

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

District II
811 South First, Artesia, NM 88210

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

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-101

Revised October 18, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 6 Copies

Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address SDX Resources, Inc. PO Box 5061 Midland, TX 79704 432/685-1761		² OGRID Number 020451	
		³ API Number 30 - 015-23007	
⁴ Property Code 22228	⁵ Property Name Marathon 25 State	⁶ Well No. 25	

⁷Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West Line	County
F	25	17S	28E		2109	North	1778	West	Eddy

⁸Proposed 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
⁹ Proposed Pool 1 Red Lake, QN-GB-SA						¹⁰ Proposed Pool 2			

¹¹ Work Type Code E	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3671
¹⁶ Multiple No	¹⁷ Proposed Depth 3500	¹⁸ Formation QN-GB-SA	¹⁹ Contractor Basic	²⁰ Spud Date 03-15-04

²¹Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
*17-1/2"	13-3/8"	54.5# K-55	800	1085 sx	
*12-1/4"	8-5/8"	28# S-80	2650	1500 sx	
*7-7/8"	5-1/2"	17# L-80	10929	2270 sx	
*Existing					

²²Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Propose to drill out cmt plugs to ~3500'. Test csg & BOP to 1000#. Perf 1 spf 3122 - 3312' (20-30 holes). Stimulate as necessary for optimum production.

Formerly: Arco BV #2 & Empire Abo Unit B #42

²³I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Bonnie Atwater

Printed name: Bonnie Atwater batwater@sdxresources.com

Title: Regulatory Tech 2/18/04

OIL CONSERVATION DIVISION

Approved By:

Jim M. Brown

Title:

Feb

SUPERVISOR, DISTRICT II

Approval Date:

JAN 20 2004

Expiration Date:

Feb JAN 20 2005

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

District II
811 South First, Artesia, NM 88210

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

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102
Revised October 18, 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 30-015-23007	2 Pool Code 51300	3 Pool Name Red Lake, QN-GB-SA
4 Property Code 22228	5 Property Name Marathon 25 State	6 Well Number 25
7 OGRID No. 020451	8 Operator Name SDX Resources, Inc.	9 Elevation 3671

10 Surface Location

UL or lot no. F	Section 25	Township 17S	Range 28E	Lot Idn	Feet from the 2109	North/South line North	Feet from the 1778	East/West Line West	County 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		RECEIVED FEB 19 2004 OCD-ARTESIA	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>Engineer</u> Date <u>2/18/04</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 _____ Signature and Seal of Professional Surveyer: _____ ORIGINAL ON FILE Certificate Number _____

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-1
Effective 1-1-69

All distances must be from the outer boundaries of the Section

Operator Hondo ARCO Oil & Gas Co.			State BV		Well No. 2
Unit Letter F	Section 25	Township 17 South	Range 28 East	County Eddy	
Actual Well Location of Well:					
2109	feet from the	North	line and	1778	feet from the West line
Ground Level Elev. 3671.4	Producing Formation Morrow Gas		Tract South Empire Morrow Gas		Section & Range 320

