

SDX RESOURCES, INC.

P.O. BOX 5061 OIL CONSERVATION DIVISION
MIDLAND, TEXAS 79704 RECEIVED
(915) 685-1761

94 OCT 31 AM 8 52

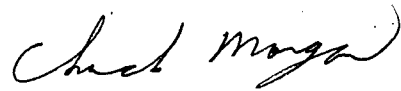
Oct. 26, 1994

N.M.O.C.D.
P.O. Box 2088
Santa Fe, N.M. 87504-2088
Attn. Mr. Stogner

Mr. Stogner,

This letter is intended to serve as an application for administrative approval for unorthodox drilling locations on SDX's Dunn B Federal lease. The locations constitute an infill well project on this lease. The proposed locations are in sections 10, & 11, of T18S, R28E, Eddy county. A table of survey footages and a lease map accompany this letter. It is possible that some of these locations may have to be moved a little due to archaeological sites etc. I will keep you informed of any changes. The purpose of this project is to convert the existing waterflood from an 80 acre 5 spot pattern to a 40 acre 5 spot pattern. This reduced spacing should result in the recovery of additional reserves that will otherwise be lost. Ownership surrounding the proposed locations is similar and no other offset operators are affected by any of the proposed unorthodox locations. If you have any questions or need any additional information please contact me at (505) 748-9724 or (505) 365-7691. Thanks for your consideration.

Sincerely,



Chuck Morgan, P.E.

[illegible]

WELL #	LOCATION (Desired)	LEGAL DESC.	LOCATION (Surveyed)	Unorthodox
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ST	RE-ENTRY	HONDO/FED	SEC. 10, 18/28	NA	NA	NO
37						
38	2620 FEL	1330 FNL	"	2583 FEL	1330 FNL	YES
39	10 "	1310 "	"	60 FEL	1319 FNL	YES
40	1330 FWL	330 "	"	1309 FNL	330 FNL	YES
41	2620 FEL	330 "	"	2583 FEL	330 FNL	YES
42	1310 "	330 "	"	1192 FEL	330 FNL	YES
43	1509 FWL	1330 FNL	→	to be moved 150-200 East		YES
44	1330 "	2310 "	"	1309 FNL	2310 FNL	YES
45	2620 FEL	2310 "	"	2583 FEL	2310 FNL	YES
46	1330	2500 "	"	1330 FEL	2500 FNL	YES
47	10	2600 "	"	10 FEL	2595 FSL	YES
48	2310	2310 FSL	"	2310 FEL	2310 FSL	NO
49	10	330 FNL	→	70 be moved or dropped		YES
50	1300 FWL	1310 FNL	SEC. 11, 18/28	1300 FNL	1310 FNL	YES

SDX RESOURCES, INC.

P.O. BOX 5061
MIDLAND, TEXAS 79704
(915) 685-1761

Fax 915 685-0533

TO: OCB - Santa Fe DATE: 1-13-95ATTENTION: Mike StognerFROM: John PoolTOTAL PAGES INCLUDING THIS PAGE 23

IF YOU HAVE ANY PROBLEMS OR QUESTIONS, PLEASE CALL US AT
(915) 685-1761.

- | | |
|--|--|
| <input type="checkbox"/> PER YOUR REQUEST | <input type="checkbox"/> PER OUR PHONE CONVERSATION |
| <input checked="" type="checkbox"/> FOR YOUR INFORMATION | <input type="checkbox"/> PLEASE PHONE US TO DISCUSS |
| <input type="checkbox"/> PLEASE REVIEW & ADVISE | <input type="checkbox"/> PLEASE ADVISE WHEN RECEIVED |

COMMENTS: _____

JAN 13 '95 09:18 AT&T FAX 9020FX OPERATOR'S COPY

Form 3160-3
(July 1989)
(formerly 9-331C)NATIONAL REGISTRY
OFFICE FOR MAPPING
OF COPIES REPRODUCED
(Other instructions on
reverse side)BLM Rowell District
Modified Form No.
NM60-3160-2UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒GAS
WELL ☐OTHER ☐SINGLE
ZONE ☐MULTIPLE
ZONE ☒

2. NAME OF OPERATOR

3c. Area Code & Phone No.

SDX Resources, Inc.

(505) 748-9724

3. ADDRESS OF OPERATOR

P.O. Box 5061, Midland, TX. 79704

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

1330' FNL, 2583' FEL, unit G, Sec. 10

At proposed prod. zone

Same

UNORTHODOX LOCATION:

Subject to
Like Approval
By State

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE

15 miles S.E. of Artesia, N.M.

15. DISTANCE FROM PROPOSED

1330'

16. NO. OF ACRES IN LEASE

1240

17. NO. OF ACRES ASSIGNED

40

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

(10')

18. DISTANCE FROM PROPOSED LOCATION

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

886'

19. PROPOSED DEPTH

4000'

20. ROTARY OR CABLE TOOLS

rot.

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

GR

22. APPROX. DATE WORK WILL START

12/1/94

23. PROPOSED CASING AND CEMENTING PROGRAM

HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	J-55	8rd.	350'	350 "C" CIRCUL
7-7/8"	5-1/2"	14#	J-55	8rd.	4000'	350 POZ
						400 LITE

Plan to drill a 12-1/4" hole to approx. 350'; set 8-5/8" surface casing. Circulate "C" cement. Drill 7-7/8" hole to TD. Run open hole logs. Run 5-1/2" casing and circulate cement. Perforate the San Andres-Grayburg-Queen and stimulate as necessary for optimum production. Specific programs as per Onshore Oil and Gas Order #1 are outlined in the following attachments:

Drilling Program:

Surface Use and Operating Plan

Exhibit #1 Blowout Preventer Equipment

#2 Location and Elevation Plat

#3 Planned Access Roads

#4 One Mile Radius Map

#5 Planned Production Facilities and Access

#6 Drilling Rig Layout

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Chuck Morgan

TITLE

Engr.

DATE

10/27/94

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

Link Larnell

TITLE

AREA MANAGER

DATE

12/7/94

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL OF THIS APPLICATION 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

See Instructions On Reverse Side

Title 18 U.S.C. Section 1001 makes it a crime for any person knowingly and willfully to make to any Department or agency of the

JAN-13-95 FRI 09:11

G3

P.02

District I
PO Box 1980, Hobbs, NM 88240-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name <i>Artesia - Qm - Gb - Sa.</i>
Property Code	Property Name DUNN B FEDERAL		Well Number 38
OGRID No.	Operator Name SDX RESOURCES, INC.		Elevation 3627.

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	10	18S	28E		1330	NORTH	2583	EAST	EDDY

¹¹ 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

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

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OPERATOR'S COPY

CONTACT RECEIVING
OFFICE FOR NAME
OF COPIES REQUESTED
(Other instructions on
reverse side)

BLM Rowell District
Modified Form No.
NM060-3160-2

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WORK
DRILL ☒ DEEPEN ☐ PLUG BACK ☐

2. TYPE OF WELL
OIL WELL ☒ GAS WELL ☐ OTHER ☐

3. NAME OF OPERATOR
SDX Resources, Inc.

4. ADDRESS OF OPERATOR
P.O. Box 5061, Midland, TX. 79704

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface: 1319' FNL, 60' FEL, unit A, Sec. 10
At proposed prod. zone: Same
UNORTHODOX LOCATION: Subject to Like Approval By State

6. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
15 miles S.E. of Artesia, N.M.

7. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drg. unit line, if any)
1319' (01')

8. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
891'

9. NO. OF ACRES IN LEASE
1240

10. NO. OF ACRES ASSIGNED TO THIS WELL
40

11. ROTARY OR CABLE TOOLS
rot.

12. ELEVATIONS (Show whether DF, RT, GR, etc.)
3630' GR

13. APPROX. DATE WORK WILL START
12/1/94

PROPOSED CASING AND CEMENTING PROGRAM

HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	J-55	8rd.	350'	350' CIRCULATE
7-7/8"	5-1/2"	14#	J-55	8rd.	4000'	350 POZ
						400 LITE

Plan to drill a 12-1/4" hole to approx. 350'; set 8-5/8" surface casing. Circulate "C" cement. Drill 7-7/8" hole to TD. Run open hole logs. Run 5-1/2" casing and circulate cement. Perforate the San Andres-Grayburg Queen and stimulate as necessary for optimum production. Specific programs as per Onshore Oil and Gas Order #1 are outlined in the following attachments:

Drilling Program:

Surface Use and Operating Plan

Exhibit #1 Blowout Preventer Equipment

#2 Location and Elevation Plat

#3 Planned Access Roads

#4 Planned Production Facilities and Access

Approval Subject to
General Requirements and
Special Stipulations

Attached

#6 Drilling Rig Layout

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program if any.

