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

January 26, 1996

JAN 2 4 1996

NMOCD
2040 S. Pacheco
Santa Fe, NM 87505

Re: Application for Authority to Inject
Section 7, T19S, R29E
Eddy Co., New Mexico

Case 11482

Gentlemen:

Enclosed is a copy of Form C-108 (Application for Authority to Inject) for the following wells operated by SDX Resources, Inc.

Conoco 7 State #3
1980′ FNL & 542′ FWL
Sec 7, T19S, R29E, Unit E

Conoco 7 State #5
2180′ FNL & 1740′ FWL
Sec 7, T19S, R29E, Unit F

Conoco 7 State #6
660′ FNL & 1740′ FWL
Sec 7, T19S, R29E, Unit C

Conoco 7 State #7
1980′ FNL & 1980′ FEL
Sec 7, T19S, R29E, Unit G

Should you have any questions, please contact us at the letterhead address or call 915/685-1761. Thank you for your consideration in this matter.

Sincerely,

John Pool
Vice President

JDP:bja

enclosures

bjac-108

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501

FORM C-108
Revised 7-1-81

Case 11482

APPLICATION FOR AUTHORIZATION TO INJECT

I. Purpose: [X] Secondary Recovery [ ] Pressure Maintenance [ ] Disposal [ ] Storage
Application qualifies for administrative approval? [X] yes [ ] no

II. Operator: SDX Resources, Inc.

Address: PO Box 5061, Midland, TX 79704

Contact party: Chuck Morgan Phone: 505/748-9724

III. Well data: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? [ ] yes [X] no
If yes, give the Division order number authorizing the project _____.

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

* VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

*VIII. Attach appropriate geological data on the injection zone including appropriate lithologic detail, geological name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such source known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

* X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division they need not be resubmitted.)

* XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification

I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: Bonnie Atwater 915/685-3118 Title Regulatory Assistant

Signature: Bonnie Atwater Date: 1/25/96

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be duplicated and resubmitted. Please show the date and circumstance of the earlier submittal. _____

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate Division district office.

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

(1) Lease name; Well No.; location by Section, Township, and Range; and footage location within the section.

(2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.

(3) A description of the tubing to be used including its size, lining material, and setting depth.

(4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

(1) The name of the injection formation and, if applicable, the field or pool name.

(2) The injection interval and whether it is perforated or open-hole.

(3) State if the well was drilled for injection or, if not, the original purpose of the well.

(4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.

(5) Give the depth to and name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

(1) The name, address, phone number, and contact party for the applicant;

(2) the intended purpose of the injection well; with the exact location of single wells or the section, township, and range location of multiple wells;

(3) the formation name and depth with expected maximum injection rates and pressures; and

(4) a notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87501 within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

Application for Authorization to Inject

SDX Resources, Inc. - Conoco 7 State #3
Unit Letter E, Sec. 7, T19S, R29E
1980' FNL & 542' FWL, API # 30-015-23694
Eddy Co., New Mexico

I. SDX plans to convert Conoco 7 State #3 to an injection well in the Queen/Grayburg formation.

II. Operator: SDX Resources, Inc.
PO Box 5061
Midland, Texas 79704

Attention: Chuck Morgan 505/748-9724

III. Well Data: See Attachment "A".

IV. This is not an expansion of an existing project.

V. See Attachment "B".

VI. See Attachment "C".

VII. 1) Proposed average daily injection volume: 200 BWPD. Maximum daily injection volume: 1000 BWPD.

2) System will be a closed system.

3) Proposed average injection pressure: Unknown
Proposed maximum injection pressure: To be determined by a step rate test.

4) Injection water would be produced water from the producing wells on the Conoco 7 State lease in the San Andres and Grayburg formations. Double Eagle's fresh water could possibly be added to the system. Injection fluid analysis (Attachment D).

5) Formation water analysis (Attachment E).

VIII. 1) The proposed injection interval is the portion of the Grayburg consisting of porous sand and dolomite.

2) Limited fresh water zones overlie the proposed injection zone at estimated 150'.

IX. The porposed injection interval may be acidized with 15% HCl acid.

X. Well logs and test data are on file at the OCD.

XI. Fresh Water Analysis from fresh water wells (Attachment "F").

XII. Geologic and engineering data have been examined and no evidence of open faults or any other hydrological connection between the injection zone and any fresh water aquifer has been found.

XIII. A) Certified letters sent to offset operators (See Attachment "G"). Surface is owned by State of New Mexico.

B) Copy of legal advertisement attached, along with an Affidavit of Publication (Attachment "H").

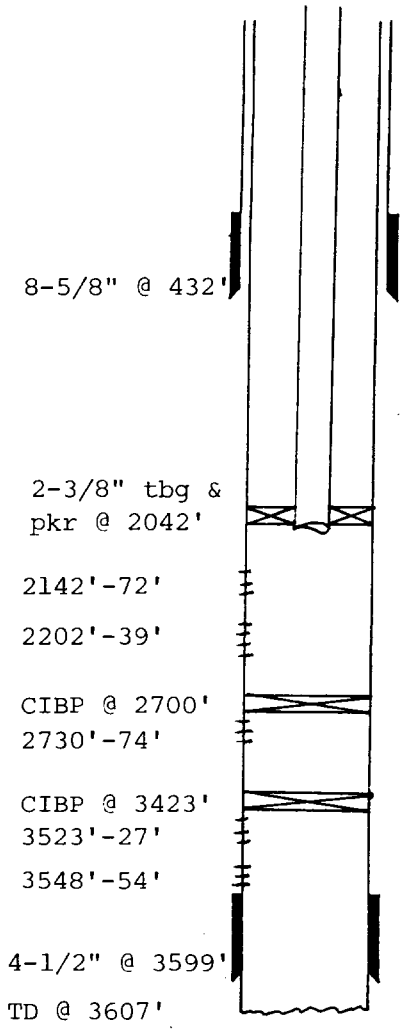
INJECTION WELL DATA SHEET

SDX Resources, Inc. (OPERATOR) Conoco 7 State (LEASE)

3 (WELL NO.) 1980 FNL 542 FWL (FOOTAGE LOCATION) 7 (SECTION) 19S (TOWNSHIP) 29E (RANGE)

Eddy Co., NM

Schematic



Tabular Data

Surface Casing

Size 8-5/8" @ 432' Cemented with 400 sx. Set @ 432'.

TOC surface feet determined by circulation

Hole size 12-1/4"

Intermediate Casing

Size _____" Cemented with _____ sx.

TOC _____ feet determined by _____

Hole size _____

Long string

Size 4-1/2" Cemented with 1250 sx. Set @ 3599'.

TOC _____ feet determined by _____

Hole size 7-7/8"

Total depth 3607'

Injection interval

2142' feet to 3554' feet
(perforated or open-hole, indicate which)

Tubing size 2-3/8" lined with plastic (material) set in a

AD-1 PC (brand and model) packer at 2042' feet

(or describe any other casing-tubing seal).

