

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



JAN 18 2001

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication FEB 8
- NSL NSP SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement
- DHC CTB PLC PC OLS OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
- WFX PMX SWD IPI EOR PPR
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

[3] **INFORMATION / DATA SUBMITTED IS COMPLETE** - Certification

I hereby certify that I, or personnel under my supervision, have reviewed the applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common.

I understand that any omission of data (including API numbers, pool codes, etc.), pertinent information and any required notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Chuck Morgan Chuck Morgan Engr. 1/25/01
 Print or Type Name Signature Title Date

 e-mail Address

SDX RESOURCES, INC.

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

NMOCD
1220 S. St. Francis Drive
Santa Fe, NM 87504

January 25, 2001

Attention: Mr. Dave Catanach

RE: Surface commingling application
Chalk Federal #1,2 & 5
Sec. 5 T18S R27E
Eddy County, New Mexico

Dear Mr. Catanach,

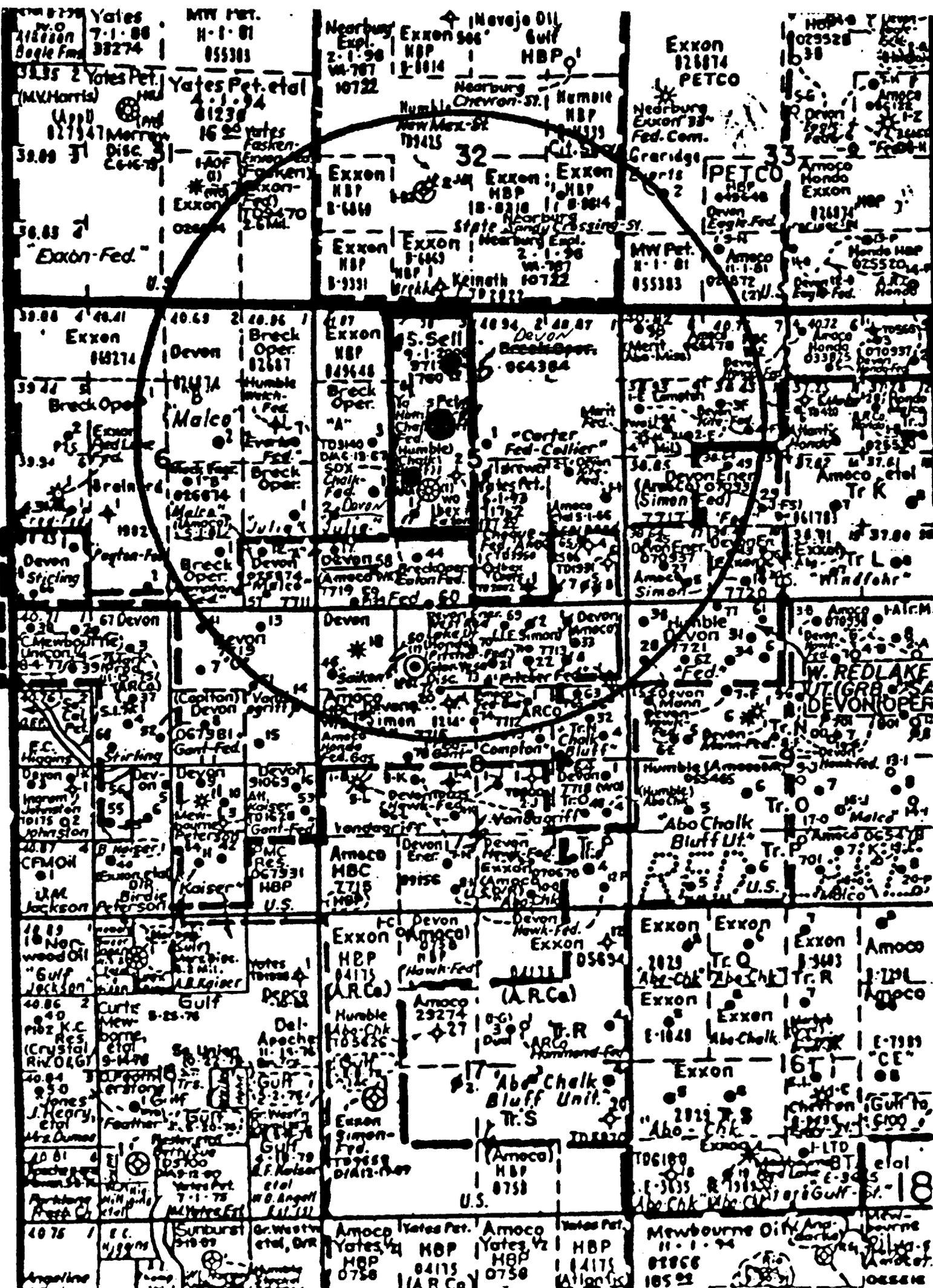
SDX Resources respectfully request permission to commingle production from their Chalk Federal #1 & #2 wells (producing from the San Andres) with production from their Chalk Federal # 5 (producing from the Glorietta Yeso) into a common battery on the lease. Ownership is identical for all three wells. The oil from both pools is sour and is close to the same gravity. There should therefore be no difference in revenue to the interest owners including the State and Federal government. The sharing of a common battery will eliminate the construction of two batteries which will improve the economics of the wells, extending their life, and reducing the impact on the surrounding area.

