

Date 06/99

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

**SUBMIT ORIGINAL
PLUS 2 COPIES
TO THE SANTA FE
OFFICE**

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

RECEIVED
FEB - 3 2000
STATUS

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 8		API Number 30-015-30815	
UL N	Section 32	Township 17S	Range 28E	Feet From The 1,090	North/South Line South	Feet From The 2,126	East/West Line West	County Eddy

II. Date/Time Information

Spud Date	Spud Time	Date Completed	Pool
November 18, 1999	12:45 PM	December 21, 1999	Artesia (QN-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)
County of Midland) ss.

John 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 02/02/2000

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

My Commission expires: 7-26-01

Notary Public

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	Title	Date
<i>Mark L. Kelly</i>	P.E. Spec.	FEB 21 2000

VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: 2/2/00

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

pVzv2010848888

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. 30-015-30815
Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
State Oil & Gas Lease No.

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.)

Lease Name or Unit Agreement Name
NW State

Well No.
8

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

Type of Well:

OIL
WELL ☒

GAS
WELL ☐

OTHER

Name of Operator
SDX Resources, Inc.

Address of Operator
PO Box 5061, Midland, TX 79704

Well Location

Unit Letter N 1090 Feet From The South Line and 2126 Feet From The West Line

Section 32 Township 17S Range 28E NMPM Eddy County

Elevation (Show whether DF, RKB, RT, GR, etc.)
3668' GR

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 ABANDONMENT ☐

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 @ 12:45 pm 11/18/99. Drill to 505'. Ran 12 jts 8-5/8" J-55, 24# csg to 492'. RU Dowell & cmt w/350 sx Class C cmt. Circ 72 sx to pit. WOC total of 18 hrs.

Drill 7-7/8" hole to 3310'. Reach TD 5:00 am 11/24/99. Run LDT-CNL-GR & DLL OH logs. Run 80 jts J-55, 15.5# csg. Set @ 3302'. RU Dowell & cmt w/300 sx Lite & 300 sx Class C. Circ 47 sx.

Release Rig 8:00 pm 11/24/99.

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

SIGNATURE

Bonnie Atwater

TITLE Regulatory Tech.

DATE 02-02-00

TYPE OR PRINT NAME Bonnie Atwater

TELEPHONE NO. 915/685-1761

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-105
Revised 1-1-89

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

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

DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410

WELL API NO.
30-015-30815

5. Indicate Type of Lease
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

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 _____

7. Lease Name or Unit Agreement Name

NW State

2. Name of Operator
SDX Resources, Inc.

8. Well No.
8

3. Address of Operator
PO Box 5061, Midland, TX 79704 915/685-1761

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

4. Well Location
Unit Letter N 1090 Feet From The South Line and 2126 Feet From The West Line
Section 32 Township 17S Range 28E NMPM Eddy County

10. Date Spudded 11/18/99 11. Date T.D. Reached 11/24/99 12. Date Compl. (Ready to Prod.) 12/21/99 13. Elevations (DF & RKB, RT, GR, etc.) 3668 14. Elev. Casinghead

15. Total Depth 3310 16. Plug Back T.D. 3255 17. If Multiple Compl. How Many Zones? 18. Intervals Drilled By Rotary Tools ☒ Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name 2523 - 2859 20. Was Directional Survey Made Yes

21. Type Electric and Other Logs Run LDT-CNL-GR & DLL 22. Was Well Cored No

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#	461	12-1/4"	350 sx Class C	None
5-1/2"	15.5#	3302	7-7/8"	300 sx Lite + 300 sx Cl C	None

24. LINER RECORD				25. TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET
					2-3/8'	2818

26. Perforation record (interval, size, and number)				27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.	
2523, 25, 42, 53, 70, 2604, 10, 48, 53, 2724, 28, 54, 64, 89, 91, 2845, 49, 54, 59 (19 holes, 1 spf)				DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
				2523 - 2859	A: 3500 gal 15% NEFE
					F: 60,000 gal Delta 20 + 95,000# 16/30 +
					35,000# 12/20 Brady Sd

28. PRODUCTION
Date First Production 12/31/99 Production Method (Flowing, gas lift, pumping - Size and type pump) Pmp 2" x 1-1/2" x 12' RWAC Well Status (Prod. or Shut-in) Prod

Date of Test 01/04/00 Hours Tested 24 Choke Size Prod'n For Test Period Oil - Bbl. 50 Gas - MCF 50 Water - Bbl. 84 Gas - Oil Ratio 1000

Flow Tubing Press. Casing Pressure Calculated 24-Hour Rate Oil - Bbl. 50 Gas - MCF 50 Water - Bbl. 84 Oil Gravity - API - (Corr.)

