be run over possible producing zones. The Delaware formation will be perforated and stimulated in order to establish production.completed as an oil well.

Triste Draw Fed 5 No.1
Mesa Verde (Delaware) Field
Lea County, New Mexico
Drilling Procedure
Dec. 2009

General Information

Lease:	Triste Draw Fed.5	AFE BCP:	$
Well No.:	1	AFE ACP:	
Field:	Mesa Verde	AFE Total:	
County:	Lea	AFE NO:	10250XX
State:	New Mexico	API No.:	30-025-XXXXX
Section:	5	Permit Date:	XX/XX/10
Township:	24S	Permit TVD:	9,000'
Range:	32E	Proposed MD:	13,205'
Section Ties:	660' FNL & 660' FWL	Drilling Days:	35
Ground Level:	3614'	KB:	3630' (16')
Latitude:	32. 251782° N	Longitude	103.702561° W

Well Objectives

The primary objective of this well is to drill the Delaware interval horizontal without a pilot hole. The well will be drilled to ~ 8,000', logged and taken horizontal.

Directions To Well

From U.S. Hwy 128 and Buck Jackson Rd. Go Northwest on hwy 128 for 0.7 mi. / turn Rt (NrthEst) 1.3 mi. / Rt. (SthEst) 0.2 mi. to trail Rd. / follow Rd. to location.

Special Drilling Considerations

1. No hunting for game is permitted. No fire arms are to be taken to the location. Keep trash picked up on location and road.
2. Do not run hard-banded or hard-faced drill pipe in casing without consulting OGX.
3. Cement must be circulated on surface, intermediate. Attempt to circulate production . If cement does not circulate, run a temperature survey and contact the BLM and Operations Engineer for remedial instructions.
4. BOP equipment will be NU on the 13-3/8" surface casing. All safety and well control equipment should be rigged up and operational prior to drilling out the 13-3/8" casing shoe.
5. The Blinds will be closed anytime the hole is evacuated.

OGX **Resources Contact List**		
Operations Engineer	Steve Douglas	Mobile: 432-934-6800 Home: 432-682-1734
Operations Engineer	Jeff Birkelbach	Office: 432-685-1287 Home: 432-694-7880 Mobile: 432-553-0391
Vice President-Operations	Kip Agar	Office: 432-685-1287 Mobile: 432-631-1736 Home: 432-685-4114
Geologist	Bill Hardie	Office: 432-685-1287 Cell: 432-553-0259
		Office:
Production Foreman		Mobile: Home: Pager:
Production Foreman-Assistant		Mobile: Home:
Landman		Office: 432-685-1287
Regulatory	Joe Janica Ann Richey	Office: 505-391-8503 Office: 432-684-6381
Drilling Well Supervision	Donny Leek	Cell: Mobile: 432-634-4862 Home: 432-399-4489

DRILLING PROGRAM

Geologic Name of Surface Formation:

Permian

FORMATION TOPS / ANTICIPATED FRESH WATER, OIL, or GAS / PRESSURES

Formation	Depth	Frm Pres	Remarks
Rustler	835'	8.4 ppge	Water
Salado	1194'	10 ppge	Drlg fluid must be saturated salt water
Delaware	4600'	8.4ppge	Water
Cherry	5700'	8.4 ppge	Oil / Gas / Formation water /Poss.H_2S
Brushy	6800'	9.1 ppge	Oil / Gas / Formation water
TVD	8500'	9.1 ppge	Oil / Gas / Formation water

No other formations are expected to yield oil, gas or fresh water in measurable volumes. The surface fresh water sands will be protected by setting 11 3/4" casing at 585' and circulating cement back to surface. Potash/ fresh water sands will be protected by setting 8 5/8" casing at 4500' / circulating cement on the 8 5/8" string. . The hydrocarbon producing intervals will be isolated by setting a 5 ½" production string ement 500' above the 8 5/8" csg. shoe (4000').

CASING PROGRAM:

HOLE SIZE	DEPTH	OD Csg	WEIGHT	COLLAR	GRADE	NEW/USED
14 5/8"	0-585'	11 3/4"	42	STC	J55	New
10 5/8"	0-4500'	8 5/8"	32	STC	J55	New
7 7/8"	0-8000'	5 1/2"	17	LTC	P110	New
7 7/8"	8000-12577'	5 1/2"	17	BTC	P110	New

(8 5/8" 32# will be special drift to 7.921)

(5 ½" BTC will be run thru the curve & Lateral)

DEPTH	OD Csg	WEIGHT	factors: Burst /	Collapse /	Tension
0-585'	11 3/4"	42	1.65	1.52	12+
0-4500'	8 5/8"	32	1.17	1.12	2.58
0-12577'	5 ½"	17	1.66	1.69	2.08

(8 5/8" 32# will be special drift to 7.921)

(51/2 Burst & Collapse Calculated @ 8500' TVD)

CEMENT PROGRAM:

11 3/4" Surface

Spacer .....50 bbls of fresh water
Slurry .....Lead: 35:65:6 – Poz: Prem Plus C + 6% Bentonite + 5% salt + 5% MPA-5 + .7% Sodium Metasilicate + 5 lbs LCM + 97.9 fresh water
Tail: Premium Plus C + 2% $CaCl_2$ + 56.4% Fresh Water

Cement Properties	Lead	Tail
Est Volume (sacks)	250	200
Density (ppg)	12.80	14.80
Yield (ft3/sx)	2.00	1.34
Mix Water, gps	10.21	6.36
Thickening Time, hrs:min		~3:30
Free Water, %		0
Fluid Loss, cc's		~850
Top of Cement	surface	

8 5/8" Intermediate

Spacer .....30 bbls of fresh water
Lead ..... 35:65 – Poz: Prem Plus C + 4% Bentonite + 5% salt + 5% MPA-5 + .7% Sodium Metasilicate + 5 lbs LCM + 99.6% fresh water
Tail .....C + 2% $CaCl_2$ + 56.4% fresh water

Cement Properties

	Lead	Tail
Est Volume (sacks)	590	200
Density (ppg)	12.7	14.8
Yield (ft3/sx)	2.02	1.34
Mix Water, gps	10.39	6.36
Thickening Time, hrs:min	4:07	3:32
Free Water, %	2.0	0
Fluid Loss, cc's	~750	~600
Top of Cement	surface	

5 1/2" Production

Spacer .....30 bbls of fresh water
Lead ..... 35:65 – Poz: Prem Plus C + 4% Bentonite + 5% salt + 5% MPA-5 + .7% Sodium Metasilicate + 5 lbs LCM + 99.6% fresh water
Tail .....C + 2% $CaCl_2$ + 56.4% fresh water

Cement Properties

	Lead	Tail
Est Volume (sacks)	400	600
Density (ppg)	12.7	14.8
Yield (ft3/sx)	2.02	1.34
Mix Water, gps	10.39	6.36
Thickening Time, hrs:min	4:07	3:32
Free Water, %	2.0	0
Fluid Loss, cc's	~750	~600
Top of Cement	surface	

The above cement volumes will be revised pending fluid and open hole caliper measurements.

Kick-Off plug in Pilot Hole for Horizontal

No Plug Required

MUD PROPERTIES SUMMARY:

Depth (feet)	Weight (ppg)	Viscosity (sec/1000cc)	Fluid Loss (cc/30min)	PV (cps)	YP (lb/100ft^2)	Mud Type
0' – 585' Set 11-3/4" Casing	8.6 – 8.8	36 – 38	N/C	6 – 10	6 – 20	**Spud Mud**
585' – 4,500' Set 8-5/8" Casing	10.0 – 10.1	29 – 30	N/C	0 – 1	0 – 1	**Brine**
4,500' – 7,500'	8.4 – 9.1	28 – 29	N/C	0 – 1	0 – 1	**Fresh Water**
7,500' – 12,577' MD Set 5-1/2"	8.4 – 9.10	34 – 36	12 – 15	4 – 8	4 – 8	**Dynazan / Starch HB 411**

Auxiliary Well Control & Monitoring Equipment:

A Kelly cock will be in the drill string at all times.

A full opening drill pipe stabbing valve having the appropriate connections will be on the floor at all times.

H_2S detection equipment will be in operation after drilling out the 11 3/4" casing shoe until the 5 ½" csg is cemented.

LOGGING, CORING, AND TESTING

No logs at surface.

Mud loggers on below 11 3/4" casing shoe – no electric logs at intermediate depth

The Vertical @ KO pt. (Production) hole will be logged: Gyro (Thru DP) & GR / Dual Laterolog / Neutron-Density / Caliper

No DST's or pressure testing is anticipated.

The horizontal lateral will be mud logged and GR via MWD.

Potential Hazards:

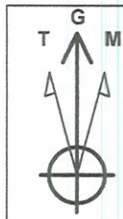
No abnormal pressures or temperatures are expected. There is no known presence of H_2S in this area. If H_2S Is encountered the operator will comply with the provisions of Onshore Oil & Gas Order No.6. No loss circulation is expected to occur. All personnel will be familiar with all aspects of safe operation of equipment being used to drill this well. Estimated BHP is 3680 psi. & BHT is 125° F.

Anticipated Starting Date & Duration:

Road and location construction will begin after the BLM has approved the APD. Anticipated spud date will be ASAP subsequent to APD approval. Move in and drilling operations will take 35 days with an additional 20 days to complete the well and construct production facilities.