The battery is located on the pad with the Chalk Federal # 1 well. The surface ownership between the wells and the battery is all BLM and SDX has obtained ROWs for the locations and associated flowlines. Periodic well test with a port-a check unit will be used to accurately allocate production to the wells. The following data is submitted for your information:

- Attachment 1: Lease Map
- Attachment 2: Facility Diagram
- Attachment 3: Well Plats and Completion Data
- Attachment 4: Tester Diagram

Sincerely,

Chuck Morgan



Yates
7-1-80
38274

MW Pet.
H-1-81
055303

Novajo Oil
Gulf
HBP
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Exxon
026874
PETCO

Amoco
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1038

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(M.V. Harris)
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DISC
C-4-78

Yates Pet. et al
4-1-84
01238
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Engrs
(Fasken)
Exxon-
Fed
TDS-470
2-6-Md.

32
Humble
New Mex-52
10945
Exxon
HBP
B-6460
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HBP
B-6463
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B-9331

Nearburg
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Malco

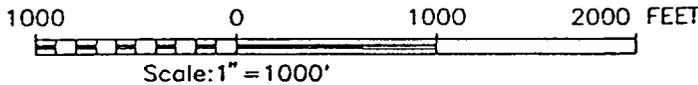
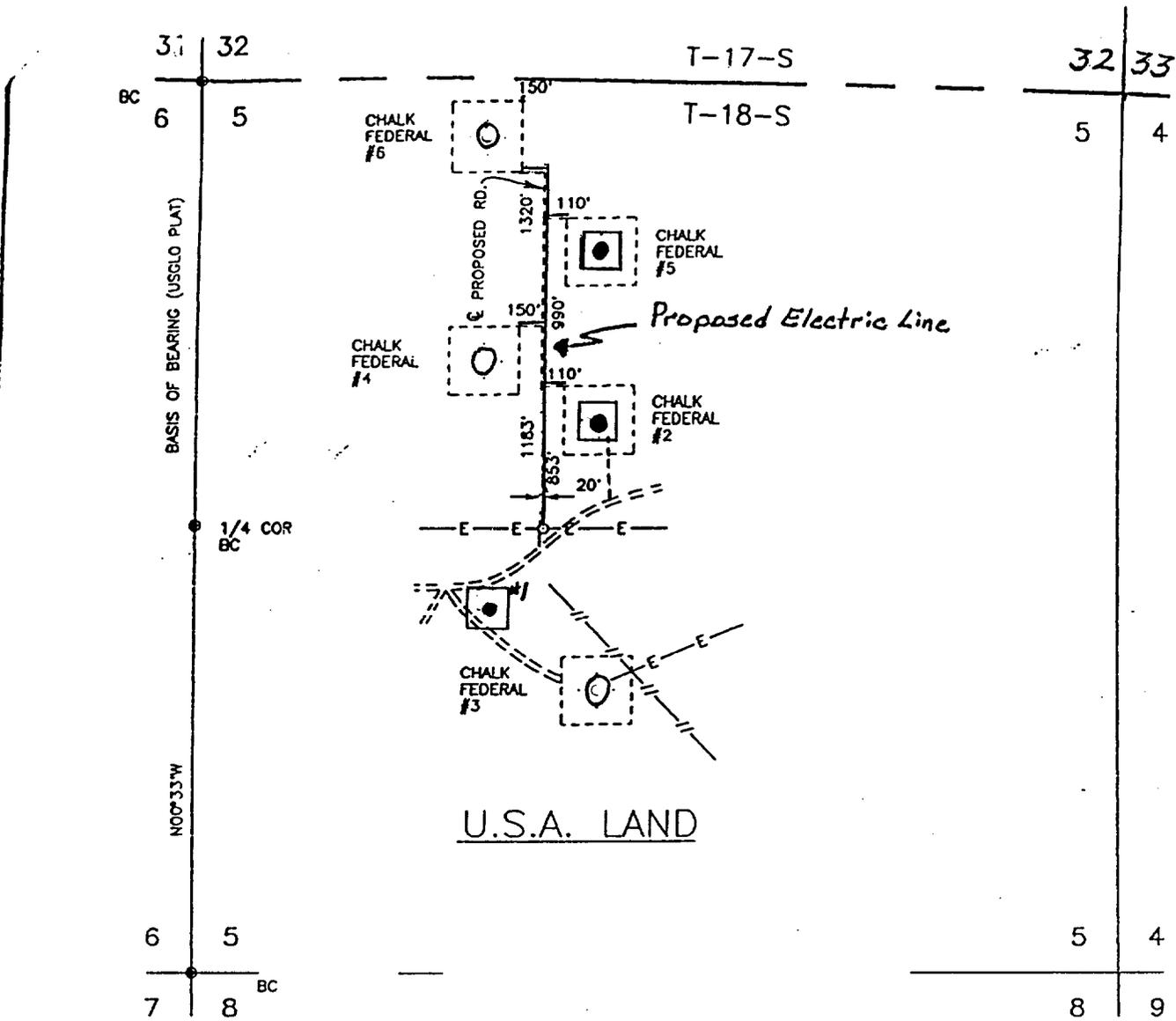
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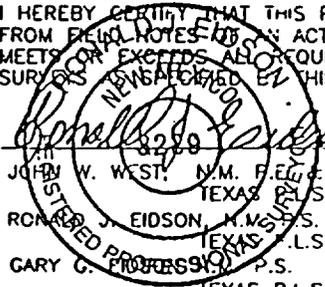
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I HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS PRESCRIBED BY THIS STATE.



