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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



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

Form C-101

May 27, 2004

Month - Year  
APR 19 2007  
OCD - ARTESIA, NM

Submit to appropriate District Office

☐ AMENDED REPORT**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

<sup>1</sup> Operator Name and Address SDX Resources, Inc. PO Box 5061 Midland, TX 79704		<sup>2</sup> OGRID Number 020451
<sup>3</sup> Property Code 25197		<sup>4</sup> Property Name Kereev State
<sup>5</sup> Proposed Pool 1 Artesia, GL-YE 96830		<sup>6</sup> Well No. 3
<sup>7</sup> Surface Location		<sup>8</sup> API Number 30 - 015 - 35562

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	32	17S	28E		1650	South	990	East	Eddy

<sup>8</sup> Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

## Additional Well Information

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code O	<sup>13</sup> Cable/Rotary Rotary	<sup>14</sup> Lease Type Code State	<sup>15</sup> Ground Level Elevation 3673'
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 4000'	<sup>18</sup> Formation Yeso	<sup>19</sup> Contractor United Drlg	<sup>20</sup> Spud Date 5/15/07
Depth to Groundwater >50 <100		Distance from nearest fresh water well >1000		Distance from nearest surface water >1000
Pit: <input type="checkbox"/> Liner: Synthetic X 12 mils thick Clay <input type="checkbox"/> Pit Volume: 8000 bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water X Brine <input type="checkbox"/> Diesel Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4"	8-5/8"	24#	450'	350 sx Cl C	Surf
7-7/8"	5-1/2"	14#	4000'	350 POZ + 400 Lite	Surf

<sup>22</sup> 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.

Plan to drill a 12-1/4" hole to appx 450' & set 8-5/8" surf csg to 450'. Circ Class C cmt. Drill 7-7/8" hole to TD (4000'). Run OH logs. Run 5-1/2" csg & circ cmt. Perf the Yeso zone & stimulate as necessary for optimum production.

Anticipated H2S levels are not expected to be high enough to require a H2S Contingency Plan.

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines X, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name: Bonnie Atwater

Title: Regulatory Tech

E-mail Address: batwater@sdvresources.com

Date: 4/17/07

Phone: 432/685-1761

## OIL CONSERVATION DIVISION

Approved by:

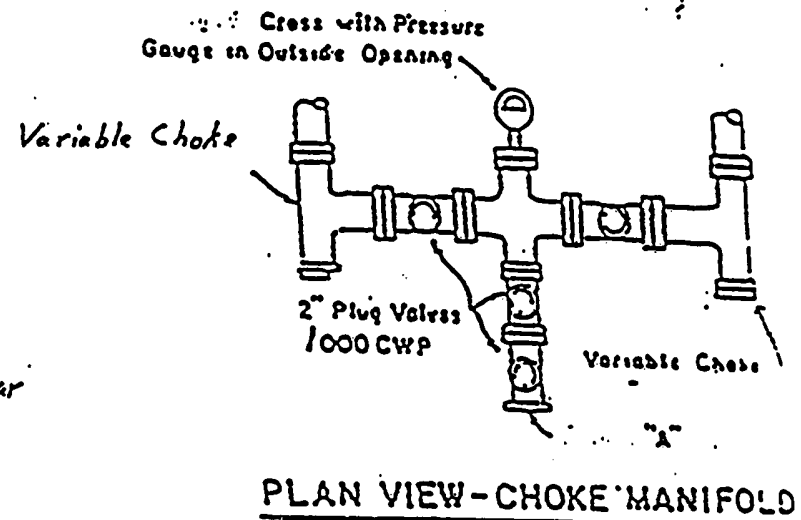
BRYAN G. ARANT  
DISTRICT II GEOLOGIST

Title:

Approval Date: APR 23 2007

Expiration Date: APR 23 2008

Conditions of Approval Attached ☐



PLAN VIEW-CHOKE MANIFOLD

Exhibit #.

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$\angle$ 

LAT N32.78829  
LON W104.19255

990'

$\angle$ 

1650'

990'

**17 OPERATORS CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Bonnie Atwater*

Signature

4/17/07

Date

Bonnie Atwater

Printed Name


**18 SURVEYOR CERTIFICATION**

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

APRIL 12, 2007

Date of Survey

Signature and Seal of Professional Surveyor:



Certificate Number **5412**

DAN R. REDDY NM PE&PS #5412