Other Data

1. Name of the injection formation Queen/Grayburg

2. Name of Field or Pool (if applicable) E. Millman

3. Is this a new well drilled for injection? ☐ Yes ☒ No

If no, for what purpose was the well originally drilled? oil producer

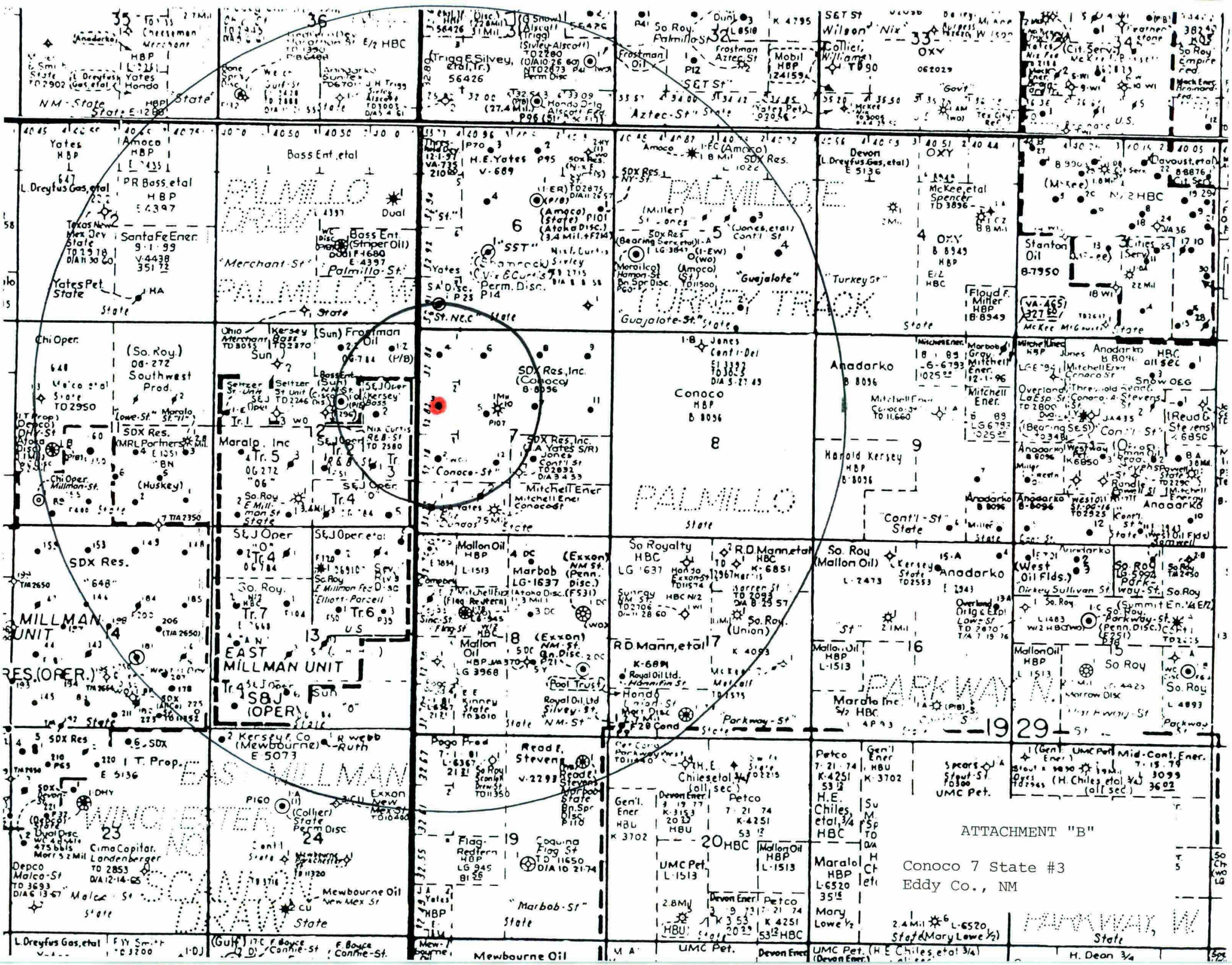
4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail (sacks of cement or bridge plug(s) used)

CIBP @ 2700', Perfs 2730'-74'

CIBP @ 3423', Perfs 3523'-27', 3548'-54'

5. Give the depth to and name of any overlying and/or underlying oil or gas zones (pools) in this area.

underlying: San Andres


PALMILLO DRAW
PALMILLO
TURKEY TRACK
PARKWAY
MILLMAN UNIT
EAST MILLMAN UNIT
WINCHESTER
SOUTH DRAW
Conoco 7 State #3
Eddy Co., NM
ATTACHMENT "B"

WELLS IN THE AREA OF REVIEW

WELL NAME	OPERATOR	TYPE	SPUD	COMPL. (IP)	T.D.	PROD. ZONE	PERFS.	COMPLETION INFORMATION		TOC	
Conoco 7 St. #5 F 07 19S 29E	SDX Resources	Prod.	02/02/82	03/17/82	2571'	Grayburg	2038-50'(Sqz'd) 2054-68' 2140-79'	12-1/4" hole, 372' 8-5/8" 24# cmtd w/800 sxs 7-7/8", 2571', 4-1/2" 9.5#,cmtd w/850 sxs.	4500 g. acid,28,000 g. & 60,000# sd frac,	Surf Surf	Cacl 50% Circ
Conoco 7 St. #7 G 07 19S 29E	SDX Resources	Prod.	01/16/82	03/4/82	2576'	Grayburg	2069-2107' 2137-87'	12-1/4" hole,399', 8-5/8" 23#, cmtd w/300 sxs. 7-7/8" hole, 2565' 4-1/2" 9.5#,cmtd w/1000 sxs.	4000 g. acid,28000 g. & 60,000# sd frac.	Surf Surf	Circ Circ
Conoco 7 St. #3 E 07 19S 29E	SDX Resources	Prod.	03/21/81	07/17/81	3599'	Grayburg	3523-54' CIBP 3423' 2730-74'CIPB 2700 2142-2239'	12-1/4" hole, 432' 8-5/8" 24#,cmtd w/400 sxs. 7-7/8" hole, 3599',4-1/2" 9.5# cmtd w/1250 sxs.	2000 g. acid,28000 g. & 60,000# sd frac.	Surf Surf	Circ Calc 0.75
Conoco 7 St. #2 L 07 19S 29E	SDX Resources	Prod.	03/14/81	07/21/81	3792'	Grayburg	1854-2054(Sqz'd) 2122-2216'	12-1/4" hole,450',8-5/8" 23#,cmtd w/600 sxs. 7-7/8" hole, 3792',4-1/2", 9.5# cmtd w/1085 sxs.	4000 g. acid,28000 g. & 60,000# sd frac.	Surf 624	Circ CBL
Conoco 7 St. #13 J 07 19S 29E	SDX Resources	Prod.	01/05/86	02/25/86	2765'	Grayburg	1202-1307'(sqz'd) 2412-2642'CIBP 2402' 2224-2358'	12-1/4" hole,354',8-5/8" 24#,cmtd w/248 sxs. 7-7/8" hole,2765',5-1/2" 15.5#,cmtd w/675 sxs.	3700 g. acid,68000 g. & 83,000# sd frac.	Surf Surf	Calc 0.75 Calc
Conoco 7 St. #12 K 07 19S 29E	SDX Resources	Prod.	04/27/85	10/29/85	2800'	Grayburg	1993-2100(sqz'd) 2638-96'CIBP 2625 2112-2590'	12-1/4" hole,378',8-5/8" 24#,cmtd w/275 sxs. 7-7/8" hole,2800',4-1/2" 9.5-10.5#,cmtd w/930 sxs.	15,300 g. acid,84,900 g. & 212,434# sd frac.	Surf Surf	Circ Circ
Conoco 7 St. #11 H 07 19S 29E	SDX Resources	Prod.	05/04/82	06/22/82	2505'	Grayburg	2150-60' (Sqz'd) 2149-54'	12-1/4" hole,369',8-5/8" 23#,cmtd w/185 sxs. 7-7/8" hole,2505',4-1/2" 9.5-10.5# cmtd w/575 sxs.	3,000 g. acid,14,000 g. & 30,000# sd frac.	73' Surf	Calc (.50 eff) Circ
Conoco 7 St. #9 A 07 19S 29E	SDX Resources	Prod.	12/19/81	04/05/82	2449'	Grayburg	2076-2111'(Sqz'd) 2115-25'	12-1/4" hole,370',8-5/8" 23#,cmtd w/250 sxs. 7-7/8" hole,2449',4-1/2" 10.5#,cmtd w/1000 sxs.	2,500 g. acid,14,000 g. & 30,000# sd frac.	Surf Surf	Calc (.50 eff) Circ
Conoco 7 St. #8 B 07 19S 29E	SDX Resources	Prod.	02/13/82	03/31/82	2549'	Grayburg	2110-20'(Sqz'd) 2351-2508' CIBP 2340' 2199-2323'	12-1/4" hole,379',8-5/8" 23#,cmtd w/400 sxs. 7-7/8" hole,2549',4-1/2" 11.6-9.5#,cmtd w/950 sxs.	1325 g.acid,39000 g. & 52200# sd frac.	Surf Surf	Circ (.75) Calc
Conoco 7 St. #4 D 07 19S 29E	SDX Resources	Prod.	11/11/81	02/21/82	2587'	Grayburg	2163-98' 2214-40'	12-1/4" hole,384',8-5/8" 24#,cmtd w/400 sxs. 7-7/8" hole,2587',4-1/2" 9.5#,cmtd w/875 sxs.	4000 g.acid,28000 g. & 60000# sd frac.	Surf Surf	Circ 0.75 Calc
Conoco 7 St. #6 C 07 19S 29E	SDX Resources	Prod.	11/30/81	02/21/82	2853'	Grayburg	2165-86' 2214-38'	12-1/4", 385',8-5/8"24#,cmtd w/400 sxs. 7-7/8" hole,2553',4-1/2" 9.5#,cmtd w/884 sxs.	4000 g.acid,28000 g. & 60000# sd frac.	Surf Surf	Calc (0.50) Circ
Conoco 7 St. #1 J 07 19S 29E	Stanley Jones	P&A 4/24/60	04/09/52	NA	2832'	NA	NA	12", 10-3/4",300',set & pld. 10" hole,8-5/8",2000' set & pld. See wellbore diagram for P&A details.		NA	NA
Conoco 7 St. #1 N 07 19S 29E	Mitchell Energy Corp.	Prod.	02/12/80	05/08/80	11610	Morrow	11036-11050'	17-1/2" hole,13-3/8" 48#, 400', cmtd w/550 sxs Cl C 11" hole,8-5/8" 24-32#, 2690',cmtd w/ 1100 sxs Lite & 200 sxs C,7-7/8"hole,5-1/2" 17#, 11264' cmtd w/1025 sxs 2-7/8"tbg & pkr @ 10942'.		NA 450' 5678	RediMix Temp Calc (75%)
Conoco 7 St. #10 F 07 19S 29E	Mitchell Energy Corp.	Prod.	11/04/81	01/07/82	11550	Morrow	11138-166', pkr plug @ 11078' New Perfs 10986-11044'	17-1/2" hole,13-3/8" 54.5-61# 377', cmtd w/375 sxs Cl C 12-1/4' hole,8-5/8" 24-32#, 3020',cmtd w/ 580sxs Pozmix,200 sxs Cl C,7-7/8",5-1/2" 17-20# @ 11533',cmtd w/785 Pozmix,2-3/8"tbg & pkr @ 10925'.		Surf Surf 8395	Circ 10 sxs Circ 10 sxs Temp
Elizabeth Dundas #1 M 07 19S 29E	John A. Yates	P&A 01/14/67	08/10/61	09/11/61	2227'	NA	2092-96' 1773-96'	11"hole,8-5/8" @ 283',cmtd w/50 sxs, 6" hole, 4-1/2" @2163',cmtd w/125 sxs. See wellbore for P&A details.		144 1530'	Assumed Assumed
Elizabeth Dundas #2 N 07 19S 29E	John A. Yates	P&A 12/28/66	12/30/61	01/31/62	2348'	NA	2101-2096' 2087-2080'	11"hole,8-5/8" @ 283',cmtd w/50 sxs, 6" hole, 4-1/2" 9.5# @ 2199',cmtd w/100 sxs. See wellbore for P&A details.		162 1441	Assumed Assumed