SIGNED

TITLE

DATE

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

AREA MANAGER

DATE

RECEIVAL OF THIS APPLICATION DOES NOT WARRANT
OR CERTIFY THAT THE APPLICANT HOLDS LEGAL OR
FOUNTAIN TITLE TO THOSE RIGHTS IN THE AREA FOR Reverse Side

District I
PO Box 1980, Hobbs, NM 88240-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
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Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
		Artesia - Qx - Gb - Sa
Property Code	Property Name	Well Number
	DUNN B FEDERAL	39
OGRIID No.	Owner Name	Elevation
	SDX RESOURCES, INC.	3630.

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	10	18S	28E		1319	NORTH	60	EAST	EDDY

¹¹ 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

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
40			

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

10					<p>¹⁶ OPERATOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat is true and complete to the best of my knowledge and belief.</p> <p>Signature: <u>Chuck Morgan</u></p> <p>Printed Name: <u>Chuck Morgan</u></p> <p>Title: <u>Engr.</u></p> <p>Date: <u>10/28/94</u></p>
					<p>¹⁷ 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>Date of Survey: <u>OCTOBER 21 1994</u></p> <p>Signature and Seal of the Professional Surveyor:</p> <p>5412</p> <p>REGISTERED PROFESSIONAL ENGINEER</p> <p>NEW MEXICO</p> <p>5412</p> <p>5412</p>

Form 3160-3
(July 1989)
(formerly 9-331C)CONTACT RECEIVING
OFFICE FOR
OF COPIES REQUIRED
(Other instructions on
reverse side)BLM Roswell District
Modified Form No.
NM60-3160-2UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

10. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒GAS
WELL ☐

OTHER

SINGLE
ZONE ☐MULTIPLE
ZONE ☒

2. NAME OF OPERATOR

SDX Resources, Inc.

3a. Area Code & Phone No.

(505)748-9724

3. ADDRESS OF OPERATOR

P.O. Box 5061, Midland, TX, 79704

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

330' FNL, 1309' FWL, unit C, Sec. 10

At proposed prod. zone

Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

15 miles S.E. of Artesia, N.M.

10. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit lbr. if any)

330'

(10')

15. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

748'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3649

GR

22. APPROX. DATE WORK WILL START*

12/1/94 2/1/95

23. PROPOSED CASING AND CEMENTING PROGRAM

HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	J-55	8rd.	350'	350 "C"
7-7/8"	5-1/2"	14#	J-55	8rd.	4000'	350 POZ

Plan to drill a 12-1/4" hole to approx. 350'; set 8-5/8" surface casing. Circulate "C" cement. Drill 7-7/8" hole to TD. Run open hole logs. Run 1/2" casing and circulate cement. Perforate the San Andres-Grayburg -Queen and stimulate as necessary for optimum production. Specific programs as per Onshore Oil and Gas Order #1 are outlined in the following attachments:

Drilling Program:

Surface Use and Operating Plan

Exhibit #1 Blowout Preventer Equipment

#0 Drilling Rig Layout

#2 Location and Elevation Plat

#3 Planned Access Roads

#4 One Mile Radius Map

#5 Planned Production Facilities and Access

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM; If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Chris Morgan

TITLE

Eng.

DATE

12/1/94

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the

District I
PO Box 1980, Hobbs, NM 88240-1980
District II
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1000 Rio Brango Rd., Aztec, NM 87410
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Energy, Minerals & Natural Resources Department

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Revised February 10, 1994
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code		Pool Name	
				Art. - Qm - 66 - 5A	
Property Code		Property Name			Well Number
		DUNN B FEDERAL			40
GRID No.		Operator Name			Elevation
		SDX RESOURCES, INC.			3649.

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	10	18S	28E		330	NORTH	1309	WEST	KDDY

¹¹ 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
¹² Dedicated Acres		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			
40		Infill							

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

¹⁶ 1298.6' 1309' 330' 1300.2'					¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature <u>Chuck Morgan</u> Printed Name <u>Chuck Morgan</u> Title <u>Engr.</u> Date <u>12/8/94</u>
					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. Date of Survey <u>NOVEMBER 29, 1994</u> Signature and Seal of Professional Surveyor Certificate Number <u>5412</u> NM PREPS NO <u>5412</u>

Form 3160-3
(July 1989)
(formerly 9-331C)

UNITED STATES
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BLM Roswell District
Modified Form No.
NMO-3160-2

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. N704154	
2. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N.A.	
3. NAME OF OPERATOR SDX Resources, Inc.		7. UNIT AGREEMENT NAME N.A.	
4. ADDRESS OF OPERATOR P.O. Box 5061, Midland, TX, 79704		8. FARM OR LEASE NAME Dunn B Fed.	
5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 330' FNL, 2583' FEL, unit B, Sec. 10 At proposed prod. zone Same		9. WELL NO. 41	
6. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 15 miles S.E. of Artesia, N.M.		10. FIELD AND POOL OR WILDCAT Art-Qn-Gb-Sa	
7. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 10 T18S R28E	
8. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		12. COUNTY OR PARISH Eddy	
9. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		13. STATE N.M.	
10. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		14. NO. OF ACRES IN LEASE 1240	
11. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		15. NO. OF ACRES ASSIGNED TO THIS WELL 40	
12. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		16. PROPOSED DEPTH 4000'	
13. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		17. ROTARY OR CABLE TOOLS rot.	
14. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		18. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		19. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
16. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		20. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
17. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		21. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		22. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
19. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		23. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
20. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		24. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
21. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		25. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
22. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		26. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
23. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		27. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
24. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		28. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
25. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		29. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
26. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		30. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
27. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		31. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
28. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		32. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
29. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		33. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
30. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		34. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
31. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		35. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
32. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		36. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
33. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		37. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
34. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		38. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
35. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		39. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
36. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		40. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
37. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		41. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
38. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		42. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
39. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		43. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
40. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		44. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
41. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		45. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
42. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		46. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
43. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		47. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
44. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		48. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
45. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		49. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
46. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		50. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
47. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		51. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
48. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		52. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
49. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		53. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
50. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		54. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
51. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		55. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
52. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		56. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
53. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		57. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
54. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		58. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
55. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		59. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
56. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		60. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
57. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		61. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
58. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		62. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
59. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		63. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
60. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		64. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
61. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		65. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
62. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		66. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
63. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		67. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
64. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		68. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
65. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		69. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
66. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		70. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
67. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		71. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
68. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		72. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
69. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		73. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
70. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		74. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
71. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		75. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
72. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		76. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
73. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		77. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
74. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		78. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
75. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		79. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
76. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		80. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
77. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		81. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
78. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		82. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
79. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		83. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
80. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		84. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
81. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		85. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
82. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		86. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
83. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		87. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
84. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		88. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
85. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		89. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
86. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		90. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
87. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		91. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
88. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		92. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
89. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		93. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
90. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		94. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
91. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		95. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
92. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		96. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
93. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		97. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
94. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		98. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
95. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		99. APPROX. DATE WORK WILL START 12/1/94 2/1/95	
96. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 887'		100. APPROX. DATE WORK WILL START 12/1/94 2/1/95	

PROPOSED CASING AND CEMENTING PROGRAM

HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	J-55	8rd.	350'	350 "C"
7-7/8"	5-1/2"	14#	J-55	8rd.	4000'	350 POZ
						400 LITE

Plan to drill a 12-1/4" hole to approx. 350'; set 8-5/8" surface casing. Circulate "C" cement. Drill 7-7/8" hole to TD. Run open hole logs. Run 5-1/2" casing and circulate cement. Perforate the San Andres-Grayburg-Queen and stimulate as necessary for optimum production. Specific programs as per Onshore Oil and Gas Order #1 are outlined in the following attachments:

Drilling Program:

Surface Use and Operating Plan

- Exhibit #1 Blowout Preventer Equipment #6 Drilling Rig Layout
#2 Location and Elevation Plat
#3 Planned Access Roads
#4 One Mile Radius Map
#5 Planned Production Facilities and Access

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Chuck Morgan TITLE Engr. DATE 12/1/94
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the

District I
PO Box 1980, Hobbs, NM 88240-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* AFI Number		* Pool Code		* Pool Name	
* Property Code		* Property Name			* Well Number
		DUNN B FEDERAL			41
* OGRID No.		* Operator Name			* Elevation
		SDX RESOURCES, INC.			3642.