OGX

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



Azimuths to Grid North
True North: -0.34°
Magnetic North: 7.48°

Magnetic Field
Strength: 48798.6snT
Dip Angle: 60.24°
Date: 12/08/2009
Model: IGRF200510

PATHFINDER

Project: Lea County
Site: Triste Draw 5 Federal
Well: #1H
Wellbore: OH
Plan: Plan #1 (#1H/OH)

WELL DETAILS: #1H

Ground Elevation:: 3614.00
RKB Elevation: Well1 @ 3630.00ft
Rig Name:

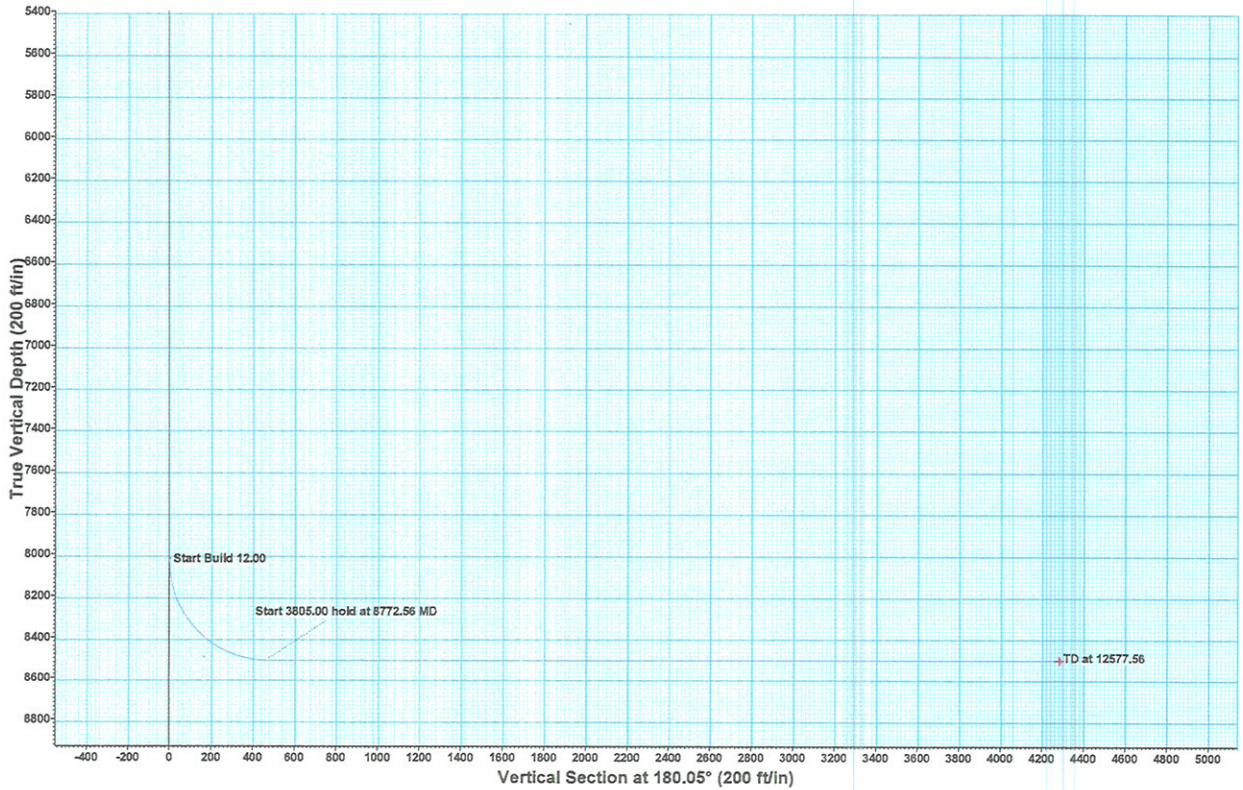
+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
0.00	0.00	455889.300	695001.400	32° 15' 6.415 N	103° 42' 9.222 W	

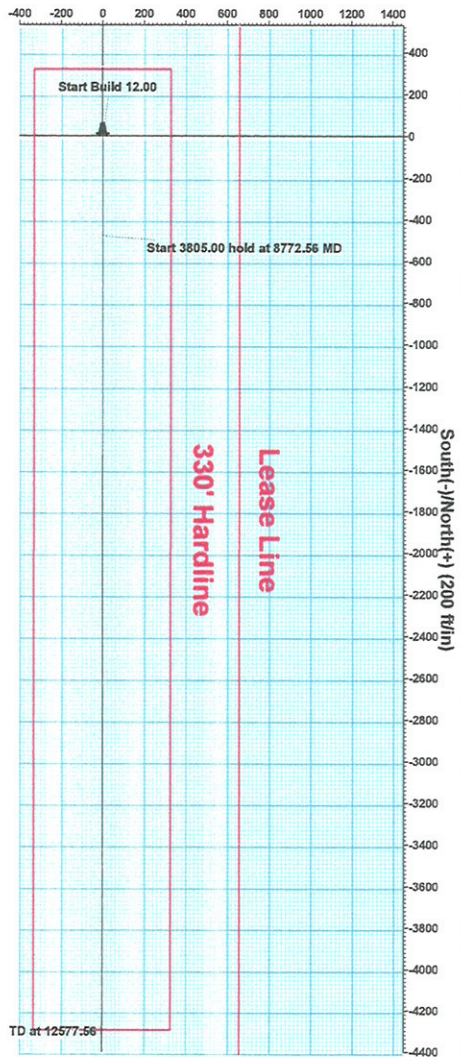
SECTION DETAILS

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	8022.50	0.00	0.00	8022.50	0.00	0.00	0.00	0.00	0.00	
3	8772.56	90.00	180.05	8500.00	-477.50	-0.42	12.00	180.05	477.50	
4	12577.56	90.00	180.05	8500.00	-4282.50	-3.74	0.00	0.00	4282.50	PBHL(#1H Triste)

WELLBORE TARGET DETAILS (MAP CO-ORDINATES)

Name	TVD	+N/-S	+E/-W	Northing	Easting	Shape
PBHL(#1H Triste)	8500.00	-4282.50	-4.00	451606.800	694997.400	Point





Plan: Plan #1 (#1H/OH)
Created By: Nate Bingham Date: 14:23, December 08 2009
Checked: _____ Date: _____

OGX

OGX Resources

Lea County
Triste Draw 5 Federal
#1H
OH

Plan: Plan #1

Pathfinder X & Y Planning Report

08 December, 2009

PATHFINDER

Company:	OGX Resources	**Local Co-ordinate Reference:**	Well #1H
Project:	Lea County	**TVD Reference:**	Well1 @ 3630.00ft
Site:	Triste Draw 5 Federal	**MD Reference:**	Well1 @ 3630.00ft
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 Triste Draw 5 Federal

Site Position:		**Northing:**	455,889.300 ft	**Latitude:**	32° 15' 6.415 N
From:	Map	**Easting:**	695,001.400 ft	**Longitude:**	103° 42' 9.222 W
Position Uncertainty:	0.00 ft	**Slot Radius:**	"	**Grid Convergence:**	0.34 °

Well #1H

Well Position	**+N/-S**	0.00 ft	**Northing:**	455,889.300 ft	**Latitude:**	32° 15' 6.415 N
	+E/-W	0.00 ft	**Easting:**	695,001.400 ft	**Longitude:**	103° 42' 9.222 W
Position Uncertainty		0.00 ft	**Wellhead Elevation:**	ft	**Ground Level:**	3,614.00 ft

Wellbore OH

Magnetics	**Model Name**	**Sample Date**	**Declination (°)**	**Dip Angle (°)**	**Field Strength (nT)**
	IGRF200510	12/08/2009	7.82	60.24	48,799

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	180.05

Survey Tool Program **Date** 12/08/2009

From (ft)	**To (ft)**	**Survey (Wellbore)**	**Tool Name**	**Description**
0.00	12,577.56	Plan #1 (OH)	MWD	MWD - Standard

Company:	OGX Resources	**Local Co-ordinate Reference:**	Well #1H
Project:	Lea County	**TVD Reference:**	Well1 @ 3630.00ft
Site:	Triste Draw 5 Federal	**MD Reference:**	Well1 @ 3630.00ft
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	-3,630.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
100.00	0.00	0.00	100.00	-3,530.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
200.00	0.00	0.00	200.00	-3,430.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
300.00	0.00	0.00	300.00	-3,330.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
400.00	0.00	0.00	400.00	-3,230.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
500.00	0.00	0.00	500.00	-3,130.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
600.00	0.00	0.00	600.00	-3,030.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
700.00	0.00	0.00	700.00	-2,930.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
800.00	0.00	0.00	800.00	-2,830.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
900.00	0.00	0.00	900.00	-2,730.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
1,000.00	0.00	0.00	1,000.00	-2,630.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
1,100.00	0.00	0.00	1,100.00	-2,530.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
1,200.00	0.00	0.00	1,200.00	-2,430.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
1,300.00	0.00	0.00	1,300.00	-2,330.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
1,400.00	0.00	0.00	1,400.00	-2,230.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
1,500.00	0.00	0.00	1,500.00	-2,130.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
1,600.00	0.00	0.00	1,600.00	-2,030.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
1,700.00	0.00	0.00	1,700.00	-1,930.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
1,800.00	0.00	0.00	1,800.00	-1,830.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
1,900.00	0.00	0.00	1,900.00	-1,730.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
2,000.00	0.00	0.00	2,000.00	-1,630.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
2,100.00	0.00	0.00	2,100.00	-1,530.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
2,200.00	0.00	0.00	2,200.00	-1,430.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
2,300.00	0.00	0.00	2,300.00	-1,330.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
2,400.00	0.00	0.00	2,400.00	-1,230.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
2,500.00	0.00	0.00	2,500.00	-1,130.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
2,600.00	0.00	0.00	2,600.00	-1,030.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40

Company:	OGX Resources	**Local Co-ordinate Reference:**	Well #1H
Project:	Lea County	**TVD Reference:**	Well1 @ 3630.00ft
Site:	Triste Draw 5 Federal	**MD Reference:**	Well1 @ 3630.00ft
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)
2,700.00	0.00	0.00	2,700.00	-930.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
2,800.00	0.00	0.00	2,800.00	-830.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
2,900.00	0.00	0.00	2,900.00	-730.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
3,000.00	0.00	0.00	3,000.00	-630.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
3,100.00	0.00	0.00	3,100.00	-530.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
3,200.00	0.00	0.00	3,200.00	-430.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
3,300.00	0.00	0.00	3,300.00	-330.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
3,400.00	0.00	0.00	3,400.00	-230.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
3,500.00	0.00	0.00	3,500.00	-130.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
3,600.00	0.00	0.00	3,600.00	-30.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
3,700.00	0.00	0.00	3,700.00	70.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
3,800.00	0.00	0.00	3,800.00	170.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
3,900.00	0.00	0.00	3,900.00	270.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
4,000.00	0.00	0.00	4,000.00	370.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
4,100.00	0.00	0.00	4,100.00	470.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
4,200.00	0.00	0.00	4,200.00	570.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
4,300.00	0.00	0.00	4,300.00	670.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
4,400.00	0.00	0.00	4,400.00	770.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
4,500.00	0.00	0.00	4,500.00	870.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
4,600.00	0.00	0.00	4,600.00	970.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
4,700.00	0.00	0.00	4,700.00	1,070.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
4,800.00	0.00	0.00	4,800.00	1,170.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
4,900.00	0.00	0.00	4,900.00	1,270.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
5,000.00	0.00	0.00	5,000.00	1,370.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
5,100.00	0.00	0.00	5,100.00	1,470.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
5,200.00	0.00	0.00	5,200.00	1,570.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
5,300.00	0.00	0.00	5,300.00	1,670.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40