P:\125R.25\WELL AREA.WK1 FORM

ATTACHMENT "C"

WELLS IN THE AREA OF REVIEW

WELL NAME	OPERATOR	TYPE	SPUD	COMPL. (IP)	T.D.	PROD. ZONE	PERFS.	COMPLETION INFORMATION		T O C	
State N&C #1 M 06 19S 29E	M. Yates II	Prod.	10/18/65	07/14/66	2844' PB 2658	San Andres	2776-78' (Sqz'd) 2676-82'(Sqz'd) 2621-25'(Sqz'd) 2612-16'	12-1/4" hole, 433' 8-5/8" 24# cmtd w/50 sx 2795' 5-1/2", cmtd w/300 sx	7000 g. acid SWF: 39,480 & 58000#	NA	
Nix & Curtis St #1 K 06 19S 29E	Collins, Davis, Nix & Curtis	Prod.	09/15/62	03/22/63	2626' PB 1987	Grayburg (TA) Penrose	2188-98', 2208-18' CIBP 1987',1924-28' 1930-32', 1940-44' 1950-55'	12-1/4" hole, 282' 8-5/8", cmtd w/75 sx 7-7/8" hole, 2329' 4-1/2", cmtd w/200 sx	500 g. mud acid 500 g. acid SF 40000 & 66000#	NA	
New Mexico Z St #1 A 12 19S 28E	Sun Exploration	Prod.	07/08/82	09/29/82	2922' PB 2252	San Andres QN/GRB	2592-2632' New Perfs: 2382-98' 2280-94', 2056-88' 2106-16', 2158-74' 2196-2220'	412' 9-5/8", cmtd w/250 sx 2922' 5-1/2", cmtd w/1475 sx	12000 g. acid SWF: 80000 & 139750#	NA	
New Mexico O St #1 G 12 19S 28E	Sun Exploration	Prod.	01/16/83	01/26/84	11465' PB 9511	Cisco Wolfcamp	10802-804,10886-890 10903-915,10932-941 10316-324, 9756-60 9789-99, 9534-46 CIBP 9680' New Perf: 9468-87	365' 13-3/8", cmtd w/450 sx 12-1/4" hole, 3000' 8-5/8", cmtd w/2000 sx 11465' 5-1/2", cmtd w/1680 sx	11400 g. total acid	NA	
Bass #2 H 12 19S 28E	Kersey & Co.	Prod.?	01/07/64	03/26/64	2278'	Grayburg	2167-69', 2190-94' 2234-36'	12-1/4" hole, 405' 8-5/8". cmtd w/50 sx 1894' 7", cmt NA, 2278' 4-1/2", cmtd w/100 sx	SF: 25000 & 25000#	NA	
E. Millman Tr 3 #1 I 12 19S 28E	Sun Oil	WI	08/11/63 Converted 08/01/81	10/10/63 08/09/81	2318' PB 2272	QN/GRB	2148-56', 2225-35' New Perf: 1718-2136'	12-1/4" hole, 401' 8-5/8", cmtd w/50 sx 2318' 4-1/2", cmtd w/100 sx, Tbg 2246' 2-3/8"	5850 g. acid SF: 700 & 25000#	NA	

ATTACHMENT "C"

WELL NAME: Stanley L. Jones Continental St. #7 FIELD AREA: East Millman - Qx - 6b

LOCATION: J sec. 7 T19S R29E 1650' FSL & 2310 FEL

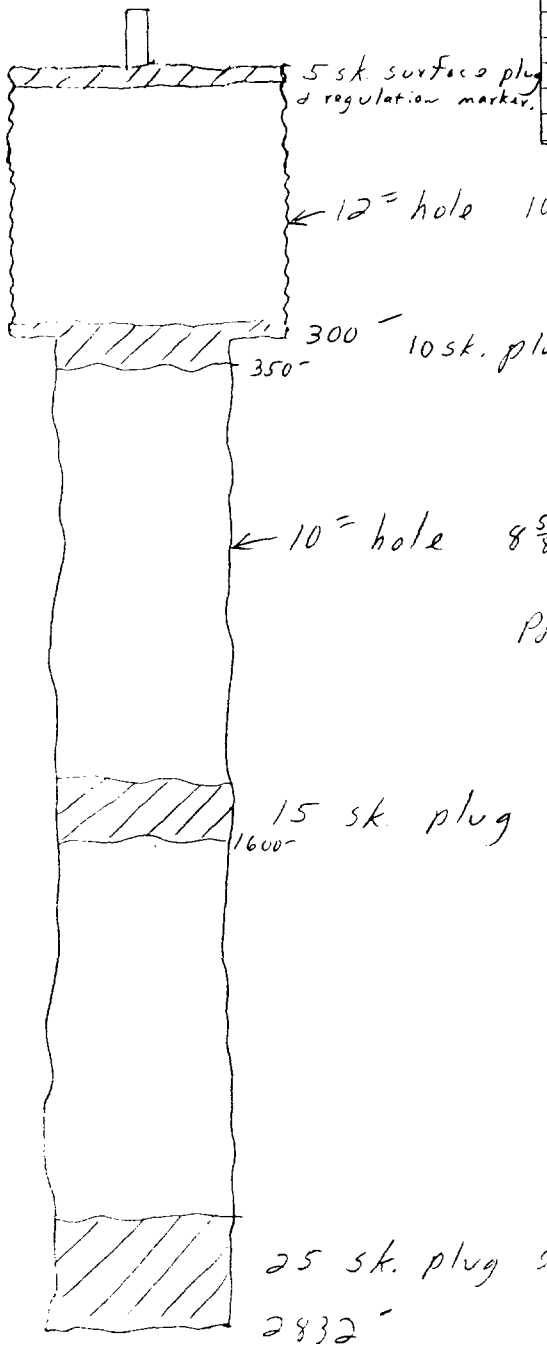
GL: 3378' ZERO: _____' AGL: _____'

KB: _____' ORIG. DRLG./COMPL. DATE: _____

COMMENTS: _____

CASING PROGRAM:

SIZE/WT./GR./CONN.	DEPTH	JET



- SKETCH NOT TO SCALE -

REVISED: _____

ATTACHMENT "C"