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	10	18S	28E		330	NORTH	2583	EAST	EDDY

11 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

* Dedicated Acres	* Joint or Infill	* Consolidation Code	* Order No.
40	Infill		

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16					17 OPERATOR CERTIFICATION	
					I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
					Signature: <u>Chuck Marger</u> Printed Name: <u>Chuck Marger</u> Title: <u>Eng.</u> Date: <u>12/9/94</u>	
					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.						
NOVEMBER 29, 1994 Date of Survey: <u>NOV 29 1994</u> Signature and Seal of Professional Surveyor:						
Certificate No. <u>5412</u> NM REG. NO. <u>5412</u>						

OPERATOR'S COPY

CONTACT RECEIVING
OFFICE FOR NUMBER
OF COPIES REQUIRED
(Other instructions on
reverse side)

P.10

BLM Roswell District
Modified Form No.
NM060-3160-2UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL ☒ NOV 4 11:01 AM '94
 DEEPEN ☐ PLUG BACK ☐

b. TYPE OF WELL
 OIL WELL ☒ GAS WELL ☐ OTHER ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☒

2. NAME OF OPERATOR
 SDX Resources, Inc.

3a. Area Code & Phone No.
 (505) 748-9724

3. ADDRESS OF OPERATOR

P.O. Box 5061, Midland, TX. 79704

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface
330' FNL, 1192' FEL, unit A, Sec. 10

At proposed prod. zone UNORTHODOX

Same LOCATION:

15 miles S.E. of Artesia, N.M.

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST TOWN OR POST OFFICE

330'

16. NO. OF ACRES IN LEASE

1010

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

626'

19. PROPOSED DEPTH

4000'

20. ROTARY OR CABLE TOOLS

rot.

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

GR

22. APPROX. DATE WORK WILL START

12/1/94

23. PROPOSED CASING AND CEMENTING PROGRAM

HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	J-55	8rd.	350'	350 "C"
7-7/8"	5-1/2"	14#	J-55	8rd.	4000'	350 POZ
						400 LITE

Plan to drill a 12-1/4" hole to approx. 350'; set 8-5/8" surface casing. Circulate "C" cement. Drill 7-7/8" hole to TD. Run open hole logs. Run 5-1/2" casing and circulate cement. Perforate the San Andres-Grayburg-Queen and stimulate as necessary for optimum production. Specific programs as per Onshore Oil and Gas Order #1 are outlined in the following attachments:

ATTACHMENTS:

Surface Use and Operating Plan

Exhibit #1 Blowout Preventer Equipment

#2 Location and Elevation Plat

#3 Planned Access Roads

#4 One Mile Radius Map

#5 Planned Production Facilities and Access

#6 Drilling Rig Layout

Approval Subject to
General Requirements and
Special Stipulations
Attached

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Charles M. [Signature]DATE 12/1/94

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

AREA MANAGER

DATE

12/7/94

APPROVAL OF THIS APPLICATION DOES NOT WARRANT OR CERTIFY THAT THE APPLICANT HOLDS LEGAL OR EQUITABLE TITLE TO THOSE RIGHTS IN THE SUBJECT LAND WHICH WOULD ENTITLE THE APPLICANT TO

Section 1000b, makes it a crime for any person knowingly and willfully to make to any department or agency of the

District I
PO Box 1980, Hobbs, NM 88240-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Grande Rd., Aztec, NM 87410
District IV
PO Box 2400, Santa Fe, NM 87504-2400

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AGENCED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. Well Number		2. Well Code		3. Well Name <i>Artesia - Qn - Gb - So.</i>	
4. Property Code		5. Property Name DUNN B FEDERAL		6. Well Number 42	
7. GRID No.		8. Operator Name SDX RESOURCES, INC.		9. Elevation 3625.	

10. Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	10	18S	28E		330	NORTH	1192	EAST	EDDY

11. 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

12. Dedicated Acres 40	13. Joint or Infill	14. Consolidation Code	15. Order No.
----------------------------------	---------------------	------------------------	---------------

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

16					17. OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <div> <i>Chuck Marger</i> Signature Printed Name Title Date 10/24/94 </div>
					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. <div> OCTOBER 21, 1994 Date of Survey Signature and Seal of Professional Surveyor </div>

Form 3160-3
(July 1989)
(formerly 9-331C)

OFFICE FOR
OF COPIES REQUIRED
(Other instructions on
reverse side)

BLM Roswell District
Modified Form No.
NND60-3160-2

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM54184
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N.A.
2. NAME OF OPERATOR SDX Resources, Inc.		7. UNIT AGREEMENT NAME N.A.
3. ADDRESS OF OPERATOR P.O. Box 5061, Midland, TX. 79704		8. FARM OR LEASE NAME Dunn B Fed.
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1330' FNL, 1509' FWL, unit F, Sec. 10 At proposed prod. zone Same		9. WELL NO. 43
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 15 miles S.E. of Artesia, N.M.		10. FIELD AND POOL, OR WILDCAT Art-Qn-Gb-Sa
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig, unit line, if any) 1310' (10')	16. NO. OF ACRES IN LEASE 1240	11. SEC., T., R., M., OR BLE. SEC 10 T10S R28E T10S
19. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 803'	18. PROPOSED DEPTH 4000'	12. COUNTY OR PARISH Eddy
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3640 GR		13. STATE N.M.
22. APPROX. DATE WORK WILL START 2/1/95		

PROPOSED CASING AND CEMENTING PROGRAM

HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	J-55	8rd.	350'	350 C
7-7/8"	5-1/2"	14#	J-55	8rd.	4000'	350 POZ
						400 LITE

Plan to drill a 12-1/4" hole to approx. 350'; set 8-5/8" surface casing. Circulate "C" cement. Drill 7-7/8" hole to TD. Run open hole logs. Run 5-1/2" casing and circulate cement. Perforate the San Andres-Grayburg-Queen and stimulate as necessary for optimum production. Specific programs as per Onshore Oil and Gas Order #1 are outlined in the following attachments:

Drilling Program:

Surface Use and Operating Plan

- | | |
|---|------------------------|
| Exhibit #1 Blowout Preventer Equipment | #6 Drilling Rig Layout |
| #2 Location and Elevation Plat | |
| #3 Planned Access Roads | |
| #4 One Mile Radius Map | |
| #5 Planned Production Facilities and Access | |

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Chuck Morgan TITLE Engr. DATE 12/2/94
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the

District I
PO Box 1980, Hobbs, NM 88240-2980
District II
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District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number		* Pool Code		* Pool Name	
* Property Code		* Property Name			* Well Number
		DUNN B FEDERAL			43
* OGRID No.		* Operator Name			* Elevation
		SDX RESOURCES, INC.			3640.

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	10	18S	28E		1330	NORTH	1509	WEST	EDDY

¹¹ 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
¹² Dedicated Acres		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			
40		Infill							

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION.

¹⁶ 	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
	Signature <u>Chuck Morgan</u> Printed Name <u>Chuck Morgan</u> Title <u>Eng.</u> Date <u>12/8/94</u>	
	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.	
	Date of Survey <u>NOVEMBER 29, 1994</u> Signature and Seal of Professional Surveyor 	

Form 3160-3
(July 1989)
(formerly 9-331C)

UNITED STATES
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OF COPIES REQUIRED
(Other instructions on
reverse side)

BLM Roswell District
Modified Form No.
NM060-3160-2

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER

SINGLE
ZONE ☐

MULTIPLE
ZONE ☒

2. NAME OF OPERATOR

SDX Resources, Inc.

