

1343

Form C-142

Date 06/99

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

New Mexico
Energy Minerals and Natural Resources Department

Oil Conservation Division

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

SUBMIT ORIGINAL
PLUS 2 COPIES
TO THE SANTA FE
OFFICE

OCT 21 1999

OIL CONSERVATION DIVISION

APPLICATION FOR NEW WELL STATUS

I. Operator and Well

Operator name & address SDX Resources, Inc. P. O. Box 5061, Midland, Texas 79704						OGRID Number 020451		
Contact Party Fred C. Corey						Phone 915-685-1761		
Property Name NW State				Well Number 3		API Number 30-015-30684		
UL G	Section 32	Township 17S	Range 28E	Feet From The 1650	North/South Line North	Feet From The 1650	East/West Line East	County Eddy

II. Date/Time Information

Spud Date August 16, 1999	Spud Time 1:30 PM	Date Completed September 10, 1999	Pool Artesia (ON-GB-SA) (03230)
------------------------------	----------------------	--------------------------------------	------------------------------------

III. Attach copies of Form C-103 or Federal Form 3160-5 showing date/time of drilling commenced and Form C-105 or Federal Form 3160-4 showing well was completed as a producer.

IV. Attach a list of all working interest owners with their percentage interests.

V. AFFIDAVIT:

State of TEXAS)

ss.

County of Midland)

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

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

Signature [Signature] Title Vice President Date October 20, 1999

SUBSCRIBED AND SWORN TO before me this 20th day of October, 1999

[Signature]
Notary Public

My Commission expires: 7-26-01

FOR OIL CONSERVATION DIVISION USE ONLY:

VI. CERTIFICATION OF APPROVAL:

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

Signature <u>[Signature]</u>	Title <u>P.E. Spc.</u>	Date <u>11-9-99</u>
---------------------------------	---------------------------	------------------------

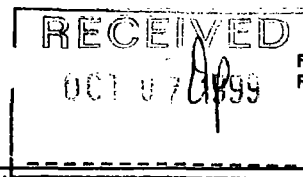
VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: 11/9/99

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

PVZV2007131461

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department



Form C-103
Revised 1-1-89

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

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

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

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO. 30-015-30684
Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
State Oil & Gas Lease No.
Lease Name or Unit Agreement Name NW State
Well No. 3
Pool name or Wildcat Artesia (QN-GB-SA)

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	
Name of Operator SDX Resources, Inc.	Well No. 3
Address of Operator PO Box 5061, Midland, TX 79704	Pool name or Wildcat Artesia (QN-GB-SA)
Well Location Unit Letter <u>G</u> <u>1650</u> Feet From The <u>North</u> Line and <u>1650</u> Feet From The <u>East</u> Line Section <u>32</u> Township <u>17S</u> Range <u>28E</u> NMPM <u>Eddy</u> County	
Elevation (Show whether DF, RKB, RT, GR, etc.) 3693	

11

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ANBANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: Spud & set csg ☒

Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Spud 12-1/4" hole to 535', 1:30 pm on 8/16/99. Run 13 jts 8-5/8" csg to 524'. Cmt w/375 sx Class C. Circ 86 sx to pit. WOC total of 18 hrs. Tag cmt @ 466'.

Drill 7-7/8" hole to TD 3205'. Reached TD 8/22/99. Run LDT-CNL-GR, DLL-GR OH logs & cut 25 cores. Ran 82 jts 5-1/2", 15.5#, J55 csg to 3200'. Cmt w/325 sx Class C & 300 sx Lite. Circ 52 sx to pit.

Release rig 3:00 am 8/23/99

Prep to complete.

RECEIVED
OCD - ARTESIA

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

SIGNATURE

Bonnie Atwater

TITLE: Regulatory Tech.

DATE 09-22-99

TYPE OR PRINT NAME Bonnie Atwater

TELEPHONE NO. 915/685-1761

(This space for State Use)

APPROVED BY

Jim W. Kim

TITLE

District Supervisor

DATE 9-24-99

CONDITIONS OF APPROVAL, IF ANY:

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

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

DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-105
Revised 1-1-89

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO.
30-015-30684

5. Indicate Type of Lease
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

NW State

8. Well No.
3

9. Pool name or Wildcat
Artesia (QN-GB-SA)

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 ☐ DEEPEN ☐ PLUG BACK ☐ DIFF RESVR ☐ OTHER ☐

2. Name of Operator
SDX Resources, Inc.

3. Address of Operator
PO Box 5061, Midland, TX 79704

4. Well Location
Unit Letter G 1650 Feet From The North Line and 1650 Feet From The East Line
Section 32 Township 17S Range 28E NMPM Eddy County

10. Date Spudded 08/16/99 11. Date T.D. Reached 08/22/99 12. Date Compl. (Ready to Prod.) 09/10/99 13. Elevations (DF & RKB, RT, GR, etc.) 3693 14. Elev. Casinghead

15. Total Depth 3205 16. Plug Back T.D. 3160 17. If Multiple Compl. How Many Zones? 1 18. Intervals Drilled By Rotary Tools ☒ Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name 2464 - 2750 20. Was Directional Survey Made Yes

21. Type Electric and Other Logs Run LDT-CNL-GR, DLL-GR 22. Was Well Cored Yes

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

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24#	524	12-1/4	375 sx Class C Circ	None
5-1/2"	15.5# J55	3200	7-7/8"	325 sx Class C + 300 sx Lite Circ	None