John W. West 4-17-97
 JOHN W. WEST, N.M. F. E. & S. P.S. No. 676
 TEXAS P.L.S. No. 1138
 RONALD J. EIDSON, N.M. F. E. & S. P.S. No. 3239
 TEXAS P.L.S. No. 1883
 GARY G. PROGRESSO, N.M. F. E. & S. P.S. No. 12641
 TEXAS P.L.S. No. 4735

JOHN W. WEST ENGINEERING COMPANY
 CONSULTING ENGINEERS & SURVEYORS - HOBBS, NEW MEXICO

SDX RESOURCES

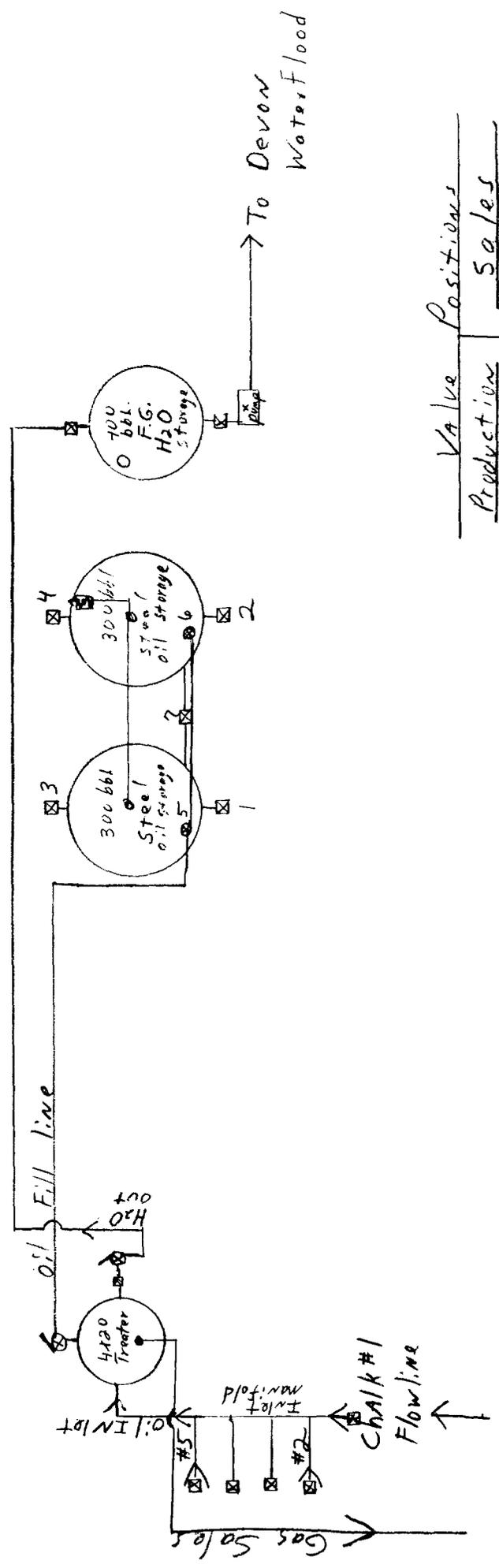
AN ELECTRIC LINE CROSSING U.S.A. LAND IN
 SECTION 5,
 TOWNSHIP 18 SOUTH,
 RANGE 27 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO

Survey Date: 4/14/97	Sheet 1 of 1 Sheets
W.O. Number: 97-11-0663	Drawn By: D.McCARLEY
Date: 4/16/97	SDXR
SDXR0666	Scale: 1" = 1000'

SDX Resources, Inc.
 Chalk Federal Battery
 "K" Sec. 5 T185 R27E
 Eddy Co., N.M.

NM-97122

Site Facility Diagram
 Chalk Federal
 1/25/01



Value		Positions	
Production	Closed	open	closed
7	1,2,3,4	12,5/6	12,5/6
5/6	5/6	7	3,4

District I
 PO Box 1980, Hobbs, NM 88241-1980
 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

1 API Number		2 Pool Code		3 Pool Name Red Lake	
4 Property Code		5 Property Name CHALK FEDERAL			6 Well Number 1
7 OGRID No. 020451		8 Operator Name SDX RESOURCES, INC.			9 Elevation 3491.

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
K	5	18-S	27-E		2260	SOUTH	1650	WEST	EDDY

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	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 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 Chuck Morgan Printed Name Engineer Title 2-28-97 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. FEBRUARY 20, 1997 Date of Survey Signature and Seal of Professional Surveyor: 	
	Certificate Number NM 5412	

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

SUBMIT IN DUPLICATE

(See other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0137
Expires: February 28, 1995

RECEIVED

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> Other _____		12. COUNTY OR PARISH Eddy		13. STATE NM	
b. TYPE OF COMPLETION: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP-EN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> Other _____		14. PERMIT NO.		15. DATE SPUDDED 06/20/97	
2. NAME OF OPERATOR SDX Resources, Inc.		DATE ISSUED		16. DATE T.D. REACHED 06/26/97	
3. ADDRESS AND TELEPHONE NO. P. O. Box 5061, Midland, TX 915/685-1761		17. DATE COMPL. (Ready to prod.) 07/20/97		18. ELEVATIONS (DF, RKB, RT, GE, ETC.) 3481'	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements) At surface: 1650' FWL & 2260' FSL, Unit Ltr K At top prod. interval reported below: Same At total depth: Same		19. ELEV. CASING HEAD		20. TOTAL DEPTH, MD & TVD 2300	
5. LEASE DESIGNATION AND SERIAL NO. NM-97122		21. PLUG, BACK T.D., MD & TVD 1970		22. IF MULTIPLE COMPL. HOW MANY*	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME		23. INTERVALS DRILLED BY →		24. PRODUCING INTERVAL(S), OF THIS COMPLETION-TOP, BOTTOM, NAME (MD AND TVD) 1827-1921' (SA)	
7. UNIT AGREEMENT NAME		25. WAS DIRECTIONAL SURVEY MADE No		26. TYPE ELECTRIC AND OTHER LOGS RUN GR & CCL; DL/GR	
8. FARM OR LEASE NAME, WELL NO. Chalk Federal #1		27. WAS WELL CORED No		28. CASING RECORD (Report all strings set in well)	
9. API WELL NO. 30-015-29567		29. LINER RECORD		30. TUBING RECORD	
10. FIELD AND POOL, OR WILDCAT Red Lake, QN-GR-SA		SIZE		SIZE	
11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA Sec. 5, T18S, R27E		TOP (MD)		DEPTH SET (MD)	
		BOTTOM (MD)		PACKER SET (MD)	
		SACKS CEMENT*		SCREEN (MD)	
				2-3/8"	
				1885'	
				none	

31. PERFORATION RECORD (Interval, size and number) 2002-2152', 1 spf, 4" gun, 22 holes, CIBP @ 1955'. 1827-1921', 1 spf, 4" gun, 19 holes		32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
		DEPTH INTERVAL (MD)	
		AMOUNT AND KIND OF MATERIAL USED	
		2002-2152'	
		2500 gals 15% NEFE acid	
		1827-1921	
		3000 gals 15% NEFE acid + 35,000 gals Spectra Frac 30 + 60,620# 16/30 Brady Sd + 31,800# 12/20 Brady sd.	