3a. Area Code & Phone No.

(505) 748-9724

3. ADDRESS OF OPERATOR

P.O. Box 5061, Midland, TX. 79704

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

2310' FNL, 1309' FWL, unit F, Sec. 10

At proposed prod. zone

Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

15 miles S.E. of Artesia, N.M.

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any)

330'

(10')

16. NO. OF ACRES IN LEASE

1240

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

748'

19. PROPOSED DEPTH

4000'

20. ROTARY OR CABLE TOOLS

rot.

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3636 GR

22. APPROX. DATE WORK WILL START*

12/1/94 2/1/95

PROPOSED CASING AND CEMENTING PROGRAM

HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	J-55	8rd.	350'	350 "C"
7-7/8"	5-1/2"	14#	J-55	8rd.	4000'	350 POZ
						400 LITE

Plan to drill a 12-1/4" hole to approx. 350'; set 8-5/8" surface casing. Circulate "C" cement. Drill 7-7/8" hole to TD. Run open hole logs. Run 5-1/2" casing and circulate cement. Perforate the San Andres-Grayburg -Queen and stimulate as necessary for optimum production. Specific programs as per Onshore Oil and Gas Order #1 are outlined in the following attachments:

DRILLING PROGRAM:

Surface Use and Operating Plan

Exhibit #1 Blowout Preventer Equipment

#6 Drilling Rig Layout

#2 Location and Elevation Plat

#3 Planned Access Roads

#4 One Mile Radius Map

#5 Planned Production Facilities and Access

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Chuck Meyer

TITLE

Engt.

DATE

12/2/94

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

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District I
PO Box 1980, Hobbs, NM 88240-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

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Revised February 10, 1994
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name	
				Art. - Qn - Gb - SA	
4 Property Code		5 Property Name			6 Well Number
		DUNN B FEDERAL			44
7 OGRID No.		8 Operator Name			9 Elevation
		SDX RESOURCES, INC.			3636.

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from line	North/South line	Feet from line	East/West line	County
F	10	18S	28E		2310	NORTH	1309	WEST	EDDY

11 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

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
40	Infill		

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

16		17 OPERATOR CERTIFICATION	
		<p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p>	
		<p>Signature: <u>Chuck Morgan</u></p>	
		<p>Printed Name: <u>Chuck Morgan</u></p>	
		<p>Title: <u>Eng.</u></p>	
		<p>Date: <u>12/8/94</u></p>	
		18 SURVEYOR CERTIFICATION	
		<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 29, 1994</p>	
		<p>Date of Survey: <u>NOV 29 1994</u></p>	
		<p>Signature: <u>[Signature]</u></p>	
		<p>Printed Name: <u>NEW MEXICO</u></p>	
		<p>Professional Surveyor:</p>	
		<p>5412</p>	
		<p>REGISTERED LAND SURVEYOR</p>	
		<p>Certificate Number: <u>5412</u></p>	
		<p>NM PE&PS NO. 5412</p>	

Form 3160-3
(July 1989)
(formerly 9-331C)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTBLM Roswell District
Modified Form No.
NM060-3160-2

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

10. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

11. TYPE OF WELL

OIL
WELL ☒GAS
WELL ☐OTHER ☐SINGLE
ZONE ☐MULTIPLE
ZONE ☒

2. NAME OF OPERATOR

SDX Resources, Inc.

3a. Area Code & Phone No.

(505)748-9724

3. ADDRESS OF OPERATOR

P.O. Box 5061, Midland, TX. 79704

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

2310' FNL, 2583' FEL, unit G, Sec. 10

At proposed prod. zone

Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE

15 miles S.E. of Artesia, N.M.

15. DISTANCE FROM PROPOSED

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drg. unit loc. if any)

330'

(20')

16. NO. OF ACRES IN LEASE

1240

17. NO. OF ACRES ASSIGNED

TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION

TO NEAREST WELL, DRILLING COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

687'

19. PROPOSED DEPTH

4000'

20. ROTARY OR CABLE TOOLS

rot.

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3617 GR

22. APPROX. DATE WORK WILL START

12/1/94 2/1/95

23.

PROPOSED CASING AND CEMENTING PROGRAM

HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	J-55	8rd.	350'	350 "C"
7-7/8"	5-1/2"	14#	J-55	8rd.	4000'	350 POZ
						400 LITE

Plan to drill a 12-1/4" hole to approx. 350'; set 8-5/8" surface casing. Circulate "C" cement. Drill 7-7/8" hole to TD. Run open hole logs. Run 5-1/2" casing and circulate cement. Perforate the San Andres-Grayburg -Queen and stimulate as necessary for optimum production. Specific programs as per Onshore Oil and Gas Order #1 are outlined in the following attachments:

Drilling Program:

Surface Use and Operating Plan

Exhibit #1 Blowout Preventer Equipment

#6 Drilling Rig Layout

#2 Location and Elevation Plat

#3 Planned Access Roads

#4 One Mile Radius Map

#5 Planned Production Facilities and Access

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Chuck Mays

TITLE

Eng.

DATE

12/2/94

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the

District I
PO Box 1980, Hobbs, NM 88240-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
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PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code		Pool Name	
				Art. - Q. - G. - SA	
Property Code		Property Name			Well Number
		DUNN B FEDERAL			45
OGRID No.		Operator Name			Elevation
		SDX RESOURCES, INC.			3617.

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	10	18S	28E		2310	NORTH	2583	EAST	EDDY

11 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

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
40	I.F.II		

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

<div data-bbox="162 1078 1088 2005"> <p>16</p> </div>	<div data-bbox="1104 1078 1575 1530"> <p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Chuck Morgan</i> Signature</p> <p>Chuck Morgan Printed Name</p> <p>Enggr. Title</p> <p>12/8/94 Date</p> </div>
	<div data-bbox="1104 1552 1575 2005"> <p>18 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 8 1994 Date of Survey</p> <p><i>[Signature]</i> Signature and Seal of Professional Surveyor</p> <p>5412 Certificate Number</p> <p>NM PEPS NO. 5412</p> </div>

Form 3160-3
(July 1989)
(formerly 9-331C)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☐DEEPEN ☐PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☐OTHER ☐SINGLE
ZONE ☐MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

SDX Resources, Inc.

3a. Area Code & Phone No.

(505) 748-0721

ADDRESS OF OPERATOR

P.O. Box 5061, Midland, TX. 79704

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

2595' FSL, 10' FEL, unit I, Sec. 10

At proposed prod. zone

Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE

15 miles S.E. of Artesia, N.M.

15. DISTANCE FROM PROPOSED

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

1330'

(10')

16. NO. OF ACRES IN LEASE

1240

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

959'

19. PROPOSED DEPTH

4000'

20. ROTARY OR CABLE TOOLS

rot.

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3622 GR

22. APPROX. DATE WORK WILL START

2/1/95

23. PROPOSED CASING AND CEMENTING PROGRAM

HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	J-55	8rd.	350'	350 "C"
7-7/8"	5-1/2"	14#	J-55	8rd.	4000'	350 POZ
						400 LITE

Plan to drill a 12-1/4" hole to approx. 350'; set 8-5/8" surface casing. Circulate "C" cement. Drill 7-7/8" hole to TD. Run open hole logs. Run 5-1/2" casing and circulate cement. Perforate the San Andres-Grayburg -Queen and stimulate as necessary for optimum production. Specific programs as per Onshore Oil and Gas Order #1 are outlined in the following attachments:

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#2 Location and Elevation Plat

#3 Planned Access Roads

#4 One Mile Radius Map

#5 Planned Production Facilities and Access

#6 Drilling Rig Layout

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Charles Morgan

TITLE

Engr.

DATE

12/31/94

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the

1980, Hobbs, NM 88240-1980

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Energy, Minerals & Natural Resources DepartmentForm C-102
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District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code		Pool Name	
				Art - QN - 66 - SA	
Property Code		Property Name			Well Number
		DUNN B FEDERAL			47
OGRID No.		Operator Name			Elevation
		SDX RESOURCES, INC.			3622.