WELL NAME: John A Yates Elizabeth Dundas #2 FIELD AREA: East Millman - 9n - 66

LOCATION: N sec. 17 T19S R29E 990' FSL & 1650' FWL

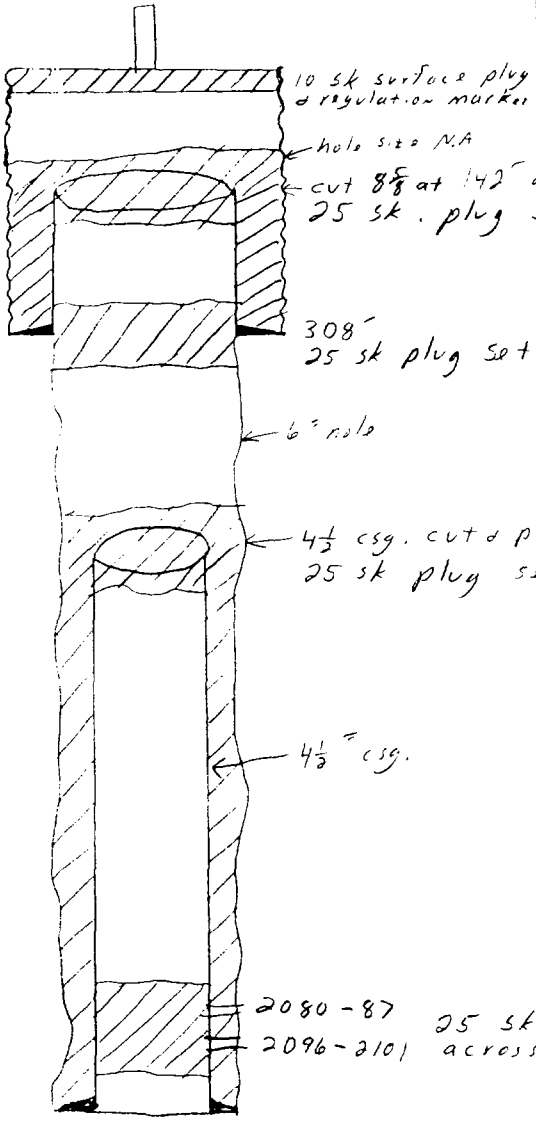
GL: ____' ZERO: 3382' AGL: 1'

KB: ____' ORIG. DRLG./COMPL. DATE: 12/30/61

COMMENTS: _____

CASING PROGRAM:

SIZE/WT./GR./CONN.		DEPTH SET
8⅝"	cmt. w/ 50 sks.	308'
4½"	cmt. w/ 100 sks	2199'



P&A 12/29/66

- SKETCH NOT TO SCALE -

REVISED: _____

ATTACHMENT "C"

WELL NAME: John A Yates "Elizabeth Dundee #1 FIELD AREA: East Millman-Qn-Grg.

LOCATION: "M" sec 7 T19S R29E 660' FSL & 330' FWL

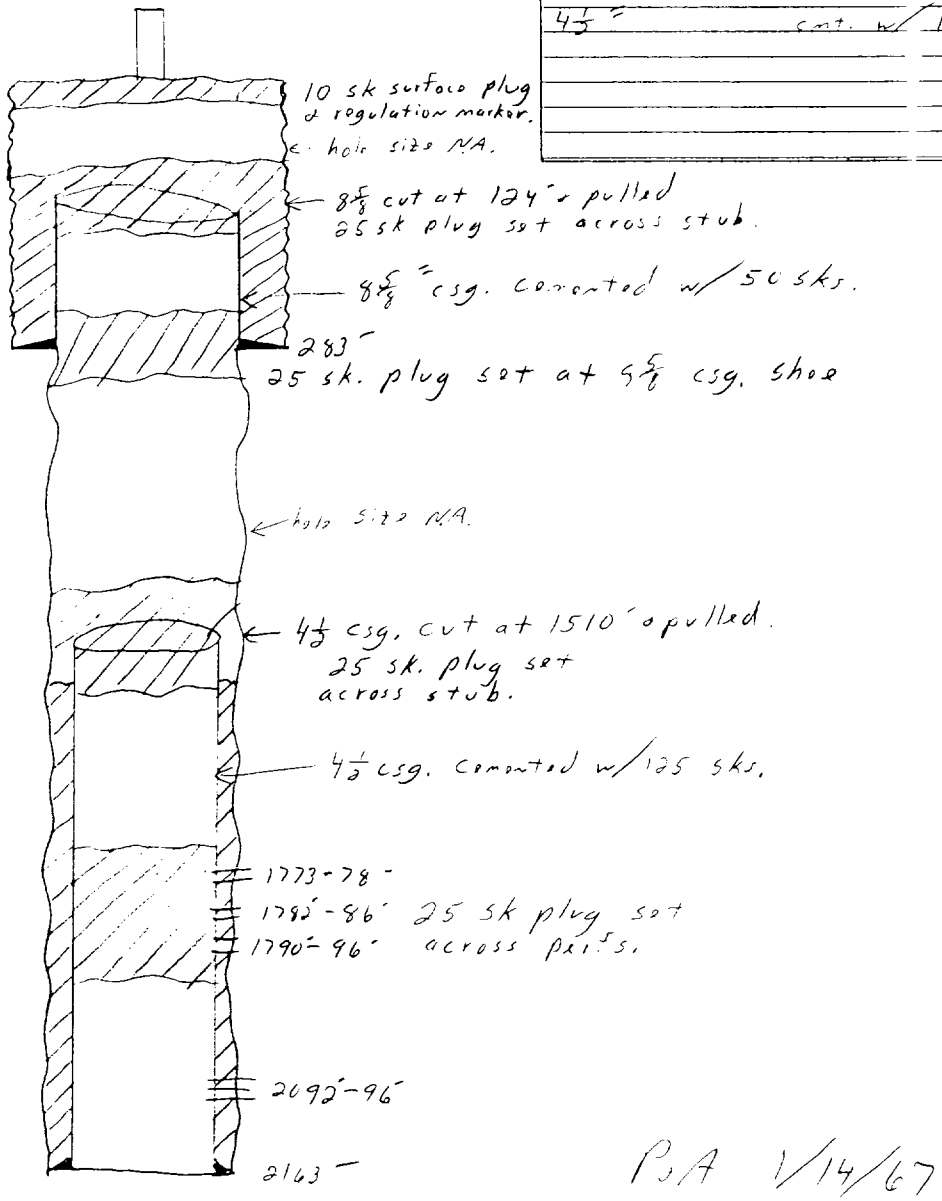
GL: ____' ZERO: 3378' AGL: 1'

KB: ____' ORIG. DRLG./COMPL. DATE: 8/10/61

COMMENTS: _____

CASING PROGRAM:

SIZE/WT./GR./CONN.			DEPTH SET
8⅝"	cmt. w/	50 sks.	283'
4½"	cmt. w/	125 sks	2163'



P&A 1/14/67

- SKETCH NOT TO SCALE - REVISED: _____

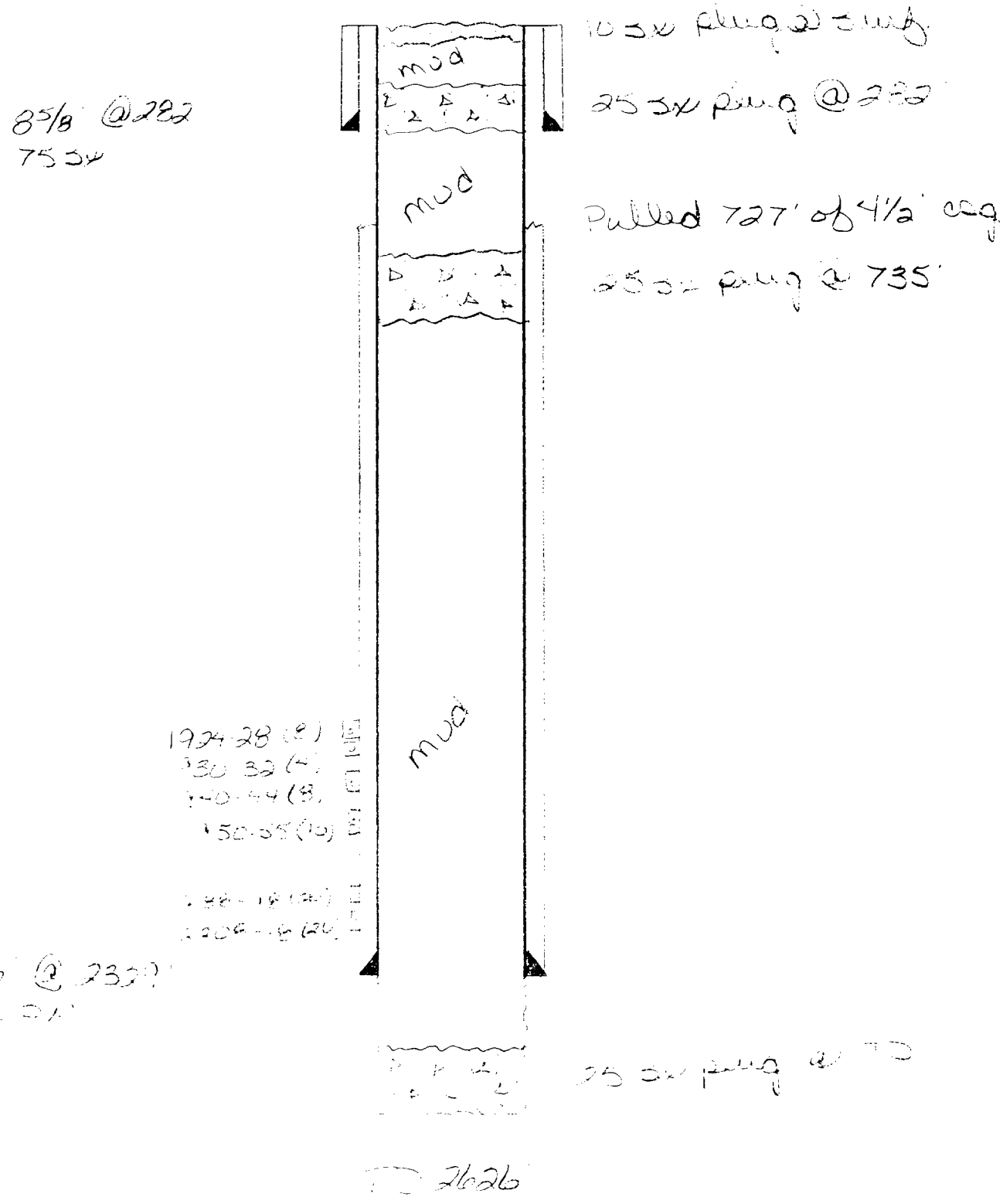
ATTACHMENT "C"