33. PRODUCTION							
DATE FIRST PRODUCTION 07/24/97		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) Pump - 2" x 1-1/2" x 12' RWAC				WELL STATUS (Producing or shut-in) Producing	
DATE OF TEST 08/07/97	HOURS TESTED 24	CHOKE SIZE	PROD'N FOR TEST PERIOD →	OIL—BBL 17	GAS—MCF. <input checked="" type="checkbox"/> 79 35	WATER—BBL 103	GAS-OIL RATIO 4294/1
FLOW. TUBING PRESS.	CASING PRESSURE 30	CALCULATED 24-HOUR RATE →	OIL—BBL 17	GAS—MCF. 35	WATER—BBL 103	OIL GRAVITY-API (CORR.) N/A	
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Vented						TEST WITNESSED BY Jerry Smith	

35. LIST OF ATTACHMENTS
Dev survey, logs

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED Jamie Courtney TITLE Regulatory Tech DATE 08/21/97

*(See Instructions and Spaces for Additional Data on Reverse Side)

1 M 10-01

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY
DEC 04 1997

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. NM-97122
2. Name of Operator SDX Resources, Inc.	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. PO Box 5061, Midland, TX 79704	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1650' FWL, 2260' FSL, Sec. 5, T18S, R27e, Unit K	8. Well Name and No. Chalk Federal #1
	9. API Well No. 30-015-29567
	10. Field and Pool, or Exploratory Area Red Lake, QN-GB-SA
	11. County or Parish, State Eddy

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Added perfs in the San Andres</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

11-1-97

RU Computalog & tag RBP @ 1775'. Perf 1474', 87', 96', 1601', 02', 10', 14', 22', 23', 30', 44', 51', 57', 62', 67', 79', 80', 97' & 1700'. (1 spf). Acidized w/2000 bbls acid & 40 ball sealers.

Frac w/35,000 gal Spectra Frac 30 & 60,440# 16/30 + 30,040# 12/20 Brady sd.

Return well to pumping.

ACCEPTED
DEC 01 1997
L.S

14. I hereby certify that the foregoing is true and correct

Signed Bonnie Ottwater Title Regulatory Tech. Date 11/18/97
(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval, if any:

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 United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE*

(See other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0137
Expires: February 28, 1995

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL: OIL WELL GAS WELL DRY Other _____

b. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. RESVR. Other _____

2. NAME OF OPERATOR
SDX Resources, Inc.

3. ADDRESS AND TELEPHONE NO.
PO Box 5061, Midland, TX 79704 915/685-1761

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
At surface
1980' FNL 2310' FWL
At top prod. interval reported below
Same
At total depth
Same

5. LEASE DESIGNATION AND SERIAL NO.
NM-97122

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.
Chalk Federal #2

9. API WELL NO.
30-015-29706

10. FIELD AND POOL, OR WILDCAT
Red Lake, QN-GB-SA

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
Sec 5, T18S, R27E, Unit F

14. PERMIT NO. _____ **DATE ISSUED** 07/02/97

12. COUNTY OR PARISH Eddy **13. STATE** NM

15. DATE SPUDDED 10/10/00 **16. DATE T.D. REACHED** 10/16/00 **17. DATE COMPL. (Ready to prod.)** 12/26/00 **18. ELEVATIONS (DF, RKB, RT, GE, ETC.)*** 3496 **19. ELEV. CASINGHEAD**

20. TOTAL DEPTH, MD & TVD 3221' **21. PLUG, BACK T.D., MD & TVD** 3184' **22. IF MULTIPLE COMPL., HOW MANY*** _____ **23. INTERVALS DRILLED BY** _____ **ROTARY TOOLS** Rotary **CABLE TOOLS**

24. PRODUCING INTERVAL(S), OF THIS COMPLETION-TOP, BOTTOM, NAME (MD AND TVD)*
2784-3050
RBP 2515'
1645 - 1914

25. WAS DIRECTIONAL SURVEY MADE
Yes

26. TYPE ELECTRIC AND OTHER LOGS RUN
LDT-CNL-GR, DLL-GR

27. WAS WELL CORED
No

28. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24# J-55	1168	12-1/4"	375 Lite 200 C, Circ	None
5-1/2"	14# K-55	3219	7-7/8	250 35/65 POZ + 300 C, Circ	None

29. LINER RECORD **30. TUBING RECORD**

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-7/8"	2452	

31. PERFORATION RECORD (Interval, size and number)
2784,95, 2803, 28, 30, 44, 78, 89, 2909, 17, 25, 44, 56, 58, 66, 70, 83, 88, 98, 3016, 30, 33, 35, 50
RBP 2515
1645, 47, 53, 55, 68, 74, 82, 84, 94, 1704, 20, 24, 32,41, 47, 62, 1822, 34, 49, 58, 72, 83, 1902, 09, 14