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	10	18S	28E		2595	SOUTH	10	EAST	EDDY

11 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

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
40	Infill		

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

16					17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <u>Chuck Morgan</u> Printed Name: <u>Chuck Morgan</u> Title: <u>Eng.</u> Date: <u>12/15/94</u>
					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. NOVEMBER 1994 Date of Survey Signature: <u>[Signature]</u> NEW MEXICO 5412 REGISTERED LAND SURVEYOR PROFESSIONAL ENGINEER Certificate Number NM PE&PS NO. 5412

Form 3160-3
(July 1989)
(formerly 9-331C)

OFFICE AIR MAIL
OF COPIES REQUIRED
(Other instructions on
reverse side)

BLM Roswell District
Modified Form No.
NM060-3160-2

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM54184	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N.A.	
2. NAME OF OPERATOR SDX Resources, Inc.		7. UNIT AGREEMENT NAME N.A.	
3. ADDRESS OF OPERATOR P.O. Box 5061, Midland, TX. 79704		8. FARM OR LEASE NAME Dunn B Fed.	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 2310' FSL, 2310' FEL, unit J, Sec. 10 At proposed prod. zone Same		9. WELL NO. 48	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 15 miles S.E. of Artesia, N.M.		10. FIELD AND POOL, OR WILDCAT Art-Qn-Gb-Sa	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) 330' (330')	16. NO. OF ACRES IN LEASE 1240	17. NO. OF ACRES ASSIGNED TO THIS WELL 40	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1043'	19. PROPOSED DEPTH 4000'	20. ROTARY OR CABLE TOOLS rot.	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3612 GR		22. APPROX. DATE WORK WILL START* 2/1/95	

PROPOSED CASING AND CEMENTING PROGRAM

HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	J-55	8rd.	350'	350 "C"
7-7/8"	5-1/2"	14#	J-55	8rd.	4000'	350 POZ
						400 LITE

Plan to drill a 12-1/4" hole to approx. 350'; set 8-5/8" surface casing. Circulate "C" cement. Drill 7-7/8" hole to TD. Run open hole logs. Run 5-1/2" casing and circulate cement. Perforate the San Andres-Grayburg-Queen and stimulate as necessary for optimum production. Specific programs as per Onshore Oil and Gas Order #1 are outlined in the following attachments:

Drilling Program:

Surface Use and Operating Plan

- | | |
|---|------------------------|
| Exhibit #1 Blowout Preventer Equipment | #6 Drilling Rig Layout |
| #2 Location and Elevation Plat | |
| #3 Planned Access Roads | |
| #4 One Mile Radius Map | |
| #5 Planned Production Facilities and Access | |

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Chad Morgan

TITLE

Engr.

DATE

12/21/94

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the

District I
PO Box 1980, Hobbs, NM 88240-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Grande Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name
			Art. - Qn. - 66 - 5A
Property Code	Property Name		Well Number
	DUNN B FEDERAL		48
OGRID No.	Operator Name		Elevation
	SDX RESOURCES, INC.		3612.

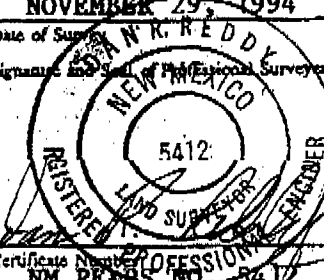
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	10	18S	28E		2310	SOUTH	2310	EAST	EDDY

¹¹ 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
¹² Dedicated Acres		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			
40		T. 11S							

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

16					¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature <u>Chuck Morgan</u> Printed Name <u>Chuck Morgan</u> Title <u>Eng'r.</u> Date <u>12/15/94</u>
					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. Date of Survey <u>NOVEMBER 29, 1994</u> Signature and Seal of Professional Surveyor 

Form 3160-3
(July 1989)
(formerly 9-316)OFFICE FOR NUMBER
OF COPIES REQUIRED
(Other instructions on
reverse side)

P.22

BLM Roswell District
Modified Form No.
NM060-3160-2UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM54184	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N.A.	
2. NAME OF OPERATOR SDX Resources, Inc.		7. UNIT AGREEMENT NAME N.A.	
3. ADDRESS OF OPERATOR P.O. Box 5061, Midland, TX. 79704		8. FARM OR LEASE NAME Dunn B Fed.	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1310' FNL, 1300' FWL, unit D, Sec. 11 At proposed prod. zone Same		9. WELL NO. 50	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 15 miles S.E. of Artesia, N.M.		10. FIELD AND POOL, OR WILDCAT Art-Qn-Gb-Sa	
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to deepest drilg. unit line, if any) 1310' (10')		11. SEC. T., R., M., OR SLE. AND SURVEY OR AREA Sec. 11 T18S R28E	
16. NO. OF ACRES IN LEASE 1240		12. COUNTY OR PARISH Eddy	
17. NO. OF ACRES ASSIGNED TO THIS WELL 40		13. STATE N.M.	
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 941'		14. COUNTY OR PARISH Eddy	
19. PROPOSED DEPTH 4000'		15. STATE N.M.	
20. ACTARY OR CABLE TOOLS rot.		21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3637 GR	
22. APPROX. DATE WORK WILL START 2/1/95		23. PROPOSED CASING AND CEMENTING PROGRAM	

HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	J-55	8rd.	350'	350 "C"
7-7/8"	5-1/2"	14#	J-55	8rd.	4000'	350 POZ
						400 LITE

Plan to drill a 12-1/4" hole to approx. 350'; set 8-5/8" surface casing. Circulate "C" cement. Drill 7-7/8" hole to TD. Run open hole logs. Run 5-1/2" casing and circulate cement. Perforate the San Andres-Grayburg-Queen and stimulate as necessary for optimum production. Specific programs as per Onshore Oil and Gas Order #1 are outlined in the following attachments:

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|---|------------------------|
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| #2 Location and Elevation Plat | |
| #3 Planned Access Roads | |
| #4 One Mile Radius Map | |
| #5 Planned Production Facilities and Access | |

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Charles Morgan TITLE Engl. DATE 12/21/94

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the

Box 1980, Hobbs, NM 88240-1980

District II

PO Drawer DD, Artesia, NM 88211-0719

District III

1000 Rio Brazos Rd., Aztec, NM 87410

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PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources DepartmentOIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102

Revised February 10, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name <i>Art. - Qm - Gb - SA</i>
Property Code	Property Name DUNN B FEDERAL	Well Number 50
GRID No.	Operator Name SDX RESOURCES, INC.	Elevation 3637.

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	11	18S	28E		1310	NORTH	1300	WEST	EDDY

¹¹ 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

¹² Dedicated Acres 40	¹³ Joint or Infill Infill	¹⁴ Consolidation Code	¹⁵ Order No.
--	--	----------------------------------	-------------------------

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶ 					¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Chuck Morgan</i> Signature Chuck Morgan Printed Name Engl. Title 12/15/94 Date			
					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. NOVEMBER 29, 1994 Date of Survey <i>DAN R. REDDY</i> Signature and Seal of Professional Surveyor 			

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

01/12/95 13:46:42
OGOMES -EMEG
PAGE NO: 1

Sec : 10 Twp : 18S Rng : 28E Section Type : NORMAL

D 40.00 Federal owned A	C 40.00 Federal owned A	B 40.00 Federal owned A A	A 40.00 Federal owned A A A
E 40.00 Federal owned A	F 40.00 Federal owned A	G 40.00 Federal owned A A A	H 40.00 Federal owned A

PF01 HELP
PF07 BKWD

PF02
PF08 FWD

PF03 EXIT
PF09 PRINT

PF04 GoTo
PF10 SDIV

PF05
PF11

PF06
PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

01/12/95 13:48:09
OGOMES -EMEG
PAGE NO: 2

Sec : 10 Twp : 18S Rng : 28E Section Type : NORMAL

L 40.00 Federal owned A	K 40.00 Federal owned A	J 40.00 Federal owned	I 40.00 Federal owned A
M 40.00 Federal owned A	N 40.00 Federal owned	O 40.00 Federal owned	P 40.00 Federal owned A

PF01 HELP
PF07 BKWD

PF02
PF08 FWD

PF03 EXIT
PF09 PRINT

PF04 GoTo
PF10 SDIV

PF05
PF11

PF06
PF12

CMD :
OG5ULST

ONGARD
INQUIRE ULSTR PRODUCTION AND AGREEMENT DATA

01/12/95 13:44:45
OGOMES -EMEG
PAGE NO: 1

Sec : 10 Twp : 18S Rng : 28E UL: A Lot-Idn :