Company:	OGX Resources	**Local Co-ordinate Reference:**	Well #1H
Project:	Lea County	**TVD Reference:**	Well1 @ 3630.00ft
Site:	Triste Draw 5 Federal	**MD Reference:**	Well1 @ 3630.00ft
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)
5,400.00	0.00	0.00	5,400.00	1,770.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
5,500.00	0.00	0.00	5,500.00	1,870.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
5,600.00	0.00	0.00	5,600.00	1,970.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
5,700.00	0.00	0.00	5,700.00	2,070.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
5,800.00	0.00	0.00	5,800.00	2,170.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
5,900.00	0.00	0.00	5,900.00	2,270.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
6,000.00	0.00	0.00	6,000.00	2,370.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
6,100.00	0.00	0.00	6,100.00	2,470.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
6,200.00	0.00	0.00	6,200.00	2,570.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
6,300.00	0.00	0.00	6,300.00	2,670.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
6,400.00	0.00	0.00	6,400.00	2,770.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
6,500.00	0.00	0.00	6,500.00	2,870.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
6,600.00	0.00	0.00	6,600.00	2,970.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
6,700.00	0.00	0.00	6,700.00	3,070.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
6,800.00	0.00	0.00	6,800.00	3,170.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
6,900.00	0.00	0.00	6,900.00	3,270.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
7,000.00	0.00	0.00	7,000.00	3,370.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
7,100.00	0.00	0.00	7,100.00	3,470.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
7,200.00	0.00	0.00	7,200.00	3,570.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
7,300.00	0.00	0.00	7,300.00	3,670.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
7,400.00	0.00	0.00	7,400.00	3,770.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
7,500.00	0.00	0.00	7,500.00	3,870.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
7,600.00	0.00	0.00	7,600.00	3,970.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
7,700.00	0.00	0.00	7,700.00	4,070.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
7,800.00	0.00	0.00	7,800.00	4,170.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
7,900.00	0.00	0.00	7,900.00	4,270.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40
8,000.00	0.00	0.00	8,000.00	4,370.00	0.00	0.00	0.00	0.00	455,889.30	695,001.40

Company:	OGX Resources	**Local Co-ordinate Reference:**	Well #1H
Project:	Lea County	**TVD Reference:**	Well1 @ 3630.00ft
Site:	Triste Draw 5 Federal	**MD Reference:**	Well1 @ 3630.00ft
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)
8,022.50	0.00	0.00	8,022.50	4,392.50	0.00	0.00	0.00	0.00	455,889.30	695,001.40
8,025.00	0.30	180.05	8,025.00	4,395.00	-0.01	0.00	0.01	12.00	455,889.29	695,001.40
8,050.00	3.30	180.05	8,049.98	4,419.98	-0.79	0.00	0.79	12.00	455,888.51	695,001.40
8,075.00	6.30	180.05	8,074.89	4,444.89	-2.88	0.00	2.88	12.00	455,886.42	695,001.40
8,100.00	9.30	180.05	8,099.66	4,469.66	-6.28	-0.01	6.28	12.00	455,883.02	695,001.39
8,125.00	12.30	180.05	8,124.21	4,494.21	-10.96	-0.01	10.96	12.00	455,878.34	695,001.39
8,150.00	15.30	180.05	8,148.49	4,518.49	-16.92	-0.01	16.92	12.00	455,872.38	695,001.39
8,175.00	18.30	180.05	8,172.42	4,542.42	-24.15	-0.02	24.15	12.00	455,865.15	695,001.38
8,200.00	21.30	180.05	8,195.94	4,565.94	-32.61	-0.03	32.61	12.00	455,856.69	695,001.37
8,225.00	24.30	180.05	8,218.98	4,588.98	-42.30	-0.04	42.30	12.00	455,847.00	695,001.36
8,250.00	27.30	180.05	8,241.49	4,611.49	-53.18	-0.05	53.18	12.00	455,836.12	695,001.35
8,275.00	30.30	180.05	8,263.40	4,633.40	-65.22	-0.06	65.22	12.00	455,824.08	695,001.34
8,300.00	33.30	180.05	8,284.64	4,654.64	-78.39	-0.07	78.39	12.00	455,810.91	695,001.33
8,325.00	36.30	180.05	8,305.17	4,675.17	-92.66	-0.08	92.66	12.00	455,796.64	695,001.32
8,350.00	39.30	180.05	8,324.92	4,694.92	-107.98	-0.09	107.98	12.00	455,781.32	695,001.31
8,375.00	42.30	180.05	8,343.84	4,713.84	-124.31	-0.11	124.31	12.00	455,764.99	695,001.29
8,400.00	45.30	180.05	8,361.89	4,731.89	-141.61	-0.12	141.61	12.00	455,747.69	695,001.28
8,425.00	48.30	180.05	8,379.00	4,749.00	-159.83	-0.14	159.83	12.00	455,729.47	695,001.26
8,450.00	51.30	180.05	8,395.14	4,765.14	-178.92	-0.16	178.92	12.00	455,710.38	695,001.24
8,475.00	54.30	180.05	8,410.25	4,780.25	-198.83	-0.17	198.83	12.00	455,690.47	695,001.23
8,500.00	57.30	180.05	8,424.30	4,794.30	-219.51	-0.19	219.51	12.00	455,669.79	695,001.21
8,525.00	60.30	180.05	8,437.25	4,807.25	-240.89	-0.21	240.89	12.00	455,648.41	695,001.19
8,550.00	63.30	180.05	8,449.07	4,819.07	-262.92	-0.23	262.92	12.00	455,626.38	695,001.17
8,575.00	66.30	180.05	8,459.71	4,829.71	-285.53	-0.25	285.53	12.00	455,603.77	695,001.15
8,600.00	69.29	180.05	8,469.16	4,839.16	-308.68	-0.27	308.68	12.00	455,580.62	695,001.13
8,625.00	72.29	180.05	8,477.38	4,847.38	-332.28	-0.29	332.28	12.00	455,557.02	695,001.11
8,650.00	75.29	180.05	8,484.36	4,854.36	-356.29	-0.31	356.29	12.00	455,533.01	695,001.09

Company:	OGX Resources	**Local Co-ordinate Reference:**	Well #1H
Project:	Lea County	**TVD Reference:**	Well1 @ 3630.00ft
Site:	Triste Draw 5 Federal	**MD Reference:**	Well1 @ 3630.00ft
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)
8,675.00	78.29	180.05	8,490.07	4,860.07	-380.62	-0.33	380.62	12.00	455,508.68	695,001.07
8,700.00	81.29	180.05	8,494.50	4,864.50	-405.22	-0.35	405.22	12.00	455,484.08	695,001.05
8,725.00	84.29	180.05	8,497.63	4,867.63	-430.02	-0.38	430.02	12.00	455,459.28	695,001.02
8,750.00	87.29	180.05	8,499.47	4,869.47	-454.95	-0.40	454.95	12.00	455,434.35	695,001.00
8,772.56	90.00	180.05	8,500.00	4,870.00	-477.50	-0.42	477.50	12.00	455,411.80	695,000.98
8,800.00	90.00	180.05	8,500.00	4,870.00	-504.94	-0.44	504.94	0.00	455,384.36	695,000.96
8,900.00	90.00	180.05	8,500.00	4,870.00	-604.94	-0.53	604.94	0.00	455,284.36	695,000.87
9,000.00	90.00	180.05	8,500.00	4,870.00	-704.94	-0.62	704.94	0.00	455,184.36	695,000.78
9,100.00	90.00	180.05	8,500.00	4,870.00	-804.94	-0.70	804.94	0.00	455,084.36	695,000.70
9,200.00	90.00	180.05	8,500.00	4,870.00	-904.94	-0.79	904.94	0.00	454,984.36	695,000.61
9,300.00	90.00	180.05	8,500.00	4,870.00	-1,004.94	-0.88	1,004.94	0.00	454,884.36	695,000.52
9,400.00	90.00	180.05	8,500.00	4,870.00	-1,104.94	-0.96	1,104.94	0.00	454,784.36	695,000.44
9,500.00	90.00	180.05	8,500.00	4,870.00	-1,204.94	-1.05	1,204.94	0.00	454,684.36	695,000.35
9,600.00	90.00	180.05	8,500.00	4,870.00	-1,304.94	-1.14	1,304.94	0.00	454,584.36	695,000.26
9,700.00	90.00	180.05	8,500.00	4,870.00	-1,404.94	-1.23	1,404.94	0.00	454,484.36	695,000.17
9,800.00	90.00	180.05	8,500.00	4,870.00	-1,504.94	-1.31	1,504.94	0.00	454,384.36	695,000.09
9,900.00	90.00	180.05	8,500.00	4,870.00	-1,604.94	-1.40	1,604.94	0.00	454,284.36	695,000.00
10,000.00	90.00	180.05	8,500.00	4,870.00	-1,704.94	-1.49	1,704.94	0.00	454,184.36	694,999.91
10,100.00	90.00	180.05	8,500.00	4,870.00	-1,804.94	-1.58	1,804.94	0.00	454,084.36	694,999.82
10,200.00	90.00	180.05	8,500.00	4,870.00	-1,904.94	-1.66	1,904.94	0.00	453,984.36	694,999.74
10,300.00	90.00	180.05	8,500.00	4,870.00	-2,004.94	-1.75	2,004.94	0.00	453,884.36	694,999.65
10,400.00	90.00	180.05	8,500.00	4,870.00	-2,104.94	-1.84	2,104.94	0.00	453,784.36	694,999.56
10,500.00	90.00	180.05	8,500.00	4,870.00	-2,204.94	-1.92	2,204.94	0.00	453,684.36	694,999.48
10,600.00	90.00	180.05	8,500.00	4,870.00	-2,304.94	-2.01	2,304.94	0.00	453,584.36	694,999.39
10,700.00	90.00	180.05	8,500.00	4,870.00	-2,404.94	-2.10	2,404.94	0.00	453,484.36	694,999.30
10,800.00	90.00	180.05	8,500.00	4,870.00	-2,504.94	-2.19	2,504.94	0.00	453,384.36	694,999.21
10,900.00	90.00	180.05	8,500.00	4,870.00	-2,604.94	-2.27	2,604.94	0.00	453,284.36	694,999.13