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
2784-3050	A: 4000 gal 15% NEFE
1645-1914	A: 4000 gal 15% NEFE
	F: 56,000 gal Viking 25 fl + 100360# 16/30

33. * PRODUCTION

DATE FIRST PRODUCTION 12/14/00 **PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)** Pmp 2-1/2" x 2" x 12' RWAC **WELL STATUS (Producing or shut-in)** Prod

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
12/26/00	24			18	30	120	1667

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)
			18	30	120	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Sold **TEST WITNESSED BY** Chuck Morgan

35. LIST OF ATTACHMENTS
Logs, Deviation Survey

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED Bonnie Atwater **TITLE** Regulatory Tech **DATE** 01/31/01

*(See Instructions and Spaces for Additional Data 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 United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

37 SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof, cored intervals; and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries)

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
San Andres	1645	1964	Dolomite. Tested 18 BOPD, 30 MCFGPD, 120 BWPD
Glorietta/Yeso	2784	3035	Swabed 5% oil cut

38. GEOLOGICAL MARKERS			38. GEOLOGICAL MARKERS		
NAME	TOP		NAME	TOP	
	MEAS. DEPTH	TRUE VERT. DEPTH		MEAS. DEPTH	TRUE VERT. DEPTH
San Andres	1370				
Glorietta	2710				
Yeso	2910				

DISTRICT I
P.O. Box 1900, Hobbs, NM 88241-1900

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

RECEIVED
Revised February 10, 1994
Submit to Appropriate District Office
State 1997 - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION BY:
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
		Red Lake Qn-GB-SA
Property Code	Property Name	Well Number
	CHALK FEDERAL	2
OGRID No.	Operator Name	Elevation
020451	SDX RESOURCES, INC.	3496

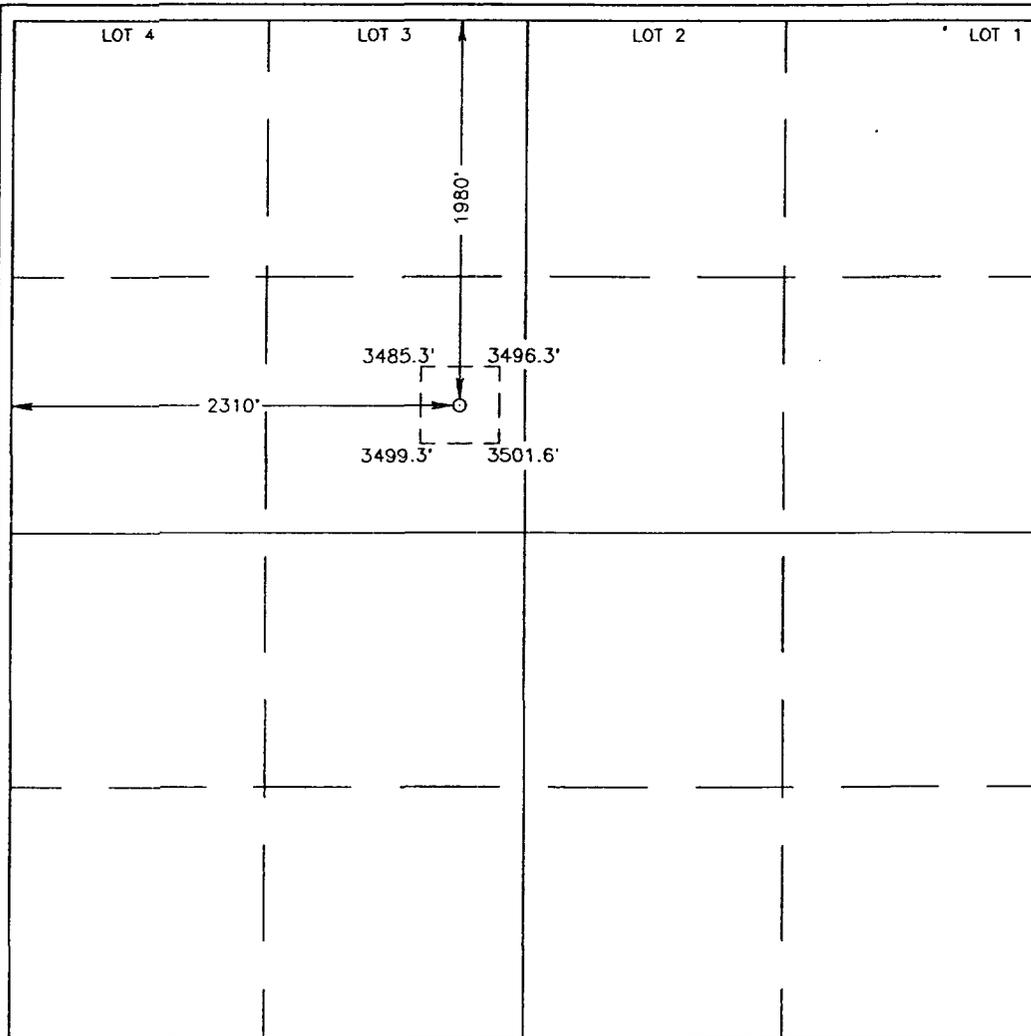
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	5	18 S	27 E		1980	NORTH	2310	WEST	EDDY

