

1595

Form C-142
Date 06/99

New Mexico
Energy Minerals and Natural Resources Department

District I - (505) 393-6161
1625 N. French Dr
Hobbs, NM 88241-1980
District II - (505) 748-1283
811 S. First
Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road
Aztec, NM 87410
District IV - (505) 827-7131

Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

RECEIVED
FEB 3 2000

APPLICATION FOR NEW WELL STATUS CONSERVATION DIVISION

SUBMIT ORIGINAL
PLUS 2 COPIES
TO THE SANTA FE
OFFICE

I. Operator and Well

Operator name & address SDX Resources, Inc. P. O. Box 5061, Midland, Texas 79704							OGRID Number 020451		
Contact Party Fred C. Corey							Phone 915-685-1761		
Property Name NW State					Well Number 12		API Number 30-015-30784		
UL A	Section 31	Township 17S	Range 28E	Feet From The 330	North/South Line North	Feet From The 480	East/West Line East	County Eddy	

II. Date/Time Information

Spud Date November 11, 1999	Spud Time 12:45 PM	Date Completed December 9, 1999	Pool Artesia (QN-GB-SA) (03230)
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- III. Attach copies of Form C-103 or Federal Form 3160-5 showing date/time of drilling commenced and Form C-105 or Federal Form 3160-4 showing well was completed as a producer.
- IV. Attach a list of all working interest owners with their percentage interests.
- V. AFFIDAVIT:

State of TEXAS)
County of Midland) ss.

John Pool, being first duly sworn, upon oath states:

- I am the Operator, or authorized representative of the Operator, of the above-referenced well.
- To the best of my knowledge, this application is complete and correct.

Signature [Signature] Title Vice President Date 02/02/2000

SUBSCRIBED AND SWORN TO before me this 2nd day of February, 2000

[Signature]
Notary Public

My Commission expires 7-26-01

FOR OIL CONSERVATION DIVISION USE ONLY:

VI. CERTIFICATION OF APPROVAL:

This Application is hereby approved and the above-referenced well is designated a New Well. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval.

Signature <u>[Signature]</u>	Title <u>P.E. Spee.</u>	Date <u>FEB 10 2000</u>
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VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: 2/11/00

NOTICE: The operator must notify all working interest owners of this New Well certification.

PVZV2010847926

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO. 30-015-30784	
Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
State Oil & Gas Lease No.	
Lease Name or Unit Agreement Name NW State	
Well No. 12	
Pool name or Wildcat Artesia (QN-GB-SA)	

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____	
Name of Operator SDX Resources, Inc.	
Address of Operator PO Box 5061, Midland, TX 79704	
Well Location Unit Letter <u>A</u> <u>330</u> Feet From The <u>North</u> Line and <u>480</u> Feet From The <u>East</u> Line Section <u>31</u> Township <u>17S</u> Range <u>28E</u> NMPM <u>Eddy</u> County	
Elevation (Show whether DF, RKB, RT, GR, etc.) 3664' GR	

11

Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

<p style="text-align: center;">NOTICE OF INTENTION TO:</p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/></p> <p>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/></p> <p>PULL OR ALTER CASING <input type="checkbox"/></p> <p>OTHER: _____ <input type="checkbox"/></p>	<p style="text-align: center;">SUBSEQUENT REPORT OF:</p> <p>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/></p> <p>COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ANBANDONMENT <input type="checkbox"/></p> <p>CASING TEST AND CEMENT JOB <input type="checkbox"/></p> <p>OTHER: Spud & set csg <input checked="" type="checkbox"/></p>
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Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Spud 12-1/4" hole @ 12:45 pm 11/11/99. Drill to 500'. Ran 12 jts 8-5/8" J-55, 24# csg to 496'. RU Dowell & cmt w/350 sx Class C cmt. Cmt @ 45'. WOC total of 18 hrs.

Drill 7-7/8" hole to 3300'. Reach TD 8:00 am 11/17/99. Run 82 jts J-55, 15.5# csg. Set @ 3297'. RU Dowell & cmt w/350 sx Lite & 300 sx Class C. Circ 52 sx.