WELL NAME: Nix + Curtis State #1

OPERATOR: Nix + Curtis

LOCATION: 1980 FSL, 1747 FWL, Sec 6, T 19S, R 29E Eddy Co, NM

COMPLETED: 3/63 P+A 2/70



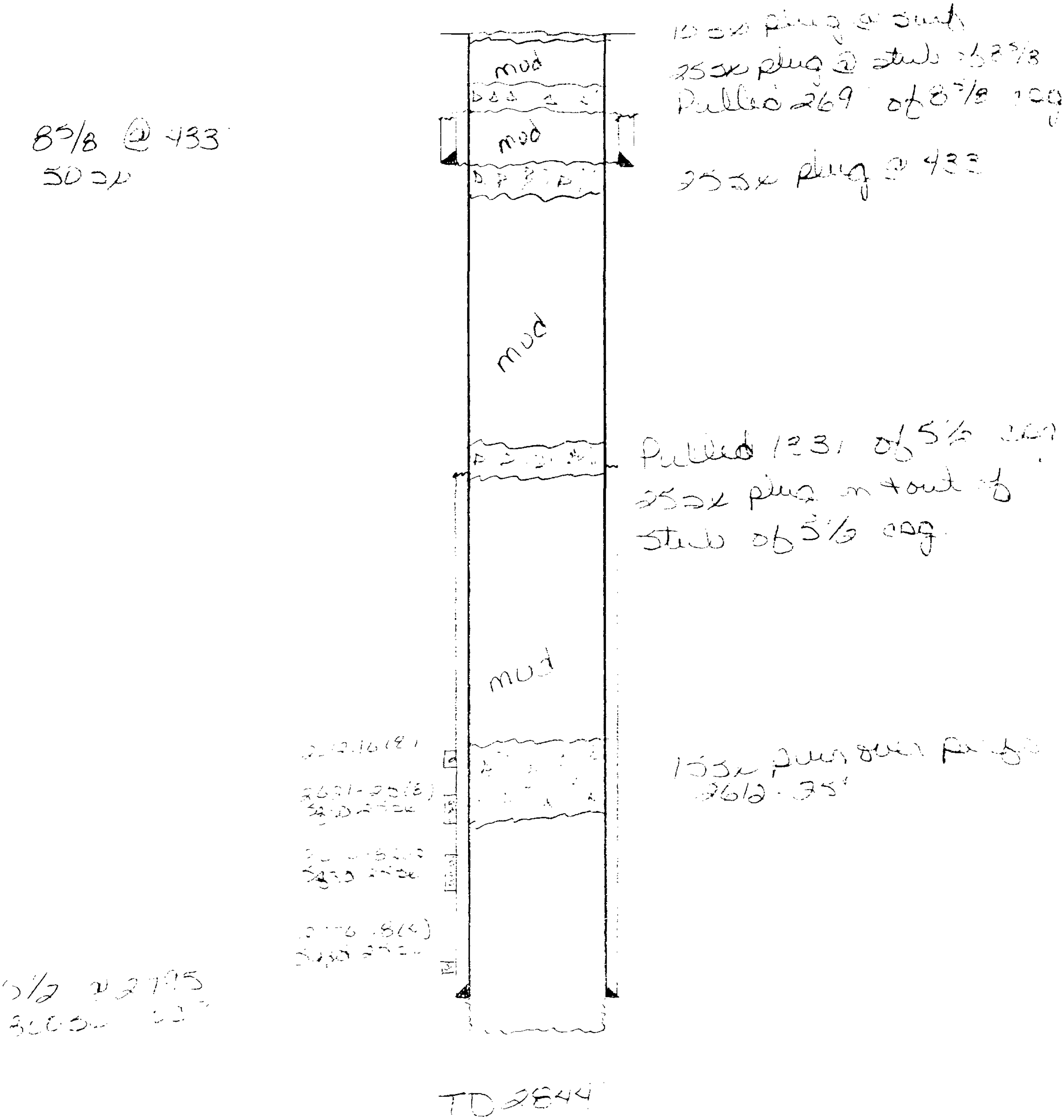
ATTACHMENT "C"

WELL NAME: N+C State #1

OPERATOR: Martin Yates III

LOCATION: 660' FSL, 543' FWL, Sec 6, T19S, R29E Eddy Co., NM

COMPLETED: 7/66 P+A 11/68



ATTACHMENT "C"

HALLIBURTON SERVICES

ARTESIA DISTRICT

LABORATORY REPORT No. _____

TO SDX Resources Date 2/10/95

Submitted by Chuck Morgan Date Rec. 2/10/95

Well No. Conoco 7 Tank Bat. Depth _____ Formation _____

Field _____ County _____ Source _____

Resistivity	.06		
Specific Gravity ..	1.1		
pH	7.1		
Calcium	2500		
Magnesium	750		
Chlorides	110,000 mg/l		
Sulfates	4500 mg/l		
Bicarbonates	800 mg/l		
Soluble Iron	N:1		

Remarks:

David McKenzie
Respectfully submitted

Analyst: _____ HALLIBURTON SERVICES

NOTICE: This report is for information only and the content is limited to the sample described. Halliburton makes no warranties, express or implied, as to the accuracy of the contents or results. Any user of this report agrees Halliburton shall not be liable for any loss or damage, regardless of cause including any act or omission of Halliburton resulting from the use hereof.

ATTACHMENT "D"

PETROLITE

Petrolite Corporation
422 West Main Street
Artesia, NM 88210-2047

TRETOLITE DIVISION

(505) 746-3588
Fax (505) 746-3580

Reply to:
P.O. Box 1140
Artesia, NM
88211-7531

WATER ANALYSIS REPORT

Company	: SDX RESOURCES	Date	: 01/22/96
Address	: ARTESIA, NM	Date Sampled	: 01/22/96
Lease	: CONOCO 7 STATE	Analysis No.	: 0205
Well	: #3		
Sample Pt.	: WELLHEAD		

	ANALYSIS		mg/L		* meq/L
1.	pH	6.5			
2.	H2S	125			
3.	Specific Gravity	1.080			
4.	Total Dissolved Solids		126426.9		
5.	Suspended Solids		NR		
6.	Dissolved Oxygen		NR		
7.	Dissolved CO2		NR		
8.	Oil In Water		NR		
9.	Phenolphthalein Alkalinity (CaCO3)				
10.	Methyl Orange Alkalinity (CaCO3)				
11.	Bicarbonate	HCO3	939.0	HCO3	15.4
12.	Chloride	Cl	75402.0	Cl	2127.0
13.	Sulfate	SO4	2000.0	SO4	41.6
14.	Calcium	Ca	2080.0	Ca	103.8
15.	Magnesium	Mg	2041.6	Mg	168.0
16.	Sodium (calculated)	Na	43963.3	Na	1912.3
17.	Iron	Fe	1.0		
18.	Barium	Ba	NR		
19.	Strontium	Sr	NR		
20.	Total Hardness (CaCO3)		13600.0		

PROBABLE MINERAL COMPOSITION

*milli equivalents per Liter

104	*Ca <------ *HCO3	15
	/------->	
168	*Mg ------> *SO4	42
	<----------/	
1912	*Na ------> *Cl	2127

Saturation Values Dist. Water 20 C

CaCO3	13 mg/L
CaSO4 * 2H2O	2090 mg/L
BaSO4	2.4 mg/L

Compound	Equiv wt	X meq/L	= mg/L
Ca(HCO3)2	81.0	15.4	1247
CaSO4	68.1	41.6	2835
CaCl2	55.5	46.8	2594
Mg(HCO3)2	73.2		
MgSO4	60.2		
MgCl2	47.6	168.0	7996
NaHCO3	84.0		
Na2SO4	71.0		
NaCl	58.4	1912.3	111754