Company:	OGX Resources	**Local Co-ordinate Reference:**	Well #1H
Project:	Lea County	**TVD Reference:**	Well1 @ 3630.00ft
Site:	Triste Draw 5 Federal	**MD Reference:**	Well1 @ 3630.00ft
Well:	#1H	**North Reference:**	Grid
Wellbore:	OH	**Survey Calculation Method:**	Minimum Curvature
Design:	Plan #1	**Database:**	Midland Database

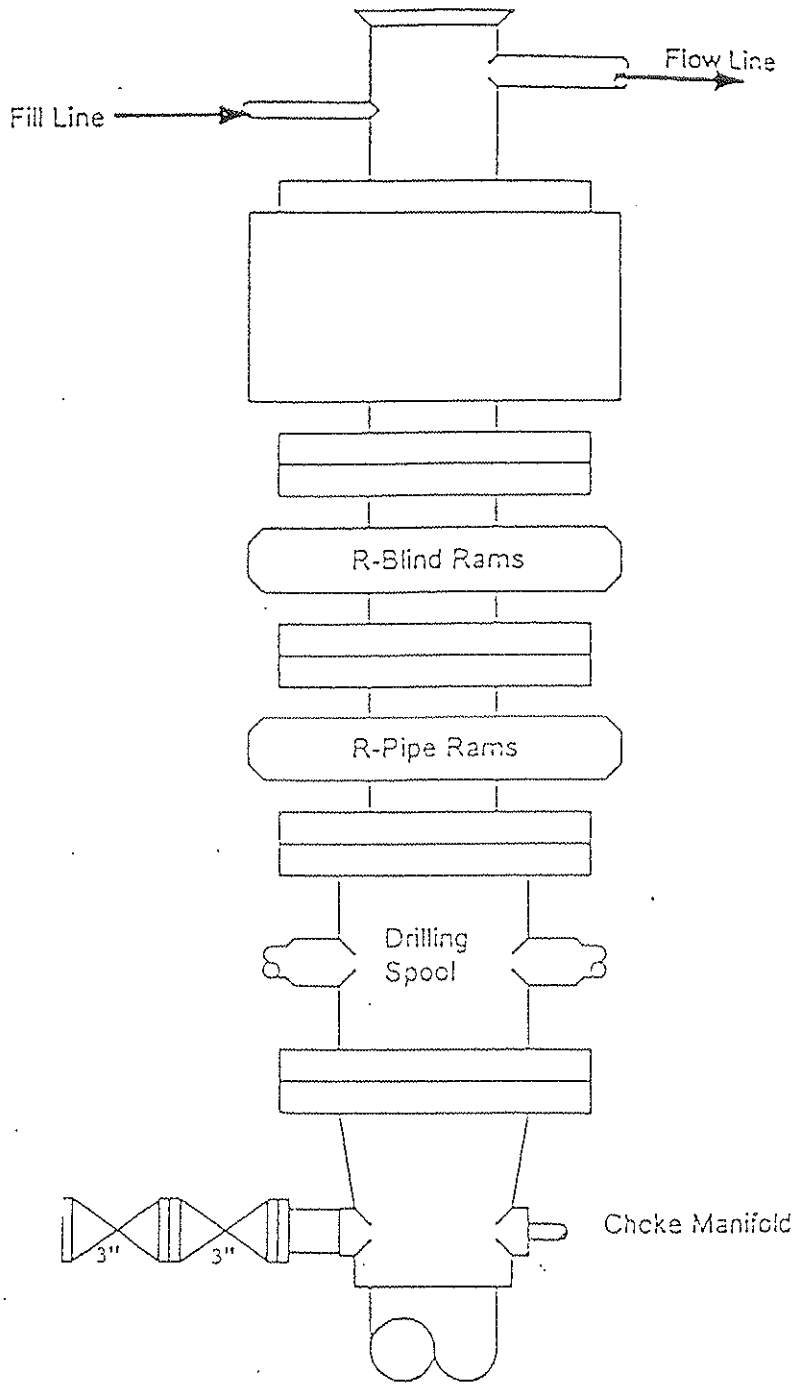
Planned Survey

MD (ft)	Inc (°)	Azi (°)	TVD (ft)	TVDSS (ft)	N/S (ft)	E/W (ft)	V. Sec (ft)	DLeg (°/100ft)	Northing (ft)	Easting (ft)
11,000.00	90.00	180.05	8,500.00	4,870.00	-2,704.94	-2.36	2,704.94	0.00	453,184.36	694,999.04
11,100.00	90.00	180.05	8,500.00	4,870.00	-2,804.94	-2.45	2,804.94	0.00	453,084.36	694,998.95
11,200.00	90.00	180.05	8,500.00	4,870.00	-2,904.94	-2.54	2,904.94	0.00	452,984.36	694,998.86
11,300.00	90.00	180.05	8,500.00	4,870.00	-3,004.94	-2.62	3,004.94	0.00	452,884.36	694,998.78
11,400.00	90.00	180.05	8,500.00	4,870.00	-3,104.94	-2.71	3,104.94	0.00	452,784.36	694,998.69
11,500.00	90.00	180.05	8,500.00	4,870.00	-3,204.94	-2.80	3,204.94	0.00	452,684.36	694,998.60
11,600.00	90.00	180.05	8,500.00	4,870.00	-3,304.94	-2.88	3,304.94	0.00	452,584.36	694,998.52
11,700.00	90.00	180.05	8,500.00	4,870.00	-3,404.94	-2.97	3,404.94	0.00	452,484.36	694,998.43
11,800.00	90.00	180.05	8,500.00	4,870.00	-3,504.94	-3.06	3,504.94	0.00	452,384.36	694,998.34
11,900.00	90.00	180.05	8,500.00	4,870.00	-3,604.94	-3.15	3,604.94	0.00	452,284.36	694,998.25
12,000.00	90.00	180.05	8,500.00	4,870.00	-3,704.94	-3.23	3,704.94	0.00	452,184.36	694,998.17
12,100.00	90.00	180.05	8,500.00	4,870.00	-3,804.94	-3.32	3,804.94	0.00	452,084.36	694,998.08
12,200.00	90.00	180.05	8,500.00	4,870.00	-3,904.94	-3.41	3,904.94	0.00	451,984.36	694,997.99
12,300.00	90.00	180.05	8,500.00	4,870.00	-4,004.94	-3.49	4,004.94	0.00	451,884.36	694,997.91
12,400.00	90.00	180.05	8,500.00	4,870.00	-4,104.94	-3.58	4,104.94	0.00	451,784.36	694,997.82
12,500.00	90.00	180.05	8,500.00	4,870.00	-4,204.94	-3.67	4,204.94	0.00	451,684.36	694,997.73
12,577.56	90.00	180.05	8,500.00	4,870.00	-4,282.50	-3.74	4,282.50	0.00	451,606.80	694,997.66

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(#1H Triste) - plan hits target - Point	0.00	0.00	8,500.00	-4,282.50	-4.00	451,606.800	694,997.400	32° 14' 24.037 N	103° 42' 9.561 W

Checked By: _____ Approved By: _____ Date: _____



Type 900 Series
3000 psi WP

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

OGX RESOURCES, LLC.
TRISTE DRAW "5" FEDERAL #1
LOT # 4 SECTION 5
T24S-R32E LEA CO. NM

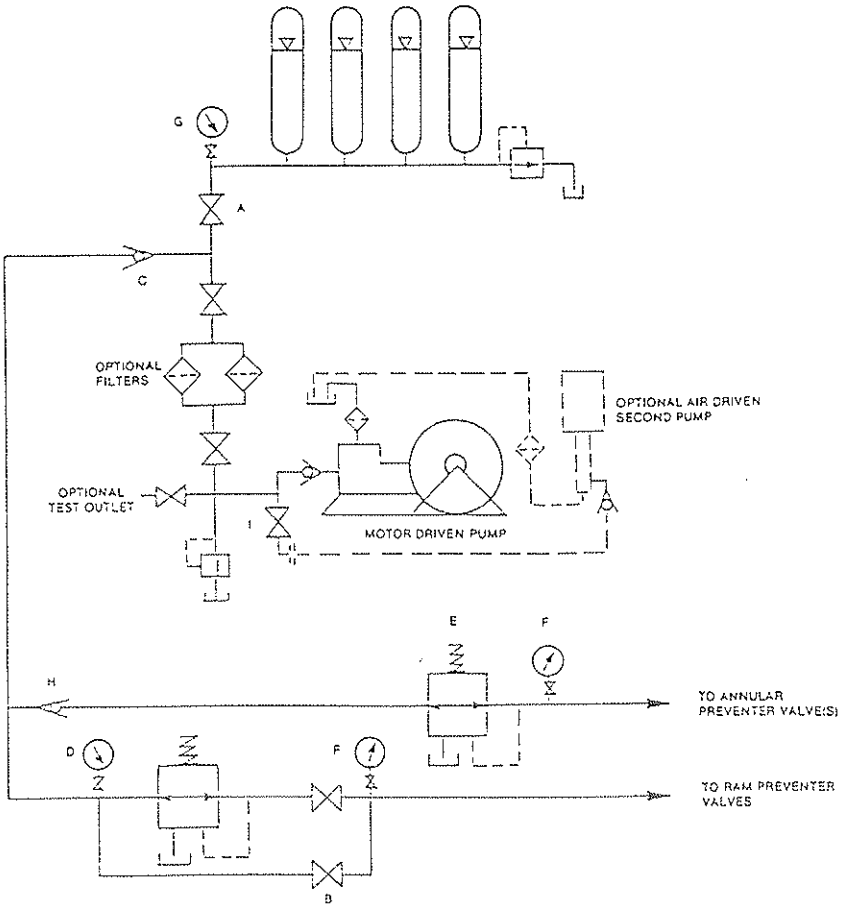


FIGURE K6-1. The schematic sketch of an accumulator system shows required and optional components.