Release Rig 7:00 pm 11/17/99.

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

SIGNATURE Bonnie Atwater TITLE Regulatory Tech. DATE 02-02-00

TYPE OR PRINT NAME Bonnie Atwater TELEPHONE NO. 915/685-1761

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

Submit to Appropriate District Office
 State Lease - 6 copies
 Fee Lease - 5 copies
DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-105
 Revised 1-1-89

OIL CONSERVATION DIVISION

2040 Pacheco St.
 Santa Fe, NM 87505

DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
 1000 Rio Brazos Rd, Aztec, NM 87410

WELL API NO. 30-015-30784
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER _____	7. Lease Name or Unit Agreement Name NW State
b. Type of Completion: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF RESVR <input type="checkbox"/> OTHER _____	8. Well No. 12
2. Name of Operator SDX Resources, Inc.	9. Pool name or Wildcat Artesia (QN-GB-SA)
3. Address of Operator PO Box 5061, Midland, TX 79704	

4. Well Location
 Unit Letter A 330 Feet From The North Line and 480 Feet From The East Line
 Section 31 Township 17S Range 28E NMPM Eddy County

10. Date Spudded 11/11/99	11. Date T.D. Reached 11/17/99	12. Date Compl. (Ready to Prod.) 12/09/99	13. Elevations (DF & RKB, RT, GR, etc.) 3664	14. Elev. Casinghead
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15. Total Depth 3300	16. Plug Back T.D. 2750	17. If Multiple Compl. How Many Zones?	18. Intervals Drilled By Rotary Tools <input checked="" type="checkbox"/> Cable Tools
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19. Producing Interval(s), of this completion - Top, Bottom, Name 2311 - 2661	20. Was Directional Survey Made Yes
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21. Type Electric and Other Logs Run LDT-CNL-GR & DLL	22. Was Well Cored No
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23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24#	496'	12-1/4"	350 sx Class C	None
5-1/2"	15.5# J-55	3297'	7-7/8"	350 sx Lite + 300 sx CI C	None

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

25. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2-3/8"	2685'	

26. Perforation record (interval, size, and number) 2930' - 3032', Cmt Retainer 2915' 2828' - 2898', Sqz w/150 sx CI C, CIBP @ 2750' 2311' - 2661'	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.	
	DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
	2828 - 3032	3500 gal 15% HCL w/NEFE
	2311 - 2661	A: 1743 gal NEFE
F: 54,348 gal Delta 20 + 95000# 16/30 + 35000# 12/20 Brady		

28. PRODUCTION

Date First Production 12/21/99	Production Method (Flowing, gas lift, pumping - Size and type pump) Pmp 2" x 1-1/2" x 12' RWAC				Well Status (Prod. or Shut-in) Prod		
Date of Test 01/04/00	Hours Tested 24	Choke Size	Prod'n For Test Period	Oil - BbL. 22	Gas - MCF 231	Water - BbL. 92	Gas - Oil Ratio 10500
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - BbL. 22	Gas - MCF 231	Water - BbL. 92	Oil Gravity - API - (Corr.)	

29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold	Test Witnessed By Chuck Morgan
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30. List Attachments
 Deviation Survey, Logs

31 I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature Bonnie Atwater Printed Name Bonnie Atwater Title Regulatory Tech. Date 01/06/00

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all specific tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