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

RECEIVED

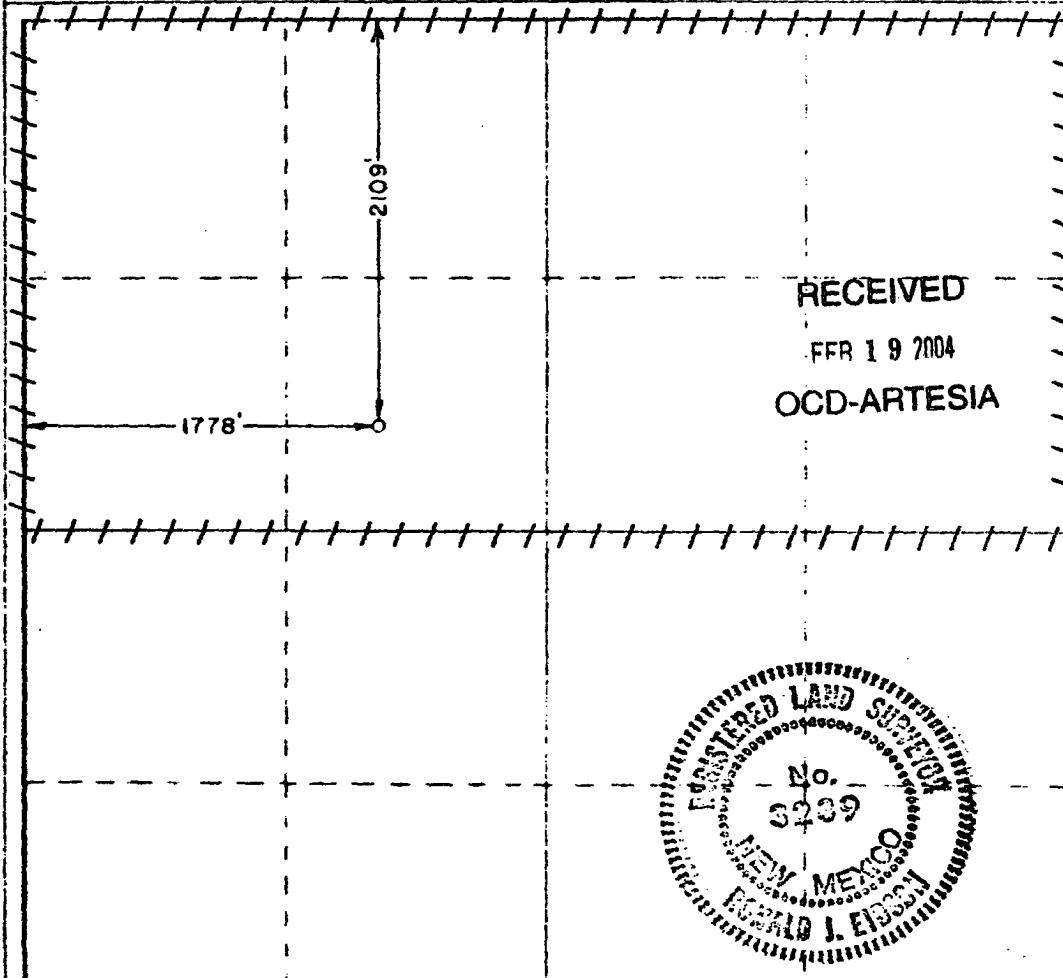
SEP 14 1979

**O. C. C.
ARTESIA, OFFICE**

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated (Use reverse side this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



RECEIVED
FEB 19 2004
OCD-ARTESIA

CERTIFICATION

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

LeDor Lane

Dist. Dirg. Supt.