REMARKS:
-------- STEVE TIGERT

Petrolite Oilfield Chemicals Group

Respectfully submitted,
STEVE TIGERT

ATTACHMENT "F"

PETROLITE

SCALE TENDENCY REPORT

Company	: SDX RESOURCES	Date	: 01/22/96
Address	: ARTESIA, NM	Date Sampled	: 01/22/96
Lease	: CONOCO 7 STATE	Analysis No.	: 0205
Well	: #3	Analyst	: STEVE TIGERT
Sample Pt.	: WELLHEAD		

STABILITY INDEX CALCULATIONS
(Stiff-Davis Method)
CaCO3 Scaling Tendency

S.I. =	0.5	at	60 deg. F or	16 deg. C
S.I. =	0.5	at	80 deg. F or	27 deg. C
S.I. =	0.6	at	100 deg. F or	38 deg. C
S.I. =	0.7	at	120 deg. F or	49 deg. C
S.I. =	0.7	at	140 deg. F or	60 deg. C

****

CALCIUM SULFATE SCALING TENDENCY CALCULATIONS
(Skillman-McDonald-Stiff Method)
Calcium Sulfate

S =	5260	at	60 deg. F or	16 deg C
S =	5629	at	80 deg. F or	27 deg C
S =	5864	at	100 deg. F or	38 deg C
S =	5975	at	120 deg. F or	49 deg C
S =	6056	at	140 deg. F or	60 deg C

Petrolite Oilfield Chemicals Group

Respectfully submitted,
STEVE TIGERT

ATTACHMENT "E"

HALLIBURTON

RECEIVED
2-15-95

Halliburton Energy Services
Artesia District
Laboratory Report No. W22-95

TO: S D X Resources

P. O. Box 5061

Midland, TX 79704

Date: February 10, 1995

Submitted by Chuck Morgan Date Rec February 10, 1995

Well No _____ Depth _____ Formation _____

Field _____ County _____ Source Fresh Water Tank

Resistivity.....	1.8		
Specific Gravity.	1.0		
pH.....	6.2		
Calcium.....	250		
Magnesium.....	150		
Chlorides.....	2,000 mpl		
Sulfates.....	1,750 mpl		
Bicarbonates.....	200		
Soluble Iron.....	Nil		

Remarks:

David McKenzie
Respectfully submitted

Analyst: David McKenzie -- Technical Advisor

List of all offset lease and surface owners that were sent Certified letters of notification.

1) Bass Enterprises Production Co. 915/683-2277
PO Box 2760
Midland, TX 79702-2760

2) Conoco, Inc. 915/686-5400
Attn: David Scott
10 Desta Dr #100W
Midland, TX 79705-4500

3) Frostman Oil 505/746-3344
PO Box 900
Artesia, NM 88211

4) Heyco 505/623-6601
PO Box 1933
Roswell, NM 88202

5) Mitchell Energy 713/377-5500
PO Box 4000
The Woodlands, TX 77380-4000

6) S&J Operating, Co. 817/723-2166
PO Box 2249
Wichita Falls, TX 76307

Attachment "G"

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

January 24, 1996

ADDRESS

Re: Application for Authority to Inject
Section 7, T19S, R29E
Eddy Co., New Mexico

Gentlemen:

Enclosed is a copy of Form C-108 (Application for Authority to Inject) for the following wells operated by SDX Resources, Inc.

Conoco 7 State #3
1980' FNL & 542' FWL
Sec 7, T19S, R29E, Unit E

Conoco 7 State #5
2180' FNL & 1740' FWL
Sec 7, T19S, R29E, Unit F

Conoco 7 State #6
660' FNL & 1740' FWL
Sec 7, T19S, R29E, Unit C

Conoco 7 State #7
1980' FNL & 1980' FEL
Sec 7, T19S, R29E, Unit G

Should you have any questions, please contact us at the letterhead address or call 915/685-1761. Thank you for your consideration in this matter.

Sincerely,

John Pool
Vice President

JDP:bja

enclosures

bjac-108

ATTACHMENT "G"

Affidavit of Publication

No. 15330

STATE OF NEW MEXICO,

County of Eddy:

Gary D. Scott being duly sworn, says: That he is the Publisher of The Artesia Daily Press, a daily newspaper of general circulation, published in English at Artesia, said county and state, and that the hereto attached Legal Notice

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for 1 consecutive weeks on the same day as follows:

days"

First Publication January 7, 1996

Second Publication

Third Publication

Fourth Publication

Gary D. Scott

Subscribed and sworn to before me this 18th day of January 19 96

Barbara Ann Boone

Notary Public, Eddy County, New Mexico

My Commission expires September 23, 1999

Copy of Publication

LEGAL NOTICE

NOTICE OF APPLICATION FOR FLUID INJECTION WELL PERMIT

SDX Resources, Inc., located at 511 W. Ohio St., Ste. 611, Midland, TX 79701, mailing address PO Box 5061, Midland, TX 79704, Contact: John Pool 915/685-1761 is seeking administrative approval from the New Mexico Oil Conservation Division to complete the following wells located in Section 7, T19S, R29E, Eddy Co., New Mexico as injection wells: Conoco 7 State #5, #3, #6 & #7. The proposed injection zone for #5 is the GBG formation with perforations from 2038-2179'. Conoco 7 State #3 (2142-2239'), #6 (2165-2238'), & #7 (2069-2187') proposed injection zone is the QN/GBG formation. SDX Resources, Inc. intends to inject a maximum of 1000 barrels of produced formation water per day at a maximum injection pressure of 800 psi.

Interested parties must file objections or request for hearing with the Oil Conservation Division, 2040 South PPacheco, Santa Fe, New Mexico 87505 within 15 days of this notice.

Published in the Artesia Daily Press, Artesia, N.M. January 7, 1996.

Legal 15330

ATTACHMENT "H"

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501

Revised 7-1-81

Case 11482

APPLICATION FOR AUTHORIZATION TO INJECT

I. Purpose: [X] Secondary Recovery [ ] Pressure Maintenance [ ] Disposal [ ] Storage
Application qualifies for administrative approval? [X] yes [ ] no

II. Operator: SDX Resources, Inc.

Address: PO Box 5061, Midland, TX 79704

Contact party: Chuck Morgan Phone: 505/748-9724

III. Well data: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? [ ] yes [X] no
If yes, give the Division order number authorizing the project _____.

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

* VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

*VIII. Attach appropriate geological data on the injection zone including appropriate lithologic detail, geological name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such source known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

* X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division they need not be resubmitted.)

* XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification

I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: Bonnie Atwater 915/685-3118 Title Regulatory Assistant

Signature: Bonnie Atwater Date: 1/25/96

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be duplicated and resubmitted. Please show the date and circumstance of the earlier submittal. _____

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate Division

Application for Authorization to Injection

SDX Resources, Inc. - Conoco 7 State #5
Unit Letter F, Sec. 7, T19S, R29E
2180' FNL & 1740' FWL, API # 30-015-23920
Eddy Co., New Mexico

I. SDX plans to convert Conoco 7 State #5 to an injection well in the Queen/Grayburg formation.

II. Operator: SDX Resources, Inc.
PO Box 5061
Midland, Texas 79704

Attention: Chuck Morgan 505/748-9724

III. Well Data: See Attachment "A".

IV. This is not an expansion of an existing project.

V. See Attachment "B".

VI. See Attachment "C".

VII. 1) Proposed average daily injection volume: 200 BWPD. Maximum daily injection volume: 1000 BWPD.

2) System will be a closed system.

3) Proposed average injection pressure: Unknown
Proposed maximum injection pressure: To be determined by a step rate test.

4) Injection water would be produced water from the producing wells on the Conoco 7 State lease in the San Andres and Grayburg formations. Double Eagle's fresh water could possibly be added to the system. Injection fluid analysis (Attachment D).

5) Formation water analysis (Attachment E).

VIII. 1) The proposed injection interval is the portion of the Grayburg consisting of porous sand and dolomite.

2) Limited fresh water zones overlie the proposed injection zone at estimated 150'.

IX. The porposed injection interval may be acidized with 15% HCl acid.

X. Well logs and test data are on file at the OCD.

XI. Fresh Water Analysis from fresh water wells (Attachment "F").

XII. Geologic and engineering data have been examined and no evidence of open faults or any other hydrological connection between the injection zone and any fresh water aquifer has been found.

XIII. A) Certified letters sent to offset operators (See Attachment "G"). Surface is owned by State of New Mexico.

B) Copy of legal advertisement attached, along with an Affidavit of Publication (Attachment "H").