Northwestern New Mexico

T. Anhy _____	T. Canyon _____	T. Ojo Alamo _____	T. Penn. "B" _____
T. Salt _____ 560.0	T. Strawn _____	T. Kirtland-Fruitland _____	T. Penn. "C" _____
B. Salt _____ 600.0	T. Atoka _____	T. Pictured Cliffs _____	T. Penn. "D" _____
T. Yates _____ 610.0	T. Miss _____	T. Cliff House _____	T. Leadville _____
T. 7 Rivers _____ 920.0	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen _____ 1358.0	T. Silurian _____	T. Point Lookout _____	T. Elbert _____
T. Grayburg _____ 1548.0	T. Montoya _____	T. Mancos _____	T. McCracken _____
T. San Andres _____ 1860.0	T. Simpson _____	T. Gallup _____	T. Ignacio Otzte _____
T. Glorieta _____	T. McKee _____	Base Greenhorn _____	T. Granite _____
T. Paddock _____	T. Ellenburger _____	T. Dakota _____	_____
T. Blinebry _____	T. Gr. Wash _____	T. Morrison _____	_____
T. Tubb _____	T. Delaware Sand _____	T. Todilto _____	_____
T. Drinkard _____	T. Bone Springs _____	T. Entrada _____	_____
T. Abo _____	_____	T. Wingate _____	_____
T. Wolfcamp _____	_____	T. Chinle _____	_____
T. Penn _____	_____	T. Permain _____	_____
T. Cisco (Bough C) _____	_____	T. Penn. "A" _____	_____

OIL OR GAS SANDS OR ZONES

No. 1, from _____ to _____ No. 3, from _____ to _____
 No. 2, from _____ to _____ No. 4, from _____ to _____

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from _____ to _____ feet _____
 No. 2, from _____ to _____ feet _____
 No. 3, from _____ to _____ feet _____

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology	From	To	Thickness in Feet	Lithology
0.0	150.0	150.0	Gravel/Rdbd/Caliche				
150.0	200.0	50.0	Sand				
200.0	560.0	360.0	Anhy				
560.0	600.0	40.0	Salt				
600.0	610.0	10.0	Anhy				
610.0	1358.0	748.0	Anhy/Dolo				
1358.0	1860.0	502.0	Anhy/Dolo/Sd				
1860.0	3300.0	1440.0	Dolo				

WELL NAME AND NUMBER N.W. State #12

NOV 23 1999

LOCATION Section 31, T17S, R28E, 330'FNL, 480'FEL Eddy County NM

OPERATOR SDX Resources, Inc.

DRILLING CONTRACTOR United Drilling, Inc.

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above described well and had conducted deviation tests and obtained the following results:

<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>
<u>1/2° 500'</u>	_____	_____
<u>1/2° 996'</u>	_____	_____
<u>3/4° 1528'</u>	_____	_____
<u>3/4° 2026'</u>	_____	_____
<u>1/2° 2490'</u>	_____	_____
<u>1/2° 3000'</u>	_____	_____
_____	_____	_____
_____	_____	_____

Drilling Contractor United Drilling, Inc.

By: George Aho

George Aho

Title: Business Manager

Subscribed and sworn to before me this 19th day of November, 1999.

Kuama Timberley
Notary Public

My Commission Expires: 9-25-2003

Edwards County NM State

PROPERTY	PROPERTY NAME	EFFECTIVE				D.D.I.	PREPAYMENT		COST	AFIL
		DECK	DATE	OWNER	OWNER NAME		LEASE	WELL		
022800-12	NW STATE #12	A	**BASE**	0321200	ERAM ALI	0.02000000	022800-12	0	N	
Deck Header for 022800-12-A				0352380	ALPINE RESOURCES, LLC	0.12500000	022800-12	0	N	
				2535380	ETKIND OIL, LLP	0.06250000	022800-12	0	N	
				5790910	WILLIAM S. MONTGOMERY, JR.	0.05000000	022800-12	0	N	
				7332200	WM. SCOTT RAMSEY	0.02000000	022800-12	0	N	
				8031380	SOG INVESTORS, LLC	0.06250000	022800-12	0	N	
				8096200	ST.ANSELM EXPLORATION COMPANY	0.25000000	022800-12	0	N	
				9999802	STEPHEN G. SELL	0.18000000	022800-12	0	Y	
				9999803	JOHN D. POOL	0.18000000	000099-	0	Y	
				9999812	FRED C. COREY	0.02500000	022800-12	0	Y	
				9999814	CHARLES M. MORGAN	0.02500000	022800-12	0	Y	
				*** DECK TOTAL	11 OWNERS	1.00000000				