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									

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



OPERATOR CERTIFICATION
I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.
Chuck Morgan
Signature
Chuck Morgan
Printed Name
Engineer
Title
April 29, 1997
Date

SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.
APRIL 14, 1997
Date Surveyed

DMCC
Signatures & Seal
Professional Surveyor
Ronald J. Eidson
NEW MEXICO
REGISTERED PROFESSIONAL SURVEYOR
3239
67-11-0662
4-17-97
Certificate No. JOHN W. WEST 676
RONALD J. EIDSON 3239
RONALD J. EIDSON 12641

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE*

(See other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0137
Expires: February 28, 1995

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL: OIL WELL GAS WELL DRY Other _____

b. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF RESVR Other _____

2. NAME OF OPERATOR
SDX Resources, Inc.

3. ADDRESS AND TELEPHONE NO.
PO Box 5061, Midland, TX 79704 915/685-1761

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
At surface
990' FNL 2310' FWL
At top prod. interval reported below
Same
At total depth
Same

14. PERMIT NO. _____ **DATE ISSUED** _____

12. COUNTY OR PARISH Eddy **13. STATE** NM

5. LEASE DESIGNATION AND SERIAL NO.
NM-97122

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.
Chalk Federal #5

9. API WELL NO.
30-015-29650

10. FIELD AND POOL, OR WILDCAT
Red Lake, QN-GB-SA

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
Sec 5, T18S, R27E, Lot 3, C

15. DATE SPUDDED 10/18/01 **16. DATE T.D. REACHED** 10/25/00 **17. DATE COMPL. (Ready to prod.)** 01/25/01 **18. ELEVATIONS (DF, RKB, RT, GE, ETC.)*** _____ **19. ELEV. CASINGHEAD** _____

20. TOTAL DEPTH, MD & TVD 3450 **21. PLUG, BACK T.D., MD & TVD** 3405 **22. IF MULTIPLE COMPL., HOW MANY*** _____ **23. INTERVALS DRILLED BY** Rotary **ROTARY TOOLS** Rotary **CABLE TOOLS** _____

24. PRODUCING INTERVAL(S), OF THIS COMPLETION-TOP, BOTTOM, NAME (MD AND TVD)*
2796' - 3059'

25. WAS DIRECTIONAL SURVEY MADE
Yes

26. TYPE ELECTRIC AND OTHER LOGS RUN
LDT-CNL-GR, DLL-GR

27. WAS WELL CORED
Yes

28. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24#	1154	12-1/4"	375 sx Lite 200 sx C, Circ	None
5-1/2"	14#	3448	7-7/8"	250 sx 35/65 350 sx C, Circ	None

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-7/8"	3089	

31. PERFORATION RECORD (Interval, size and number)
2796, 2805, 11, 14, 22, 38, 41, 52, 64, 66, 67, 2905, 14, 41, 49, 52, 69, 87, 97, 3011, 15, 34, 46, 59 (4" select fire, 1 spf, 24 holes)

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
2796-3059	A: 4000 gal 15% HCL F: 59,724 bbl Viking 30 + 100,320# 16/30 + 35,120# 12/20 Brady sd

33. PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)					
01/11/01	Pmp 2-1/2" x 2" x 12' RWAC	Prod					
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
01/25/01	24			56	55	84	982
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
			56	55	84		

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)
Sold

TEST WITNESSED BY
Chuck Morgan

35. LIST OF ATTACHMENTS
Logs, Deviation Survey

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED Bonnie Atwater TITLE Regulatory Tech DATE 02/06/01

*(See Instructions and Spaces for Additional Data on Reverse Side)

37. SUMMARY OF POROUS ZONES. (Show all important zones of porosity and contents thereof; cored intervals, and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
Yeso	2796	3059	Tested 56 BOPD, 55 MCFPD, 84 BWPD