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

30. List Attachments
Logs, Deviation Survey

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

Signature Bonnie Atwater Printed Name Bonnie Atwater Title Regulatory Tech Date 01/27/00

INSTRUCTIONS

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

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

T. Anhy _____ 200.0
T. Salt _____
B. Salt _____
T. Yates _____ 610.0
T. 7 Rivers _____ 938.0
T. Queen _____ 1360.0
T. Grayburg _____ 1645.0
T. San Andres _____ 1906.0
T. Glorieta _____
T. Paddock _____
T. Blinebry _____
T. Tubb _____
T. Drinkard _____
T. Abo _____
T. Wolfcamp _____
T. Penn _____
T. Cisco (Bough C) _____

T. Canyon _____
T. Strawn _____
T. Atoka _____
T. Miss _____
T. Devonian _____
T. Silurian _____
T. Montoya _____
T. Simpson _____
T. McKee _____
T. Ellenburger _____
T. Gr. Wash _____
T. Delaware Sand _____
T. Bone Springs _____
T. _____
T. _____
T. _____
T. _____

Northwestern New Mexico

T. Ojo Alamo _____
T. Kirtland-Fruitland _____
T. Pictured Cliffs _____
T. Cliff House _____
T. Menefee _____
T. Point Lookout _____
T. Mancos _____
T. Gallup _____
Base Greenhorn _____
T. Dakota _____
T. Morrison _____
T. Todilto _____
T. Entrada _____
T. Wingate _____
T. Chinle _____
T. Permian _____
T. Penn. "A" _____

T. Penn. "B" _____
T. Penn. "C" _____
T. Penn. "D" _____
T. Leadville _____
T. Madison _____
T. Elbert _____
T. McCracken _____
T. Ignacio Otzte _____
T. Granite _____
T. _____
T. _____
T. _____
T. _____
T. _____
T. _____
T. _____
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	From	To	Thickness in Feet	Lithology
0.0	150.0	150.0	Rdbd/Gravel/Caliche				
150.0	200.0	50.0	Sand				
200.0	610.0	410.0	Anhy				
610.0	1360.0	750.0	Anhy/Dolo				
1360.0	1906.0	546.0	Anhy/Dolo/Sd				
1906.0	3310.0	1404.0	Dolo				

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T. Montoya _____
T. Simpson _____
T. McKee _____
T. Ellenburger _____
T. Gr. Wash _____
T. Delaware Sand _____
T. Bone Springs _____
T. _____
T. _____
T. _____
T. _____

Northwestern New Mexico

T. Ojo Alamo _____
T. Kirtland-Fruitland _____
T. Pictured Cliffs _____
T. Cliff House _____
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T. Mancos _____
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T. Chinle _____
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T. Penn. "A" _____

T. Penn. "B" _____
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T. Leadville _____
T. Madison _____
T. Elbert _____
T. McCracken _____
T. Ignacio Otzte _____
T. Granite _____
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1360.0	1906.0	546.0	Anhy/Dolo/Sd				
1906.0	3310.0	1404.0	Dolo				

WELL NAME AND NUMBER N.W. State #8

LOCATION Section 32, T17S, R28E, 1090' FSL, 2126' FWL, Eddy County

DEC 03 1999

OPERATOR SDX Resources, Inc.

DRILLING CONTRACTOR United Drilling, Inc.

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

Degrees @ Depth

Degrees @ Depth

Degrees @ Depth

3/4° 505'

3/4° 1027'

3/4° 1528'

1/2° 1995'

1/2° 2518'

Drilling Contractor United Drilling, Inc.

By: [Signature]

Title: Business Manager

Subscribed and sworn to before me this 30th day of November, 1999.

[Signature]
Notary Public

My Commission Expires: 9-25-2003

Eddy County N.M. State

PROPERTY	PROPERTY NAME	EFFECTIVE		OWNER	OWNER NAME	D.D.I.	PREPAYMENT		COST	AFIL
		DECK	DATE				LEASE	WELL		
022800-08	NW STATE #08	A	**BASE**	0321200	ERAM ALI	0.02000000	022800-08		0	N
Deck Header for 022800-08-A				0352380	ALPINE RESOURCES, LLC	0.12500000	022800-08		0	N
				2535380	ETKIND OIL, LLP	0.06250000	022800-08		0	N
				5790910	WILLIAM S. MONTGOMERY, JR.	0.05000000	022800-08		0	N
				7332200	WM. SCOTT RAMSEY	0.02000000	022800-08		0	N
				8031380	SOG INVESTORS, LLC	0.06250000	022800-08		0	N
				8096200	ST.ANSELN EXPLORATION COMPANY	0.25000000	022800-08		0	N
				9999802	STEPHEN G. SELL	0.18000000	022800-08		0	Y
				9999803	JOHN D. POOL	0.18000000	000099-		0	Y
				9999812	FRED C. COREY	0.02500000	022800-08		0	Y
				9999814	CHARLES M. MORGAN	0.02500000	022800-08		0	Y
				*** DECK TOTAL	11 OWNERS	1.00000000				