Acreage : 40.00 Bene Grp : Seismic Permit :
Lease Number : NO ACT IVE Expr Dte :
Lessee :
Comm Agr Names :

Unit Agr Names :

S	API Num	Status
	30 015 01809	A
	30 015 28245	A
	30 015 28246	A

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07 BKWD	PF08 FWD	PF09	PF10	PF11	PF12

Unit A (NE/4 NE/4)

CMD :
OG6CLOG

ONGARD
C105-WELL COMPLETION OR RECOMP CASING LOG

01/12/95 13:46:46
OGOMES -EMEG

OGRID Identifier : 20451 SDX RESOURCES INC
Prop Identifier : 9814 DUNN-B-FEDERAL
API Well Identifier : ~~30-15-28246~~ Well No : ~~42~~
Surface Locn - UL : A Sec : 10 Twp : 18S Range : 28E Lot Idn :
Multiple comp (S/M/C) : N TVD Depth (Feet) : MVD Depth (Feet):
Spud Date : P/A Date :
Casing/Linear Record:

S Size Grade Weight Depth(ft) Depth(ft) Hole Size Cement ---- TOC ----
(inches) (lb/ft) Top-Liner Bot-Liner (inches) (Sacks) (feet) Code

E0042:Record not found; Authority denied to ADD/MODIFY

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 PF08 PF09 COMMENT PF10 TLOG PF11 PF12

CMD :
OG6WELL

ONGARD
INQUIRE WELL DETAILS

01/12/95 13:46:59
OGOMES -EMEG

API Well No: ~~30-15-28246~~ Eff Date : 12-07-1994 APD Status : A
OGRID Idn : 20451 SDX RESOURCES INC
Prop Idn : 9814 ~~DUNN-B-FEDERAL~~
Well No : ~~42~~

	U/L	Sec	Township	Range	North/South	East/West	Lot	Idn
	---	---	-----	-----	-----	-----	-----	-----
Surface Locn :	A	10	18S	28E	FTG 330 F N	FTG 1192 F E		
API County :	15	Eddy						

Well type : O Ground Level Elevn : 3625 Cable/Rotary : R
Lease type : F State Lease Number :
Prpsd Depth : 4000 Prpsd Formation :

M0025:Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 IWCM	PF11 HISTORY	PF12 NXTREC

CMD : -
OG6CLOG

ONGARD
C105-WELL COMPLETION OR RECOMP CASING LOG

01/12/95 13:45:51
OGOMES -EMEG

OGRID Identifier : 20451 SDX RESOURCES INC
Prop Identifier : 9814 ~~DUNN-B-FEDERAL~~
API Well Identifier : ~~30-15-28245~~ Well No: ~~39~~
Surface Locn - UL : A Sec : 10 Twp : 18S Range : 28E Lot Idn :
Multiple comp (S/M/C): N TVD Depth (Feet) : MVD Depth (Feet):
Spud Date : P/A Date :
Casing/Linear Record:

S Size Grade Weight Depth(ft) Depth(ft) Hole Size Cement ---- TOC ----
(inches) (lb/ft) Top-Liner Bot-Liner (inches) (Sacks) (feet) Code

E0042:Record not found; Authority denied to ADD/MODIFY

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 PF08 PF09 COMMENT PF10 TLOG PF11 PF12

CMD : - . . .
OG6WELL

ONGARD
INQUIRE WELL DETAILS

01/12/95 13:46:04
OGOMES -EMEG

API Well No: ~~30-15-28245~~ Eff Date : 12-07-1994 APD Status : A
OGRID Idn : 20451 SDX RESOURCES INC
Prop Idn : 9814 ~~DUNN-B-FEDERAL~~
Well No : 39

	U/L	Sec	Township	Range	North/South	East/West	Lot	Idn
	---	---	-----	-----	-----	-----	-----	-----
Surface Locn :	A	10	18S	28E	FTG 1319 F N	FTG 60 F E		
API County :	15	Eddy						

Well type : O Ground Level Elevn : 3630 Cable/Rotary : R
Lease type : F State Lease Number :

Prpsd Depth : 4000 Prpsd Formation :

M0025:Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 IWCM	PF11 HISTORY	PF12 NXTREC

CMD :
OG5ULST

ONGARD
INQUIRE ULSTR PRODUCTION AND AGREEMENT DATA

01/12/95 13:55:07
OGOMES -EMEG
PAGE NO: 1

Sec : 10 Twp : 18S Rng : 28E UL: B Lot-Idn :
Acreage : 40.00 Bene Grp : Seismic Permit :
Lease Number : NO ACT IVE Expr Dte :
Lessee :
Comm Agr Names :

Unit Agr Names :

S	API Num	Status
	30 015 01808	A
	30 015 28009	A

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07 BKWD	PF08 FWD	PF09	PF10	PF11	PF12

Unit B (NW/4 NE/4)

CMD :
OG6CLOG

ONGARD
C105-WELL COMPLETION OR RECOMP CASING LOG

01/12/95 13:55:19
OGOMES -EMEG

OGRID Identifier : 20451 SDX RESOURCES INC
Prop Identifier : 9814 DUNN B FEDERAL
API Well Identifier : 30 15 28009 Well No : 034
Surface Locn - UL : B Sec : 10 Twp : 18S Range : 28E Lot Idn :
Multiple comp (S/M/C) : S TVD Depth (Feet) : MVD Depth (Feet):
Spud Date : P/A Date :
Casing/Linear Record:

S Size Grade Weight Depth(ft) Depth(ft) Hole Size Cement ---- TOC ----
 (inches) (lb/ft) Top-Liner Bot-Liner (inches) (Sacks) (feet) Code

E0042:Record not found; Authority denied to ADD/MODIFY

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 PF08 PF09 COMMENT PF10 TLOG PF11 PF12

CMD :
OG6WELL

ONGARD
INQUIRE WELL DETAILS

01/12/95 13:55:33
OGOMES -EMEG

API Well No: ~~30-15-28009~~ Eff Date : 06-17-1994 APD Status : A
OGRID Idn : 20451 SDX RESOURCES INC
Prop Idn : 9814 ~~DUNN B FEDERAL~~
Well No : 034

	U/L	Sec	Township	Range	North/South	East/West	Lot Idn
	---	---	-----	-----	-----	-----	-----
Surface Locn :	B	10	18S	28E	FTG 1310 F N	FTG 1350 F E	
API County :	15	Eddy					

Well type : O Ground Level Elevn : 3619 Cable/Rotary : R
Lease type : F State Lease Number :

Prpsd Depth : 4000 Prpsd Formation : QUEEN

M0025:Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 IWCM	PF11 HISTORY	PF12 NXTREC

CMD :
OG5ULST

ONGARD
INQUIRE ULSTR PRODUCTION AND AGREEMENT DATA

01/12/95 13:59:52
OGOMES -EMEG
PAGE NO: 1

Sec : 10 Twp : 18S Rng : 28E UL: G Lot-Idn :
Acreage : 40.00 Bene Grp : Seismic Permit :
Lease Number : NO ACT IVE Expr Dte :
Lessee :
Comm Agr Names :

Unit Agr Names :

S	API Num	Status
30	015 01813	A
30	015 28244	A
30	015 28247	A

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07 BKWD	PF08 FWD	PF09	PF10	PF11	PF12

Unit 6
(SW/4 NE/4)

CMD
OG6CLOG

ONGARD
C105-WELL COMPLETION OR RECOMP CASING LOG

01/12/95 14:00:04
OGOMES -EMEG

OGRID Identifier : 20451 SDX RESOURCES INC
Prop Identifier : 9814 DUNN B FEDERAL
API Well Identifier : ~~30-15-28244~~ Well No : 38
Surface Locn - UL : G Sec : 10 Twp : 18S Range : 28E Lot Idn :
Multiple comp (S/M/C) : N TVD Depth (Feet) : MVD Depth (Feet) :
Spud Date : P/A Date :
Casing/Linear Record:

S Size Grade Weight Depth(ft) Depth(ft) Hole Size Cement ---- TOC ----
(inches) (lb/ft) Top-Liner Bot-Liner (inches) (Sacks) (feet) Code

E0042:Record not found; Authority denied to ADD/MODIFY

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 PF08 PF09 COMMENT PF10 TLOG PF11 PF12

CMD :
OG6WELL

ONGARD
INQUIRE WELL DETAILS

01/12/95 14:00:23
OGOMES -EMEG

API Well No: ~~30-15-28244~~ Eff Date : 12-07-1994 APD Status : A
OGRID Idn : 20451 ~~SDX-RESOURCES-INC~~
Prop Idn : 9814 ~~DUNN-B-FEDERAL~~
Well No : ~~38~~

	U/L	Sec	Township	Range	North/South	East/West	Lot	Idn
	---	---	-----	-----	-----	-----	-----	-----
Surface Locn :	G	10	18S	28E	FTG 1330 F N	FTG 2583 F E		
API County :	15	Eddy						

Well type : O Ground Level Elevn : 3627 Cable/Rotary : R
Lease type : F State Lease Number :

Prpsd Depth : 4000 Prpsd Formation :

M0025:Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 IWCM	PF11 HISTORY	PF12 NXTREC

OGRID Identifier : 20451 SDX RESOURCES INC
Prop Identifier : 9814 DUNN B FEDERAL
API Well Identifier : ~~30-15-28247~~ Well No : 45
Surface Locn - UL : G Sec : 10 Twp : 18S Range : 28E Lot Idn :
Multiple comp (S/M/C) : N TVD Depth (Feet) : MVD Depth (Feet):
Spud Date : P/A Date :
Casing/Linear Record:

S Size Grade Weight Depth(ft) Depth(ft) Hole Size Cement ---- TOC ----
(inches) (lb/ft) Top-Liner Bot-Liner (inches) (Sacks) (feet) Code

E0042:Record not found; Authority denied to ADD/MODIFY

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 PF08 PF09 COMMENT PF10 TLOG PF11 PF12

-CMD :
OG6WELL

ONGARD
INQUIRE WELL DETAILS

01/12/95 14:00:48
OGOMES -EMEG

API Well No: ~~30-15-2824-7~~ Eff Date : 12-07-1994 APD Status : A
OGRID Idn : 20451 SDX RESOURCES INC
Prop Idn : 9814 DUNN B FEDERAL
Well No : 46

	U/L	Sec	Township	Range	North/South	East/West	Lot Idn
	---	---	-----	-----	-----	-----	-----
Surface Locn :	G	10	18S	28E	FTG 2500 F N	FTG 1330 F E	
API County :	15	Eddy					

Well type : O Ground Level Elevn : 3613 Cable/Rotary : R
Lease type : F State Lease Number :
Prpsd Depth : 4000 Prpsd Formation :

M0025:Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 IWCM	PF11 HISTORY	PF12 NXTREC



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

August 18, 1995

SDX Resources, Inc.
P. O. Box 5061
Midland, Texas 79704

Attention: John Pool

Administrative Order DD-109(H)
High Angle/Horizontal

Dear Mr. Pool:

Reference is made to SDX Resources, Inc.'s application of June 13, 1995 for authorization to initiate a high angle/horizontal directionally drilling project in the Artesia-Queen-Grayburg-San Andres Pool on a portion of its Dunn "B" Federal lease in the SW/4 NE/4 of Section 10, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico.

The Division Director Finds That:

- (1) The application by SDX Resources, Inc. ("SDX") has been duly filed under the provisions of Rule 111.D and E of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"), revised by Division Order No. R-10388, issued by the Oil Conservation Commission in Case 11,274 on June 13, 1995;
- (2) The proposed high angle/horizontal directionally drilling project is within the applicant's International Oil & Gas Queen-Grayburg-San Andres Waterflood Project Area, established by Division Order No. R-2869, dated February 11, 1965, and as such the Artesia-Queen-Grayburg-San Andres Pool is subject to the statewide rules and regulations for oil wells, as promulgated by Rules 104.C(1) and F(1), which provides for 40-acre oil spacing and proration units, or drilling units, and requires that wells be located no closer than 330 feet to the outer boundary of the lease or unitized area, nor closer than 10 feet to any quarter-quarter section line or subdivision inner boundary;
- (3) Those portions of said Section 10 that are within the International Oil & Gas Queen-Grayburg-San Andres Waterflood Project Area include the N/2, SE/4 SW/4, and SE/4;
- (4) SDX is seeking to initiate an high angle/horizontal directional drilling project within the Artesia Pool in an attempt to contact more permeability in the vertical fracture systems of the San Andres formation;
- (5) It is SDX's intent to place its Dunn "B" Federal Well No. 38 at a previously approved unorthodox oil well location (see Division Administrative Order NSL-3465, dated January 17, 1995) 1330 feet from the North line and 2583 feet from the East line (Unit G) of said Section 10, drill vertically to an approximate depth of 2950 feet, kick-off in a southeasterly direction with a short radius wellbore (71.62 degrees/100 feet or 80 foot radius), and drill horizontally a lateral distance of approximately 1,000 feet;

- (6) The "project area" for said horizontal well is to consist of the single 40-acre standard oil spacing and proration unit comprising the SW/4 NE/4 (Unit G) of said Section 10;
- (7) The subject pool within the proposed project area is currently being developed by the Dunn "B" Federal Well No. 19 (**API No. 30-015-01813**), located 1980 feet from the North and East lines of said Section 10, a water injection well authorized by Division Administrative Order WFX-381, dated October 31, 1972, and the applicant's Dunn "B" Federal Well No. 46 (**API No. 30-015-28247**), a producing oil well located at a previously approved (also by said Order NSL-3465) unorthodox oil well location 2500 feet from the North line and 1330 feet from the East line of said Section 10;
- (8) As required by Division General Rules 104.F(1) and 111.D(1)(b) and to assure that the correlative rights of off-set operators are adequately protected from any adverse effects caused by the drilling of the subject lateral wellbore, the applicable drilling window or "producing area" for said horizontal well bore should include that area within the SW/4 NE/4 of said Section 10 that is no closer than 10 feet from the quarter-quarter section lines nor within that area being a 330 by 330 foot square in the extreme southwestern corner of the subject quarter-quarter section; and,
- (9) It appears the applicant has satisfied all of the appropriate requirements prescribed in said Rule 111.D and E, the subject application should be approved and the well should be governed by the provisions contained within this order and all other applicable provisions of Division General Rule 111.

IT IS THEREFORE ORDERED THAT:

(1) SDX Resources, Inc. ("SDX") is hereby authorized to initiate a highly deviated directional drilling project in an existing standard 40-acre oil spacing and proration unit comprising the SW/4 NE/4 (Unit G) of Section 10, Township 18 South, Range 28 East, NMPM, Artesia-Queen-Grayburg-San Andres Pool, International Oil & Gas Queen-Grayburg-San Andres Waterflood Project Area, Eddy County, New Mexico, by drilling its Dunn "B" Federal Well No. 38 at a previously approved unorthodox surface oil well location (see Division Administrative Order NSL-3465, dated January 17, 1995) 1330 feet from the North line and 2583 feet from the East line (Unit G) of said Section 10, drill vertically to an approximate depth of 2950 feet, kick-off in a southeasterly direction with a short radius wellbore (71.62 degrees/100 feet or 80 foot radius), and drill horizontally a lateral distance of approximately 1,000 feet through the Artesia-Queen-Grayburg-San Andres Pool.

PROVIDED HOWEVER THAT prior to commencing directional drilling operations in said wellbore, the applicant shall establish the location of the kick-off point by means of a directional survey acceptable to the Division.

PROVIDED FURTHER THAT during or upon completion of said directional drilling operations, the applicant shall conduct an accurate wellbore survey from the kick-off point to total depth in order that the subsurface bottomhole location, as well as the wellbore's true depth and course, may be determined.

(2) The applicant shall notify the supervisor of the Artesia District office of the Division of the date and time said wellbore surveys are to be conducted so that they may be witnessed. The applicant shall further provide a copy of said wellbore surveys to the Santa Fe and Artesia offices of the Division upon completion.