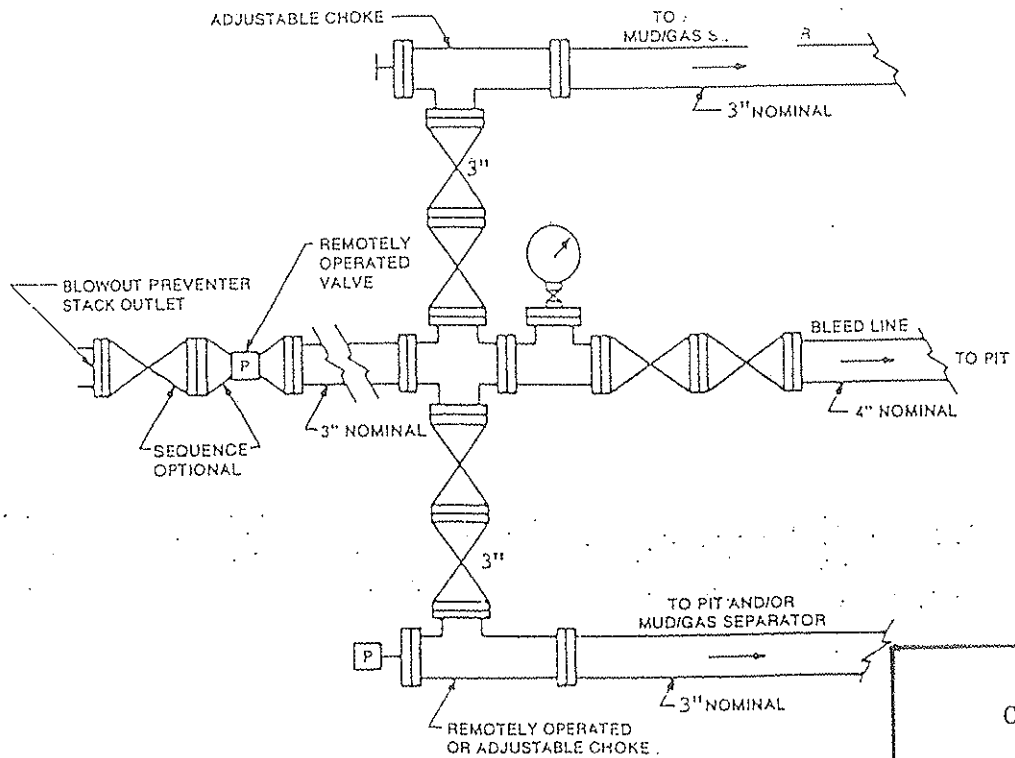


FIGURE K4-2. Typical choke manifold assembly for 5M rated working pressure service — surface installation.

EXHIBIT "E-1"
CHOKE MANIFOLD & CLOSING UNIT

OGX RESOURCES, LLC.
TRISTE DRAW "5" FEDERAL #1
LOT # 4 SECTION 5
T24S-R32E LEA CO. NM

Rig Plat For Closed Loop Mud System

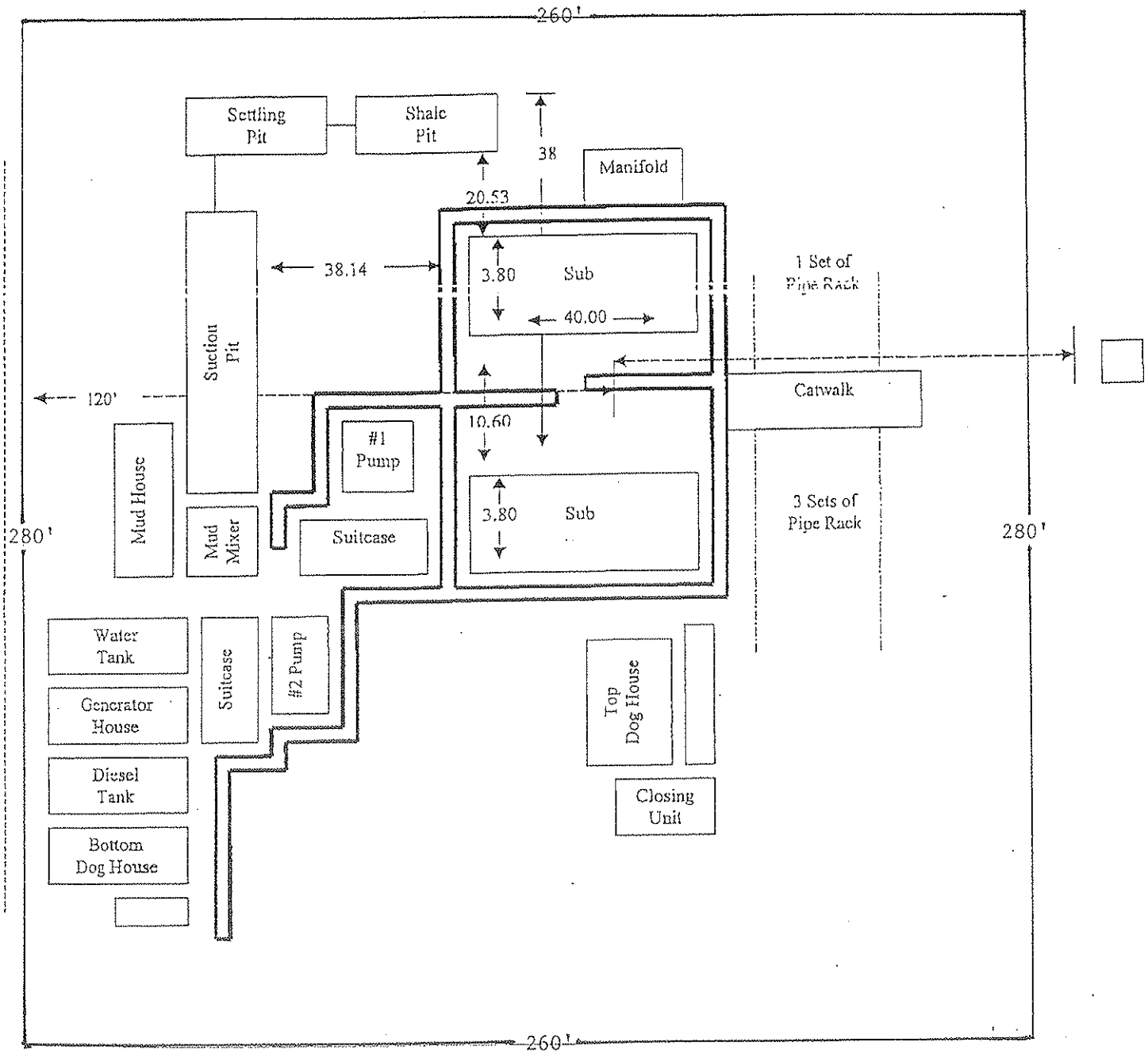


EXHIBIT "D"
RIG LAY OUT PLAT

OGX RESOURCES, LLC.
TRISTE DRAW "5" FEDERAL #1
LOT # 4 SECTION 5
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

TABLE OF CONTENTS

COVER PAGE AND REASONING	Page 1
GENERAL EMERGENCY PLAN	Page 3
EMERGENCY PROCEDURE FOR UNCONTROLLED RELEASES OF H2S	Page 3-4
EMERGENCY NUMBERS	Page 4-5
PRODUCTION OF THE GENERAL RADIUS OF EXPOSURE RADIUS OF EXPOSURE (ROE)	Page 6
PUBLIC EVACUATION PLAN	Page 6-7
PROCEDURE FOR IGNITING AN UNCONTROLLABLE:	
PROCEDURE FOR IGNITION	Page 7
REQUIRED EMERGENCY EQUIPMENT	Page 8
USING SELF CONTAINED BREATHING AIR EQUIPMENT (SCBA)	Page 9
RESCUE & FIRST AID FOR VICTIMS OF HYDROGEN SULFIDE (H2S) POISONING	Page 9-10
H2S TOXIC EFFECTS	Page 11
H2S PHYSICAL EFFECTS	Page 11

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.

SURFACE USE PLAN

OGX RESOURCES, LLC.
TRISTE DRAW "5" FEDERAL #1
LOT # 4 SECTION 5
T24S-R32E LEA CO. NM

1. EXISTING AND PROPOSED ROADS:

A. Exhibit "B" is a reporduction of a County General Hi-way map showing existing roads. Exhibit "C" is a reproduction of a USGS topographic map showing existing roads and and proposed roads. All existing roads will be maintained in a condition equal to or better than current conditions. All new roads will be constructed to BLM specifications.

B. Exhibit "A" shows the proposed well site as staked.

C. Directions to location: From Hobbs New Mexico take U. S. Hi-way 62-180 West toward Carlsbad for 37± miles to CR-29, turn Left South follow road 20± miles to State Hi-way 128, turn Left East go 1.3± miles to Pipeline road, turn Left go 1.4 miles and location is on the Southeast side of road, turn Right and go 600'± to location.

D. Exhibit "C" shows a topographic map showing roads, powerlines and proposed roads and powerlines to location.

2. PLANNED ACCESS ROADS: Approximately 600' of new road will be constructed.

A. The access roads will be crowned and sitched to a 14' wide travel surface, within a 30' R-O-W.

B. Gradient of all roads will be less than 5%.

C. Turn-outs will be constructed where necessary.

D. If require new access roads will be surface with a minimum of 4-6" of caliche. this material will be obtained from a local source.

E. Center line for new roads will be flagged, road construction will be done as field conditions require.

F. Culverts will be placed in the access road as drainage conditions require. Roads will be constructed to use low water crossings for drainage as required by the topographic conditions.

3. LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS: EXHIBIT "A-1"

A. Water wells - No known water wells near to location.

B. Disposal wells - None known

C. Drilling wells - None known

D. Producing wells - As shown on Exhibit A-1"

E. Abandoned wells - As shown on Exhibit "A-1"

4. If on completion this well is a producer the operator will lay pipelines and construct powerlines along existing road R-O-W's or other existing R-O-W's. Exhibit "C" shows proposed roads , flowlines and powerlines.

5. LOCATION & TYPE OF WATER SUPPLY:

Water will be purchased locally from a commercial source and trucked over the location access roads or piped to location in flexible lines laid on top of the ground.