24. LINER RECORD				25. TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SIZE	DEPTH SET	PACKER SET
				2-3/8"	2780	

26. Perforation record (interval, size, and number)			27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.	
2464', 66, 81, 87, 92, 2501, 26, 30, 36, 51, 60, 66, 72, 93, 97, 2622, 28, 62, 81, 2704, 12, 21, 26, 33, 36, 41, 50 (4" select fire, 1 spf, 26 holes)			DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
			2464 - 2750	A: 80 bbls 15% NEFE
				F: 52,715 gal Viking 30 + 100,260# 16/30 +
				36,040# 12/20 Brady sd

28. PRODUCTION

Date First Production		Production Method (Flowing, gas lift, pumping - Size and type pump)				Well Status (Prod. or Shut-in)	
09/18/99		Pmp 2" x 1-1/2" x 17' RWAC				Prod	
Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - BbL.	Gas - MCF	Water - BbL.	Gas - Oil Ratio
09/19/99	24			76	60	165	789
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - BbL.	Gas - MCF	Water - BbL.	Oil Gravity - API - (Corr.)	
			76	60	165		

29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold Test Witnessed By Chuck Morgan

30. List Attachments
Deviation Survey, Logs, Core Analysis

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

Signature Bonnie Atwater Printed Name Bonnie Atwater Title Regulatory Tech. Date 09/22/99

INSTRUCTIONS

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

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

T. Anhy _____	T. Canyon _____
T. Salt _____ 550.0	T. Strawn _____
B. Salt _____ 590.0	T. Atoka _____
T. Yates _____ 590.0	T. Miss _____
T. 7 Rivers _____ 690.0	T. Devonian _____
T. Queen _____ 1200.0	T. Silurian _____
T. Grayburg _____ 1620.0	T. Montoya _____
T. San Andres _____ 1940.0	T. Simpson _____
T. Glorieta _____	T. McKee _____
T. Paddock _____	T. Ellenburger _____
T. Blinberry _____	T. Gr. Wash _____
T. Tubb _____	T. Delaware Sand _____
T. Drinkard _____	T. Bone Springs _____
T. Abo _____	T. _____
T. Wolfcamp _____	T. _____
T. Penn _____	T. _____
T. Cisco (Bough C) _____	T. _____

Northwestern New Mexico

T. Ojo Alamo _____	T. Penn. "B" _____
T. Kirtland-Fruitland _____	T. Penn. "C" _____
T. Pictured Cliffs _____	T. Penn. "D" _____
T. Cliff House _____	T. Leadville _____
T. Menefee _____	T. Madison _____
T. Point Lookout _____	T. Elbert _____
T. Mancos _____	T. McCracken _____
T. Gallup _____	T. Ignacio Otzte _____
Base Greenhorn _____	T. Granite _____
T. Dakota _____	T. _____
T. Morrison _____	T. _____
T. Todilto _____	T. _____
T. Entrada _____	T. _____
T. Wingate _____	T. _____
T. Chinle _____	T. _____
T. Permain _____	T. _____
T. Penn. "A" _____	T. _____

OIL OR GAS SANDS OR ZONES

No. 1, from _____ to _____

No. 2, from _____ to _____

No. 3, from _____ to _____

No. 4, from _____ to _____

IMPORTANT WATER SANDS

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

No. 1, from to feet

No. 2, from to feet

No. 3, from to feet

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology
0.0	150.0	150.0	Caliche/Redbed
150.0	200.0	50.0	Sand
200.0	550.0	350.0	Anhy
550.0	590.0	40.0	Salt
590.0	1200.0	610.0	Anhy/Dolo
1200.0	1940.0	740.0	Anhy/Dolo/Sd
1940.0	3205.0	1265.0	Dolo

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

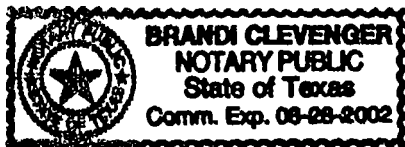
AUG 24 1999

NW State #3
Eddy County, New Mexico

535	5.35	1 1/4	2.19	11.70	11.70
999	4.64	1/2	0.88	4.06	15.76
1495	4.96	1	1.75	8.68	24.44
2020	5.25	1 1/2	2.63	13.78	38.22
2579	5.59	1 1/2	2.63	14.67	52.90
3200	6.21	2	3.50	21.74	74.63


Michael Roghair - General Manager

The attached instrument was acknowledged before me on the 23 day of August, 1999 by Michael Roghair - General Manager, CapStar Drilling, Inc.




Notary Public

PROPERTY	PROPERTY NAME	EFFECTIVE		OWNER	OWNER NAME	D.D.I.	PREPAYMENT	COST	AFIL
		DECK	DATE				LEASE WELL	CTR.	CODE
022800-03	NW STATE #03	A	**BASE**	0321200	ERAM ALI	0.02000000	022800-03	0	N
Deck Header for 022800-03-A				0352380	ALPINE RESOURCES, LLC	0.12500000	022800-03	0	N
				2535380	ETKIND OIL, LLP	0.06250000	022800-03	0	N
				5790910	WILLIAM S. MONTGOMERY, JR.	0.05000000	022800-03	0	N
				7332200	WM. SCOTT RAMSEY	0.02000000	022800-03	0	N
				8031380	SOG INVESTORS, LLC	0.06250000	022800-03	0	N
				8096200	ST.ANSELM EXPLORATION COMPANY	0.25000000	022800-03	0	N
				9999802	STEPHEN G. SELL	0.18000000	022800-03	0	Y
				9999803	JOHN D. POOL	0.18000000	022800-03	0	Y
				9999812	FRED C. COREY	0.02500000	022800-03	0	Y
				9999814	CHARLES M. MORGAN	0.02500000	022800-03	0	Y
				*** DECK TOTAL	11 OWNERS	1.00000000			