38. GEOLOGICAL MARKERS			38. GEOLOGICAL MARKERS		
NAME	TOP		NAME	TOP	
	MEAS. DEPTH	TRUE VERT. DEPTH		MEAS. DEPTH	TRUE VERT. DEPTH
San Andres	1380				
Glorieta	2650				
Yeso	2880				

DISTRICT I
P.O. Drawer 20, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
		Red Lake QN-GB-SA
Property Code	Property Name	Well Number
	CHALK FEDERAL	5
OGRID No.	Operator Name	Elevation
020451	SDX RESOURCES, INC.	3481

Surface Location

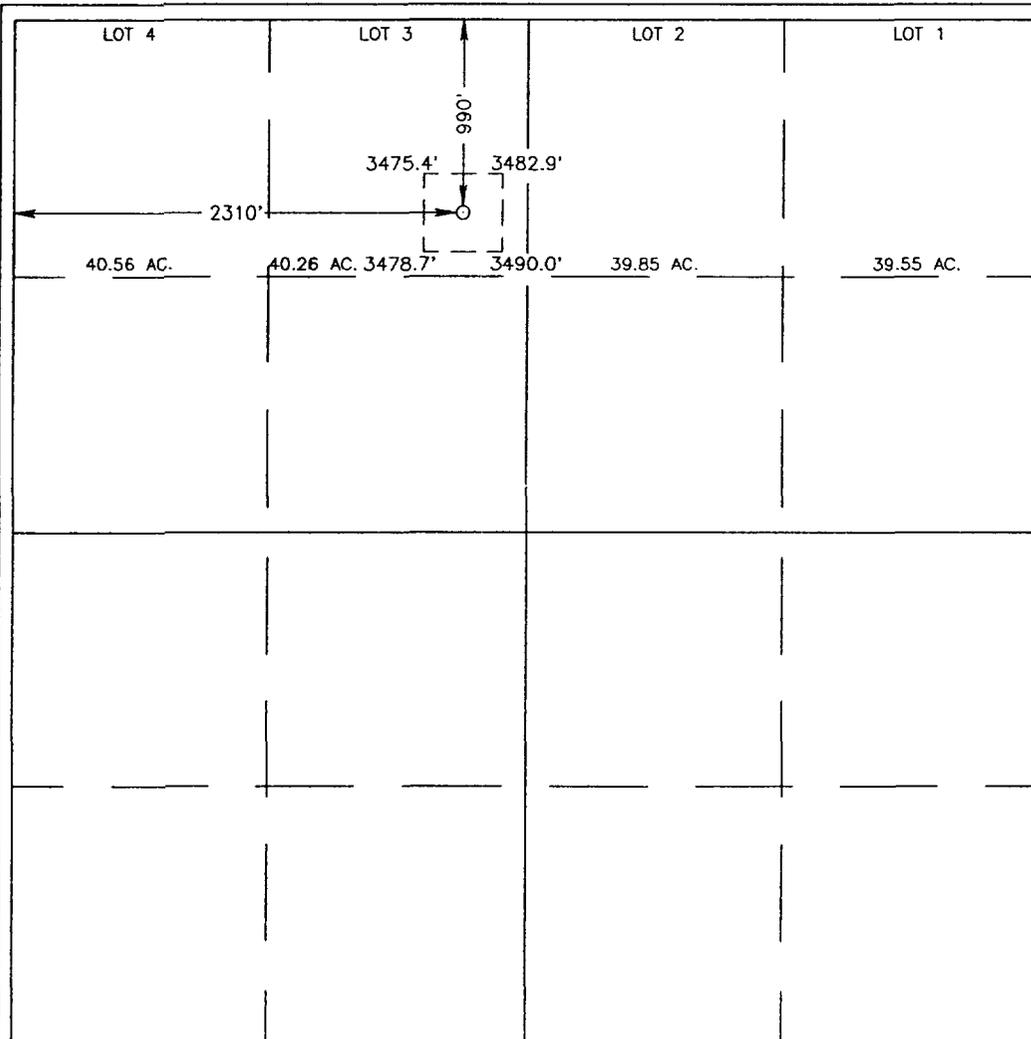
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 3	5	18 S	27 E		990	NORTH	2310	WEST	EDDY

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			

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OPERATOR CERTIFICATION

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

Chuck Morgan
Signature
Chuck Morgan
Printed Name
Engineer
Title
April 28, 1997
Date

SURVEYOR CERTIFICATION

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

APRIL 14, 1997

Date Surveyed
Signature & Seal of Professional Surveyor
DMCC
RONALD J. EIDSON
NEW MEXICO
2339
4-17-97
37-11-0668
State No. JOHN W. WEST 676
RONALD J. EIDSON 3239
EIDSON 12641

Port-a-Check
Tester 6