6. SOURCE OF CONSTRUCTION MATERIAL:

If possible construction material will be obtained from the excavation of the drill site, if additional material is required it will be obtained from a local source and transported over the location access roads as shown on Exhibit "C".

7. METHODS OF HANDLING WASTE:

A. All trash, junk and other waste material will be contained in trash cages or trash bins in order to prevent scattering. When the job is completed all contents will be removed and disposed of in an approved sanitary land fill.

B. Sewage from living quaters will be drained into holding tanks and will be cleaned out periodically. A Porta-John will be provided for the rig crews. This equipment will be properly maintained during the drilling operations and removed upon completion of well.

C. Where a closed loop mud system is used to drill a well the drilling fluid that remains after the drilling and casing is run or the well is Plugged and abandoned will be removed from the location and in some cases may be used on another well or transported to a State approve disposal site. The drilling cuttings that result from drilling the well will likewise be transported to a State approved disposal site.

D. All water produced while completing this well and completion fluids will be treated in the same procedure as the drilling fluids.

E. Any remaining salts or mud additive that was not used will be removed by the supplier, this includes all broken sacks and containers.

8. ANCILLARY FACILITIES:

A. No camps or air strips will be constructed on this location.

9. WELL SITE LAYOUT:

A. Exhibit "D" shows the proposed well site layout.

B. This Exhibit shows the location of reserve pit, sump pits, and living facilities.

C. Mud pits in the active circulating system will be steel pits and the reserve pits will be unlined unless subsurface conditions encontered during pit construction indicate that a plastic liner is required to contain lateral migration.

D. If needed the reserve pits will be lined with polyethelene. The pit liner will be no less than 21 mils thick and the liner will be extended at least 3 feet over the top of the dikes and secured in place to keep edge of liner in place.

E. The reserve pit will be fenced on three sides and fenced with four strands of barbed wire during drilling and completionphases. The 4th side will be fenced after drilling operations are complete and the drilling rig has moved out.If the well is a producer the mud pits will remain fenced in until the mud has dried up enough to break out the pits and reclaimed according to BLM requirements.

10. PLANS FOR RESTORATION OF SURFACE:

Rehabilitation of the location and reserve pits will be allowed to dry properly, fluids may be moved and disposed of in accordance with article 7-E as previously noted. The pit area will then be leveled and contoured to conform to the original and surrounding area. Drainage systems, if any will be reshaped to the original configuration with provisions made to alleviate furture erosion. In case of the well completed as a producer the drilling pad will be necessary to construct production facilities. After the area has been shaped and contoured top soil from the spoil pile will be placed over the disturbed area to the extent possible so that revegetation procedures can be accomplished to comply with the BLM specifications.

If the well is a dry hole the pad and road area will be contoured to match the existing terrain. Top soil will be spread to the extent possible and revegetation will be carried out according to the BLM specifications.

Should the well be a producer the previously noted procedures will apply to those areas which are not required for production facilities.

11. OTHER INFORMATION:

A. Topography consists of sand dunes with some caliche outcrops. There is a slight dip to the Southwest, soil is sandy with some alluvail gravel, in wash areas. Vegetation cosists of Mesquite, Shinnery Oak, Native Range grasses.

B. The surface is owned by The U. S. Department of Interior and is administered by The Bureau of Land Management. The surface is used for the grazing of livestock and the production of oil and gas.

C. Permian Basin MOA does not show any archaeological sites in the area of this location.

D. There are no dwellings within 3 miles of this location.

SURFACE USE PLAN

OGX RESOURCES, LLC.
TRISTE DRAW "5" FEDERAL #1
LOT # 4 SECTION 5
T24S-R32E LEA CO. NM

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 12/21/09

BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(LIVE) SERIAL REGISTER PAGE

Run Date/Time: 09/01/09 01:59 PM

01 12-22-1987;101STAT1330;30USC181 ET SEQ
Case Type 312021: O&G LSE COMP PD -1987
Commodity 459: OIL & GAS L
Case Disposition: AUTHORIZED Case File Juris:

Total Acres 560.030

Serial Number NMNM-- - 120906

Serial Number: NMNM-- - 120906

Name & Address			Int Rel	%Interest
OGX RESOURCES LLC	400 N MARIENFELD #200	MIDLAND TX 79701	LESSEE	100.000000000

Serial Number: NMNM-- - 120906

Mer Twp Rng	Sec	SType	Nr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23 0240S 0320E	005	ALIQ		SWNW,S2;	CARLSBAD FO	LEA	BUREAU OF LAND MGMT
23 0240S 0320E	005	LOTS		4;	CARLSBAD FO	LEA	BUREAU OF LAND MGMT
23 0240S 0320E	009	ALIQ		NE;	CARLSBAD FO	LEA	BUREAU OF LAND MGMT

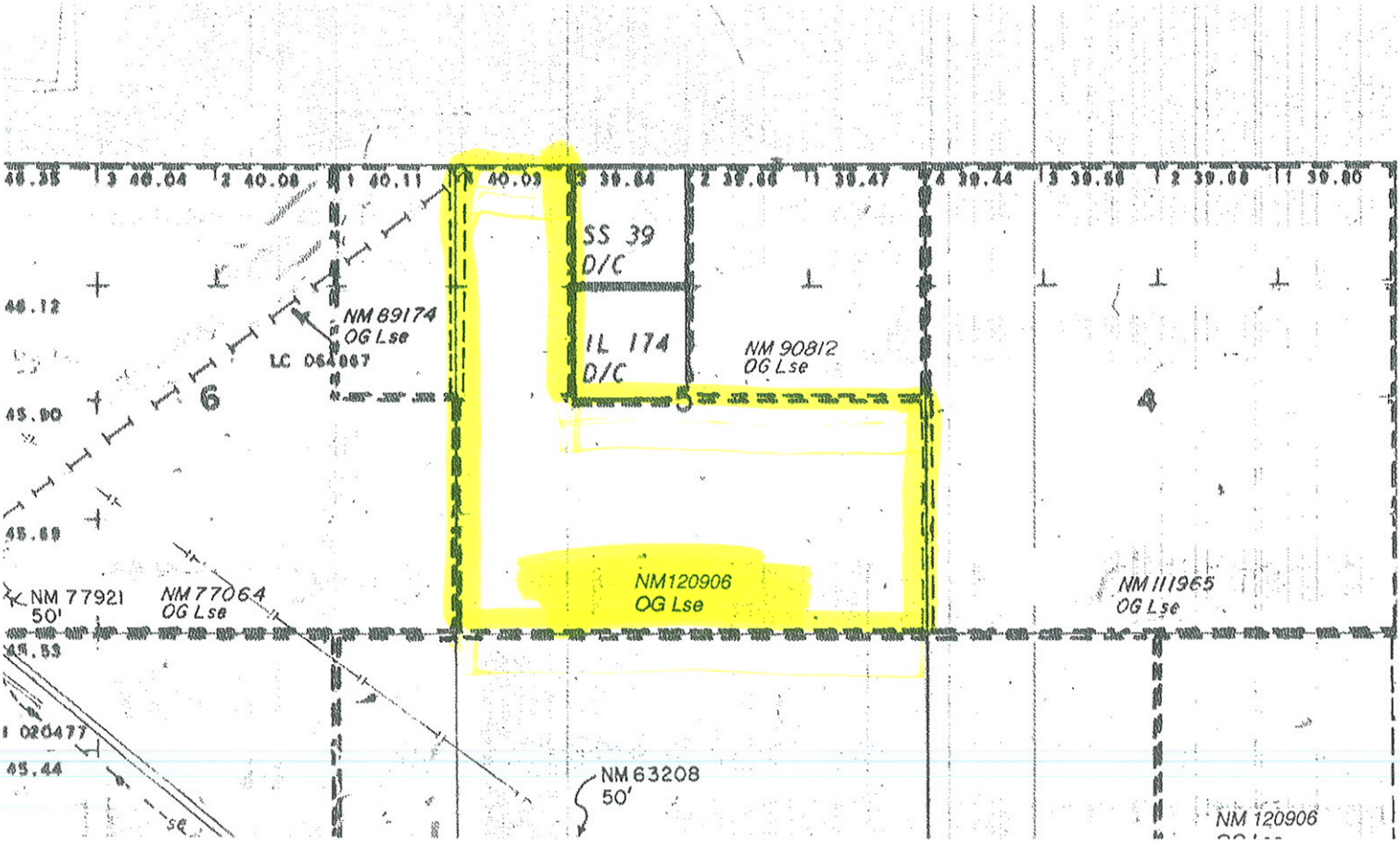
Serial Number: NMNM-- - 120906

Act Date	Code	Action	Action Remarks	Pending Office
05/30/2008	387	CASE ESTABLISHED	200807024;	
06/30/2008	299	PROTEST FILED	SUSAN H BELL;	
07/01/2008	299	PROTEST FILED	WESTERN ENVR LAW CTR;	
07/01/2008	299	PROTEST FILED	WILD EARTH GUARDIANS;	
07/16/2008	191	SALE HELD		
07/16/2008	267	BID RECEIVED	$1122000.00;	
09/08/2008	298	PROTEST DISMISSED	SUSAN H BELL;	
10/24/2008	298	PROTEST DISMISSED	WILD EARTH GUARDIANS;	
10/31/2008	237	LEASE ISSUED		
10/31/2008	298	PROTEST DISMISSED	WESTERN ENVR LAW CTR;	
10/31/2008	974	AUTOMATED RECORD VERIF	BTM	
11/01/2008	496	FUND CODE	05;145003	
11/01/2008	530	RLTY RATE - 12 1/2%		
11/01/2008	868	EFFECTIVE DATE		
11/17/2008	042	CASE SENT TO	RROMERO;	
10/31/2018	763	EXPIRES		

Serial Number: NMNM-- - 120906

Line Nr	Remarks
02	STIPULATIONS ATTACHED TO LEASE:
03	NM-11-LN SPECIAL CULTURAL RESOURCE
04	SENM-S-19 PLAYAS AND ALKALI LAKES
05	SENM-S-22 PRAIRIE CHICKENS