(3) The "project area" for said horizontal well shall consist of the single 40-acre standard oil spacing and proration unit comprising the SW/4 NE/4 (Unit G) of said Section 10;

Administrative Order DD-109(H)

August 18, 1995

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(4) The "producing area" for said horizontal wellbore shall include that area within the SW/4 NE/4 of said Section 10 that is no closer than 10 feet from the quarter-quarter section lines nor within that area being a 330 by 330 foot square in the extreme southwestern corner of the subject quarter-quarter section.

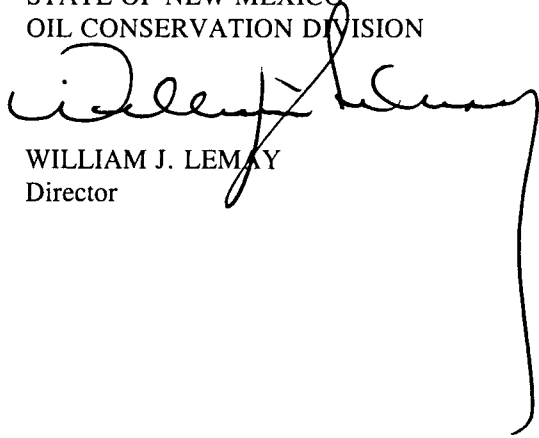
(5) The operator shall comply with all requirements and conditions set forth in Division General Rule 111.E(2) and any applicable requirements in 111.D and F.

(6) Form C-105 shall be filed in accordance with Division Rule 1105 and the operator shall indicate thereon true vertical depth (TVD) in addition to measured depths (MVD).

(7) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director

S E A L

cc: Oil Conservation Division - Artesia
U.S. BLM - Carlsbad
File: NSL-3465 ✓
Case 11,274



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

November 13, 1995

**SDX Resources, Inc.
P. O. Box 5061
Midland, Texas 79704**

Attention: John Pool

*Administrative Order DD-109-A(H)
High Angle/Horizontal*

Dear Mr. Pool:

Reference is made to SDX Resources, Inc.'s application dated October 20, 1995 for authorization to initiate a high angle/horizontal directionally drilling project in the Artesia-Queen-Grayburg-San Andres Pool on a portion of its Dunn "B" Federal lease in the NE/4 NE/4 of Section 10, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico.

The Division Director Finds That:

- (1) The application by SDX Resources, Inc. ("SDX") has been duly filed under the provisions of Rule 111.D and E of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"), revised by Division Order No. R-10388, issued by the Oil Conservation Commission in Case 11,274 on June 13, 1995;
- (2) The proposed high angle/horizontal directionally drilling project is within the applicant's International Oil & Gas Queen-Grayburg-San Andres Waterflood Project Area, established by Division Order No. R-2869, dated February 11, 1965, and as such the Artesia-Queen-Grayburg-San Andres Pool is subject to the statewide rules and regulations for oil wells, as promulgated by Rules 104.C(1) and F(1), which provides for 40-acre oil spacing and proration units, or drilling units, and requires that wells be located no closer than 330 feet to the outer boundary of the lease or unitized area, nor closer than 10 feet to any quarter-quarter section line or subdivision inner boundary;

- (3) Those portions of said Section 10 that are within the International Oil & Gas Queen-Grayburg-San Andres Waterflood Project Area include the N/2, SE/4 SW/4, and SE/4;
- (4) SDX is seeking to initiate an high angle/horizontal directional drilling project within the Artesia Pool in an attempt to contact more permeability in the vertical fracture systems of the San Andres formation;
- (5) It is SDX's intent to place its Dunn "B" Federal Well No. 39 (**API No. 30-015-28245**) at a previously approved unorthodox oil well location (see Division Administrative Order NSL-3465, dated January 17, 1995) 1319 feet from the North line and 60 feet from the East line (Unit A) of said Section 10, drill vertically to an approximate depth of 2940 feet, kick-off in a northwesterly direction with a short radius wellbore (71.62 degrees/100 feet or 80 foot radius), and drill horizontally a lateral distance of approximately 1,000 feet;
- (6) The "project area" for said horizontal well is to consist of the single 40-acre standard oil spacing and proration unit comprising the NE/4 NE/4 (Unit A) of said Section 10;
- (7) The subject pool within the proposed project area is currently being developed by the Dunn "B" Federal Well No. 13 (**API No. 30-015-01809**), located 660 feet from the North and East lines of said Section 10, a water injection well authorized by Division Order No. R-2869, dated February 11, 1965;
- (8) As required by Division General Rules 104.F(1) and 111.D(1)(b) and to assure that the correlative rights of off-set operators are adequately protected from any adverse effects caused by the drilling of the subject lateral wellbore, the applicable drilling window or "producing area" for said horizontal well bore should include that area within the NE/4 NE/4 of said Section 10 that is no closer than 10 feet from the southern, eastern, and western boundaries of the subject quarter-quarter section nor closer than 330 feet to its northern boundary; and,
- (9) It appears the applicant has satisfied all of the appropriate requirements prescribed in said Rule 111.D and E, the subject application should be approved and the well should be governed by the provisions contained within this order and all other applicable provisions of Division General Rule 111.

IT IS THEREFORE ORDERED THAT:

(1) SDX Resources, Inc. ("SDX") is hereby authorized to initiate a high angle/horizontal directional drilling project in an existing standard 40-acre oil spacing and proration unit comprising the NE/4 NE/4 (Unit A) of Section 10, Township 18 South, Range 28 East, NMPM, Artesia-Queen-Grayburg-San Andres Pool, International Oil & Gas Queen-Grayburg-San Andres Waterflood Project Area, Eddy County, New Mexico, by drilling its Dunn "B" Federal Well No. 39 at a previously approved unorthodox surface oil well location (see Division Administrative Order NSL-3465, dated January 17, 1995) 1319 feet from the North line and 60 feet from the East line (Unit A) of said Section 10, drill vertically to an approximate depth of 2940 feet, kick-off in a northwesterly direction with a short radius wellbore (71.62 degrees/100 feet or 80 foot radius), and drill horizontally a lateral distance of approximately 1,000 feet through the Artesia-Queen-Grayburg-San Andres Pool.

PROVIDED HOWEVER THAT prior to commencing directional drilling operations in said wellbore, the applicant shall establish the location of the kick-off point by means of a directional survey acceptable to the Division.

PROVIDED FURTHER THAT during or upon completion of said directional drilling operations, the applicant shall conduct an accurate wellbore survey from the kick-off point to total depth in order that the subsurface bottomhole location, as well as the wellbore's true depth and course, may be determined.

(2) The applicant shall notify the supervisor of the Artesia District office of the Division of the date and time said wellbore surveys are to be conducted so that they may be witnessed. The applicant shall further provide a copy of said wellbore surveys to the Santa Fe and Artesia offices of the Division upon completion.

(3) The "project area" for said horizontal well shall consist of the single 40-acre standard oil spacing and proration unit comprising the NE/4 NE/4 (Unit A) of said Section 10.

(4) The "producing area" for said horizontal wellbore shall include that area within the NE/4 NE/4 of said Section 10 that is no closer than 10 feet from the southern, eastern, and western boundaries of the subject quarter-quarter section nor closer than 330 feet to its northern boundary.

(5) The operator shall comply with all requirements and conditions set forth in Division General Rule 111.E(2) and any applicable requirements in 111.D and F.

Administrative Order DD-109-A(H)

SDX Resources, Inc.

November 13, 1995

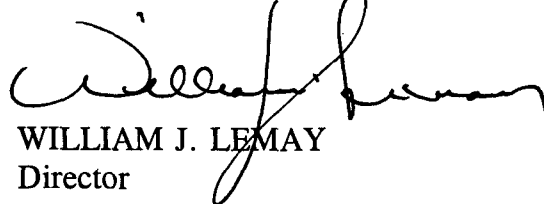
Page 4

(6) Form C-105 shall be filed in accordance with Division Rule 1105 and the operator shall indicate thereon true vertical depth (TVD) in addition to measured depths (MVD).

(7) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY
Director

S E A L

cc: Oil Conservation Division - Artesia
U.S. BLM - Carlsbad
File: NSL-3465 ✓
Case 11,274
DD-109(H)