Hondo Oil & Gas Company

9/13/79

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

Date surveyed

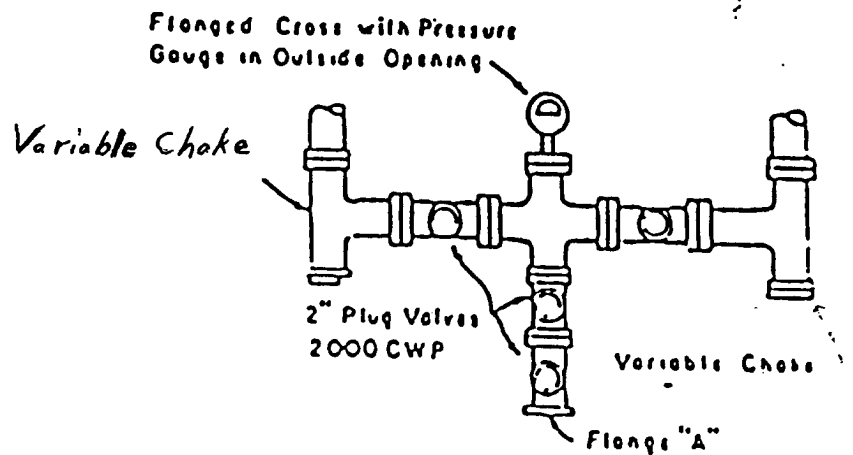
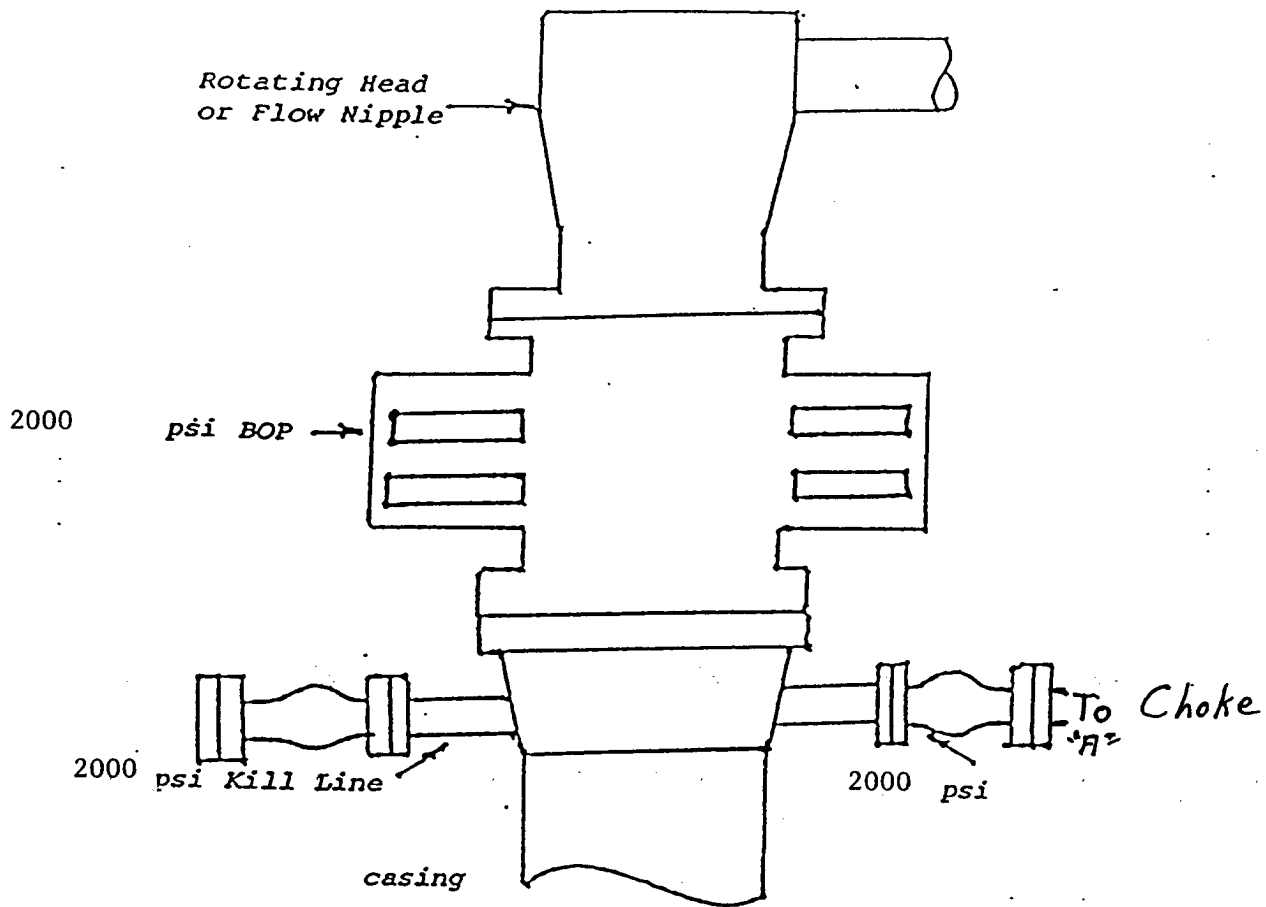
June 5, 1979

Registered in the State of New Mexico
and the State of Nevada

Handwritten signature

ORIGINAL ON FILE

Blow Out Preventor Schematic



PLAN VIEW-CHOKE MANIFOLD