NO WARRANTY IS MADE BY BLM
FOR USE OF THE DATA FOR
PURPOSES NOT INTENDED BY BLM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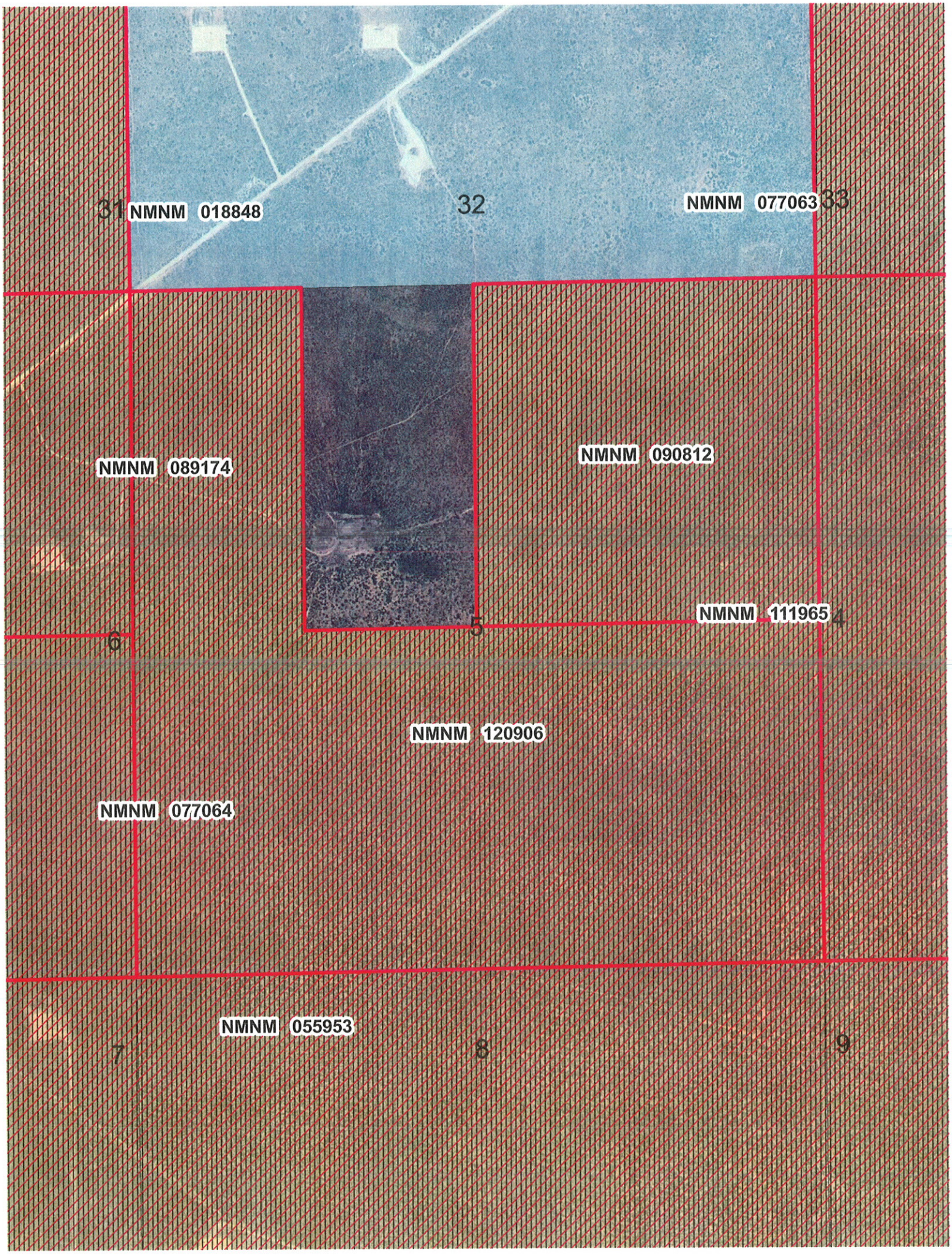
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OGX RESOURCES LLC (II)
P.O. BOX 11148 MIDLAND, TX 79702 (432)685-1287

INVOICE #	INVOICE DATE	VOUCHER	INVOICE AMOUNT	DISCOUNT TAKEN	NET AMOUNT
DRILL PERMIT	12/08/2009	7621	6,500.00	0.00	6,500.00

Posted 12/22/09
cc Amor

BUREAU OF LAND MGMT
CARLSBAD FIELD OFFICE
2009 DEC 22 PM 1:09
RECEIVED

VENDOR: BU805 CHECK NUMBER: 18603 DATE: 12/09/2009 AMOUNT: $6,500.00

027854

PLEASE DETACH THIS REMITTANCE ADVICE BEFORE DEPOSITING CHECK

OGX RESOURCES LLC (II)
P.O. BOX 11148
MIDLAND, TX 79702
(432)685-1287

OGX Resources LLC Oper

OGX RESOURCES LLC (II)

CHECK NUMBER
18603

COPY

DATE
12/09/2009

*******6,500 Dollars and 00 Cents

AMOUNT
*******6,500.00

TWO SIGNATURES REQUIRED OVER $50,000

PAY TO THE ORDER OF
BUREAU OF LAND MANAGEMENT
620 E. GREENE ST.
CARLSBAD, NM 88220-6292

VOID IF NOT CASHED WITHIN 60 DAYS

⑈18603⑈ ⑆112304678⑆ ⑈9695656⑈

UNITED STATES DEPT OF INTERIOR

BUREAU OF LAND MANAGEMENT

BOND ABSTRACT

BLM BOND NO: NMB000244
DOCUMENT ID: 8141
CASE TYPE: 310434 O&G BOND ALL LANDS

DISPOSITION: ACCEPTED

NAME AND ADDRESS OF BOND PARTIES

B20040371 BONDED PRINCIPAL
OGX RESOURCES LLC
PO BOX 2064
MIDLAND TX 79702

NAME AND ADDRESS OF SURETY PARTIES

SERIAL NUMBER(s):

BOND AREA: STATEWIDE
TYPE OF LAND: FEDERAL-ALL RIGHTS
BOND TYPE: LETTER OF CREDIT

STATES COVERED: NM
BOND AMOUNT:$25,000

BONDED ACTIVITY/PURPOSE

GENERAL LSE/DRILLING

COMMODITY(IES)

OIL & GAS L

ACTION CODE	ACTION DATE	ACTION TAKEN	ACTION REMARKS	PENDING
468	10/25/2004	BOND FILED		NM92100
469	10/28/2004	BOND ACCEPTED	EFF 04/25/2004+	
974	10/28/2004	AUTOMATED RECORD VERIF	GAG	

GENERAL REMARKS

LINE #	REMARK
001	LOC FROM WEST TEXAS NATIONAL BANK, 6 DESTA DRIVE, SUITE 2400,
002	MIDLAND, TX 79705.

ATS-09-607

NOTICE OF STAKING

(NOT TO BE USED IN PLACE OF Application of Permit to Drill Form 3160-3)

6. Lease Number: NM-120906

1. Oil Well [XX] Gas Well [ ] Other (Specify)

7. If Indian, Alottee or Tribe Name: ----------

2. Name of Operator
OGX RESOURCES, LLC.
P. O. BOX 2064
MIDLAND, TEXAS 79702

8. Unit Agreement Name: ----------

3. Name of Specific Contact Person:
TIERRA EXPLORATION, INC. JOE T. JANICA
P.O. BOX 2188
HOBBS, NEW MEXICO 88241
OFFICE PH. 505-391-8503 CELL. 505-390-1598

9. Farm or Lease Name: TRISTE "5" FEDERAL

4. Address & Phone No. of Operator or Agent
OGX RESOURCES, LLC.
P. O. BOX 2064
MIDLAND, TEXAS 79702
JEFF BIRKELBACH OFFICE Ph. 432-685-1287
CELL 432-432-553-0391

10. Well No.: # 1

11. Field or Wildcat Name: TRISTE DRAW WEST-DELAWARE

5. Surface Location of Well: 1980' FNL & 660' FWL SECTION 5 T24S-R32E

12. Sec., T., R., M., Blk and Survey or Area: SECTION 5 T24S-R32E

15. Formation Objective (s)	17. Estimated Well Depth	13. County, Parish	14. State
DELAWARE	8550'	LEA CO.	NEW MEXICO

17. Additional Information (as appropriate; shall include surface owner's name, address and, if known, telephone number

The surface and the minerals are owned by The U.S. Department of interior and is administered by The Bureau of Land Management.