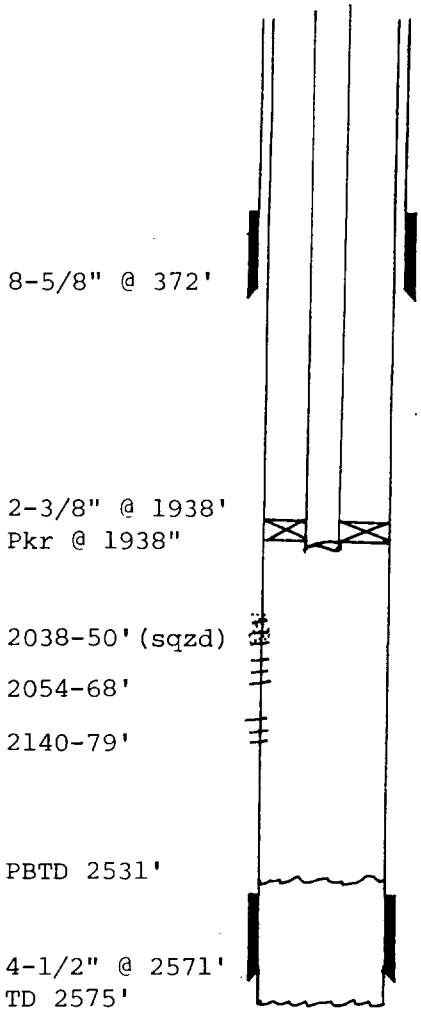
INJECTION WELL DATA SHEET

SDX Resources, Inc. (OPERATOR) Conoco 7 State (LEASE)

5 (WELL NO.) 2180 FNL 1740 FWL (FOOTAGE LOCATION) 7 (SECTION) 19S (TOWNSHIP) 28E (RANGE)

Eddy Co., NM

Schematic



Tabular Data

Surface Casing

Size 8-5/8" " Cemented with 800 sx. Set @ 372'

TOC surface feet determined by calc w/50% eff.

Hole size 12-1/4"

Intermediate Casing

Size _____" Cemented with _____sx.

TOC _____ feet determined by _____

Hole size _____

Long string

Size 4-1/2" " Cemented with 850 sx. Set @ 2571'

TOC surface feet determined by circulation

Hole size 7-7/8"

Total depth 2575' PB 2531'

Injection interval

2054 feet to 2179 feet
(perforated or open-hole, indicate which)

Tubing size 2-3/8" lined with plastic (material) set in a

AD-1 PC (brand and model) packer at 1938 feet

(or describe any other casing-tubing seal).

Other Data

1. Name of the injection formation Grayburg

2. Name of Field or Pool (if applicable) E. Millman

3. Is this a new well drilled for injection? ☐ Yes ☒ No

If no, for what purpose was the well originally drilled?

oil producer

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail (sacks of cement or bridge plug(s) used)

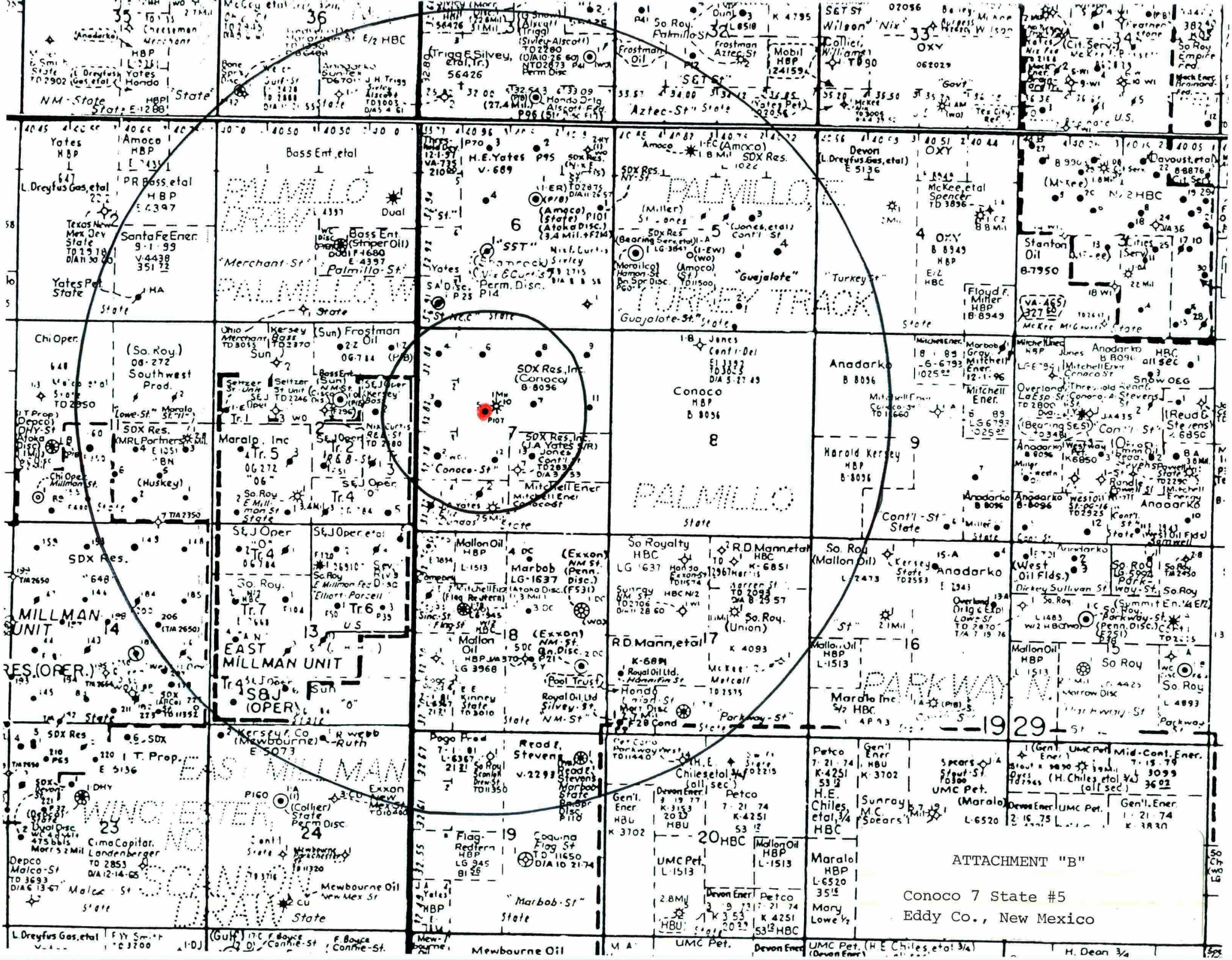
2038-50' Squeezed w/500 sx.

5. Give the depth to and name of any overlying and/or underlying oil or gas zones (pools) in this area.

Overlying: Queen

Underlying: San Andres

ATTACHMENT "A"



ATTACHMENT "B"