18. Signed Joe T. Janica Title Permit Eng. Date 08/31/09

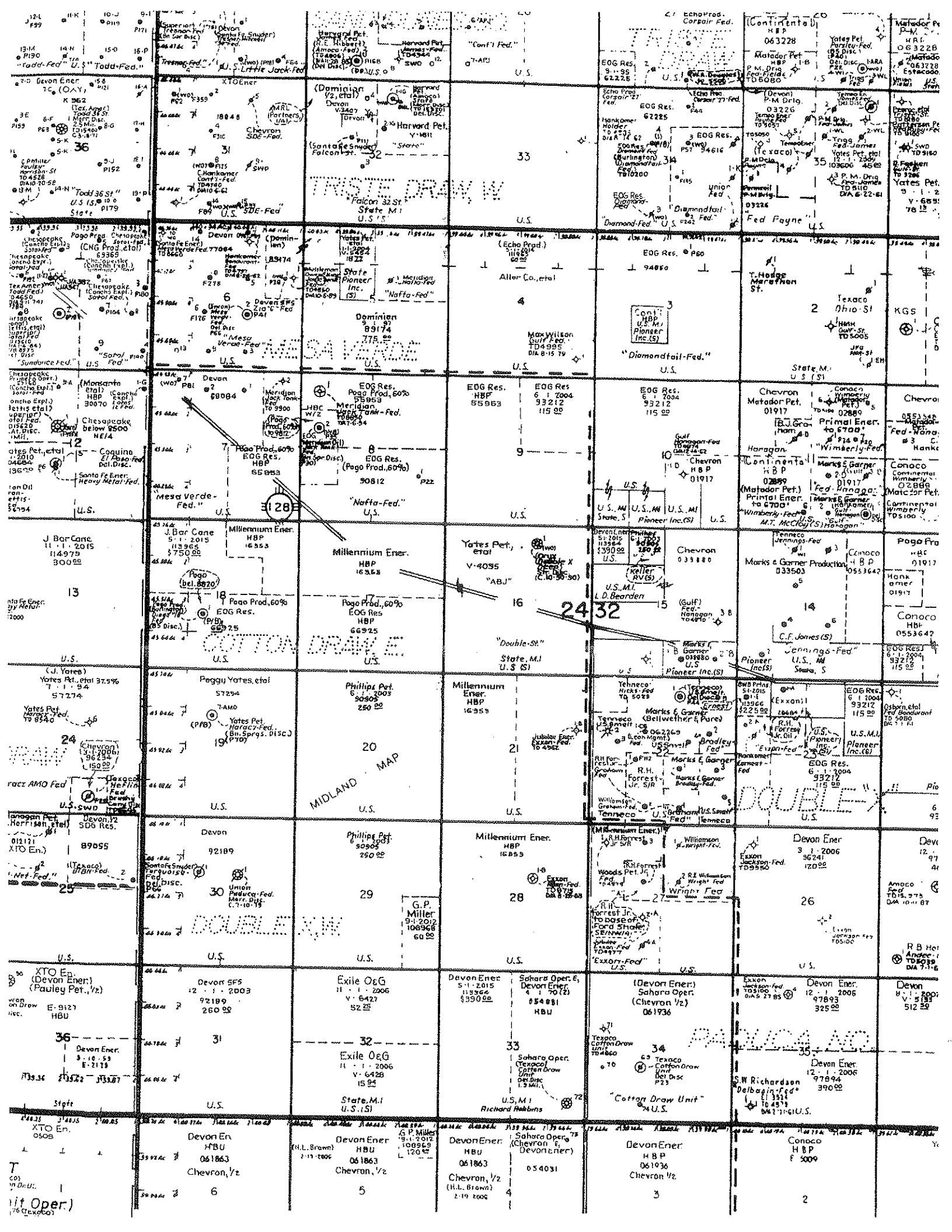
Posted 9-1-09

eipt of this Notice, the Bureau of Land Management (BLM) will schec
of the onsite predrill inspection and notify you accordingly. The
nust be staked and access road must be flagged prior to the onsite.

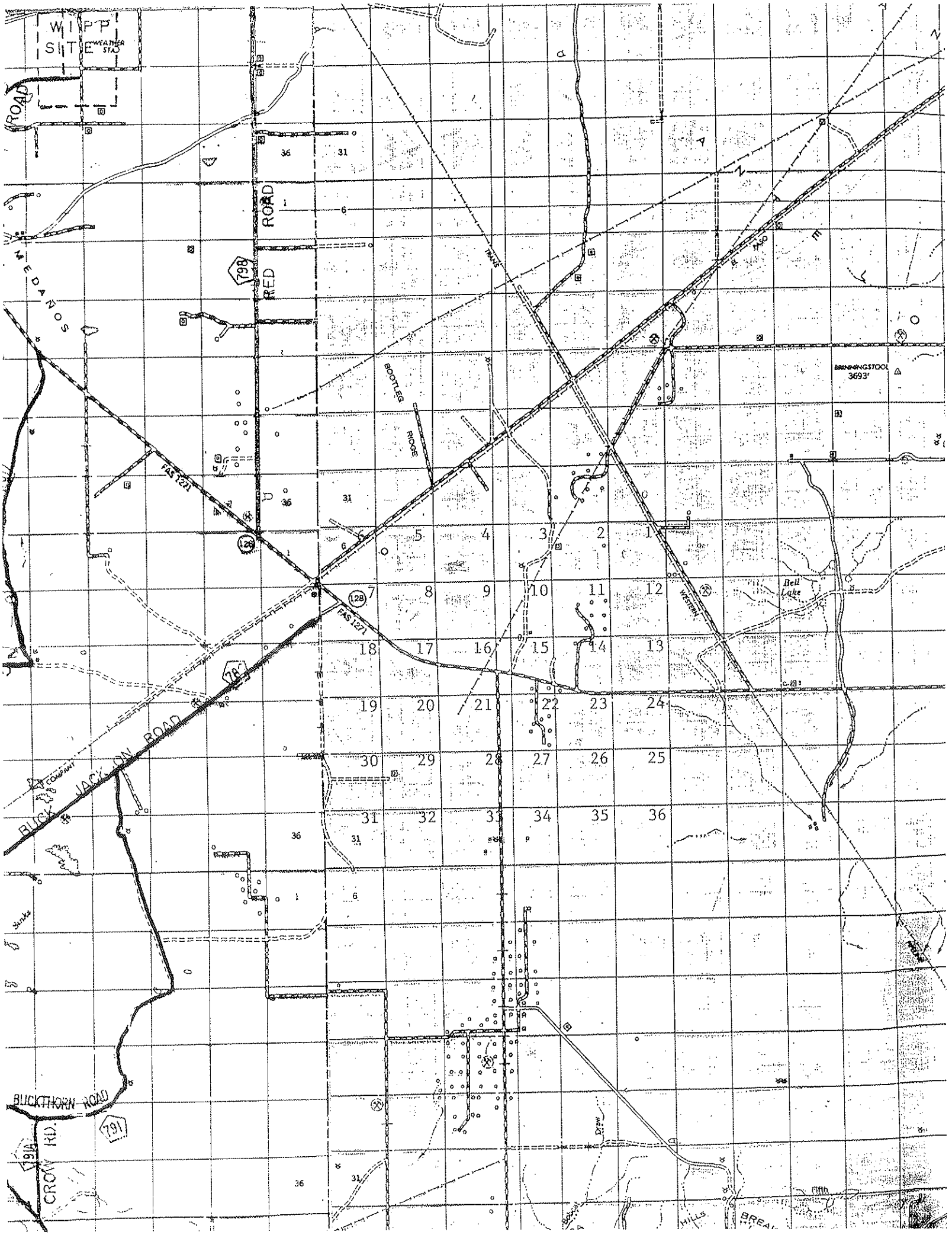
Operators must consider the following prior to the onsite:

1) H_2S Potential
2) Cultural Resources (Archeology)
3) Federal Right of Way or Special Use Permit

SWNW - E
BLM
NO-POTASH
POD-Zone 3
Low-CK



MIDLAND MAP
COTTON DRAW E.
DOUBLE X W.
DOUBLE X
PAULA NO.
Millennium Ener.
Yates Pet., etal
Chevron
Marks & Garner Production
Devon Ener
Exile O&G
Devon Ener
Sahara Oper.
Devon En.
Chevron, 1/2
Conoco
HBP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BUCK JACK ON ROAD
COMPANY
BUCKTHORN ROAD
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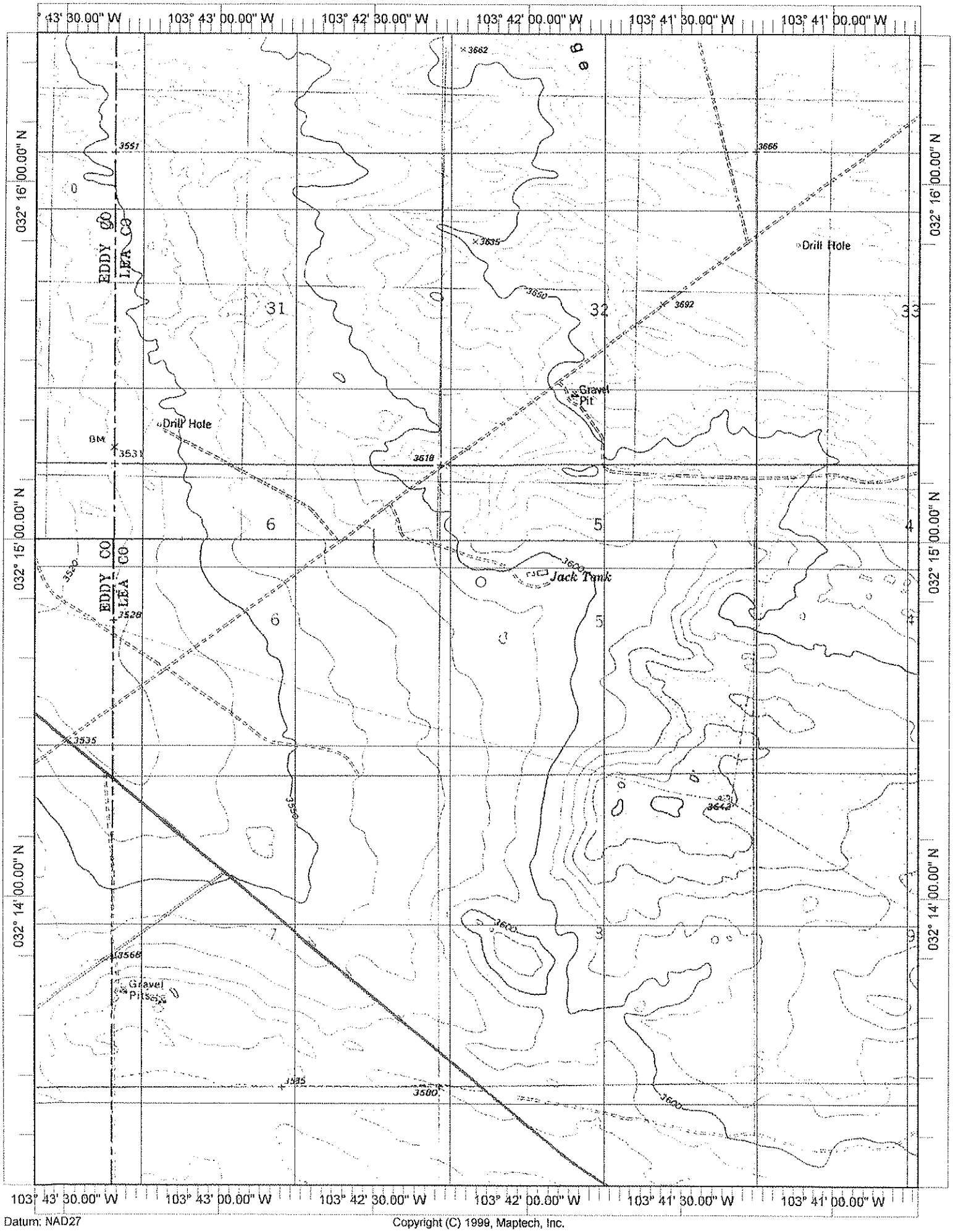

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