Conoco 7 State #5

Eddy Co., New Mexico

WELLS IN THE AREA OF REVIEW

WELL NAME	OPERATOR	TYPE	SPUD	COMPL. (IP)	T.D.	PROD. ZONE	PERFS.	COMPLETION INFORMATION		TOC	
Conoco 7 St. #5 F 07 19S 29E	SDX Resources	Prod.	02/02/82	03/17/82	2571'	Grayburg	2038-50'(Sqz'd) 2054-68' 2140-79'	12-1/4" hole, 372' 8-5/8" 24# cmtd w/800 sxs 7-7/8", 2571', 4-1/2" 9.5#,cmtd w/850 sxs.	4500 g. acid,28,000 g. & 60,000# sd frac,	Surf Surf	Cacl 50% Circ
Conoco 7 St. #7 G 07 19S 29E	SDX Resources	Prod.	01/16/82	03/4/82	2576'	Grayburg	2069-2107' 2137-87'	12-1/4" hole,399', 8-5/8" 23#, cmtd w/300 sxs. 7-7/8" hole, 2568' 4-1/2" 9.5#,cmtd w/1000 sxs.	4000 g. acid,28000 g. & 60,000# sd frac.	Surf Surf	Circ Circ
Conoco 7 St. #3 E 07 19S 29E	SDX Resources	Prod.	03/21/81	07/17/81	3599'	Grayburg	3523-54' CIBP 3423' 2730-74'CIPB 2700 2142-2239'	12-1/4" hole, 432' 8-5/8" 24#,cmtd w/400 sxs. 7-7/8" hole, 3599',4-1/2" 9.5# cmtd w/1250 sxs.	2000 g. acid,28000 g. & 60,000# sd frac.	Surf Surf	Circ Calc 0.75
Conoco 7 St. #2 L 07 19S 29E	SDX Resources	Prod.	03/14/81	07/21/81	3792'	Grayburg	1854-2054(Sqz'd) 2122-2216'	12-1/4" hole,450',8-5/8" 23#,cmtd w/600 sxs. 7-7/8" hole, 3792',4-1/2", 9.5# cmtd w/1085 sxs.	4000 g. acid,28000 g. & 60,000# sd frac.	Surf 624	Circ CBL
Conoco 7 St. #13 J 07 19S 29E	SDX Resources	Prod.	01/05/86	02/25/86	2765'	Grayburg	1202-1307'(sqz'd) 2412-2642'CIBP 2402' 2224-2358'	12-1/4" hole,354',8-5/8" 24#,cmtd w/248 sxs. 7-7/8" hole,2765',5-1/2" 15.5#,cmtd w/675 sxs.	3700 g. acid,68000 g. & 83,000# sd frac.	Surf Surf	Calc 0.75 Calc
Conoco 7 St. #12 K 07 19S 29E	SDX Resources	Prod.	04/27/85	10/29/85	2800'	Grayburg	1993-2100(sqz'd) 2638-96'CIBP 2625 2112-2590'	12-1/4" hole,378',8-5/8" 24#,cmtd w/275 sxs. 7-7/8" hole,2800',4-1/2" 9.5-10.5#,cmtd w/930 sxs.	15,300 g. acid,84,900 g. & 212,434# sd frac.	Surf Surf	Circ Circ
Conoco 7 St. #11 H 07 19S 29E	SDX Resources	Prod.	05/04/82	06/22/82	2505'	Grayburg	2150-60' (Sqz'd) 2149-54'	12-1/4" hole,369',8-5/8" 23#,cmtd w/185 sxs. 7-7/8" hole,2505',4-1/2" 9.5-10.5# cmtd w/575 sxs.	3,000 g. acid,14,000 g. & 30,000# sd frac.	73' Surf	Calc (.50 eff) Circ
Conoco 7 St. #9 A 07 19S 29E	SDX Resources	Prod.	12/19/81	04/05/82	2449'	Grayburg	2076-2111'(Sqz'd) 2115-25'	12-1/4" hole,370',8-5/8" 23#,cmtd w/250 sxs. 7-7/8" hole,2449',4-1/2" 10.5#,cmtd w/1000 sxs.	2,500 g. acid,14,000 g. & 30,000# sd frac.	Surf Surf	Calc (.50 eff) Circ
Conoco 7 St. #8 B 07 19S 29E	SDX Resources	Prod.	02/13/82	03/31/82	2549'	Grayburg	2110-20'(Sqz'd) 2351-2508' CIBP 2340 2199-2323'	12-1/4" hole,379',8-5/8" 23#,cmtd w/400 sxs. 7-7/8" hole,2549',4-1/2" 11.6-9.5#,cmtd w/950 sxs.	1325 g.acid,39000 g. & 52200# sd frac.	Surf Surf	Circ (.75) Calc
Conoco 7 St. #4 D 07 19S 29E	SDX Resources	Prod.	11/11/81	02/21/82	2587'	Grayburg	2163-98' 2214-40'	12-1/4" hole,384',8-5/8" 24#,cmtd w/400 sxs. 7-7/8" hole,2587',4-1/2" 9.5#,cmtd w/875 sxs.	4000 g.acid,28000 g. & 60000# sd frac.	Surf Surf	Circ 0.75 Calc
Conoco 7 St. #6 C 07 19S 29E	SDX Resources	Prod.	11/30/81	02/21/82	2853'	Grayburg	2165-86' 2214-38'	12-1/4", 385',8-5/8"24#,cmtd w/400 sxs. 7-7/8" hole,2553',4-1/2" 9.5#,cmtd w/884 sxs.	4000 g.acid,28000 g. & 60000# sd frac.	Surf Surf	Calc (0.50) Circ
Conoco 7 St. #1 J 07 19S 29E	Stanley Jones	P&A 4/24/60	04/09/52	NA	2832'	NA	NA	12", 10-3/4",300',set & pld. 10" hole,8-5/8",2000' set & pld. See wellbore diagram for P&A details.		NA	NA
Conoco 7 St. #1 N 07 19S 29E	Mitchell Energy Corp.	Prod.	02/12/80	05/08/80	11610	Morrow	11036-11050'	17-1/2" hole,13-3/8" 48#, 400', cmtd w/550 sxs Cl C 11" hole,8-5/8" 24-32#, 2690',cmtd w/ 1100 sxs Lite & 200 sxs C,7-7/8"hole,5-1/2" 17#, 11264' cmtd w/1025 sxs 2-7/8" tbg & pkr @ 10942'.		NA 450' 5678	RediMix Temp Calc (75%)
Conoco 7 St. #10 F 07 19S 29E	Mitchell Energy Corp.	Prod.	11/04/81	01/07/82	11550	Morrow	11138-166', pkr plug @ 11078' New Perfs 10986-11044'	17-1/2" hole,13-3/8" 54.5-61# 377', cmtd w/375 sxs Cl C 12-1/4' hole,8-5/8" 24-32#, 3020',cmtd w/ 580sxs Pozmix,200 sxs Cl C,7-7/8",5-1/2" 17-20# @ 11533',cmtd w/785 Pozmix,2-3/8"tbg & pkr @ 10925'.		Surf Surf 8395	Circ 10 sxs Circ 10 sxs Temp
Elizabeth Dundas #1 M 07 19S 29E	John A. Yates	P&A 01/14/67	08/10/61	09/11/61	2227	NA	2092-96' 1773-96'	11"hole,8-5/8" @ 283',cmtd w/50 sxs, 6" hole, 4-1/2" @2163',cmtd w/125 sxs. See wellbore for P&A details.		144 1530'	Assumed Assumed
Elizabeth Dundas #2 N 07 19S 29E	John A. Yates	P&A 12/28/66	12/30/61	01/31/62	2348	NA	2101-2096' 2087-2080'	11"hole,8-5/8" @ 283',cmtd w/50 sxs, 6" hole, 4-1/2" 9.5# @ 2199',cmtd w/100 sxs. See wellbore for P&A details.		162 1441	Assumed Assumed

F:\LDRD\WELLAREA.WK1 FORM

ATTACHMENT "C"

WELLS IN THE AREA OF REVIEW

WELL NAME	OPERATOR	TYPE	SPUD	COMPL. (IP)	T.D.	PROD. ZONE	PERFS.	COMPLETION INFORMATION	T O C		
State N&C #1 M 06 19S 29E	M. Yates II	Prod.	10/18/65	07/14/66	2844' PB 2658	San Andres	2776–78' (Sqz'd) 2676–82' (Sqz'd) 2621–25' (Sqz'd) 2612–16'	12–1/4" hole, 433' 8–5/8" 24# cmtd w/50 sx 2795' 5–1/2", cmtd w/300 sx	7000 g. acid SWF: 39,480 & 58000#	NA	
Nix & Curtis St #1 K 06 19S 29E	Collins, Davis, Nix & Curtis	Prod.	09/15/62	03/22/63	2626' PB 1987	Grayburg (TA) Penrose	2188–98', 2208–18' CIBP 1987',1924–28' 1930–32', 1940–44' 1950–55'	12–1/4" hole, 282' 8–5/8", cmtd w/75 sx 7–7/8" hole, 2329' 4–1/2", cmtd w/200 sx	500 g. mud acid 500 g. acid SF 40000 & 66000#	NA	
New Mexico Z St #1 A 12 19S 28E	Sun Exploration	Prod.	07/08/82	09/29/82	2922' PB 2252	San Andres QN/GRB	2592–2632' New Perfs: 2382–98' 2280–94', 2056–88' 2106–16', 2158–74' 2196–2220'	412' 9–5/8", cmtd w/250 sx 2922' 5–1/2", cmtd w/1475 sx	12000 g. acid SWF: 80000 & 139750#	NA	
New Mexico O St #1 G 12 19S 28E	Sun Exploration	Prod.	01/16/83	01/26/84	11465' PB 9511	Cisco Wolfcamp	10802–804,10886–890 10903–915,10932–941 10316–324, 9756–60 9789–99, 9534–46 CIBP 9680' New Perf: 9468–87	365' 13–3/8", cmtd w/450 sx 12–1/4" hole, 3000' 8–5/8", cmtd w/2000 sx 11465' 5–1/2", cmtd w/1680 sx	11400 g. total acid	NA	
Bass #2 H 12 19S 28E	Kersey & Co.	Prod.?	01/07/64	03/28/64	2278'	Grayburg	2167–69', 2190–94' 2234–36'	12–1/4" hole, 405' 8–5/8". cmtd w/50 sx 1894' 7", cmt NA, 2278' 4–1/2", cmtd w/100 sx	SF: 25000 & 25000#	NA	
E. Millman Tr 3 #1 I 12 19S 28E	Sun Oil	WI	08/11/63 Converted 08/01/81	10/10/63 08/09/81	2318' PB 2272	QN/GRB	2148–56', 2225–35' New Perf: 1718–2136'	12–1/4" hole, 401' 8–5/8", cmtd w/50 sx 2318' 4–1/2", cmtd w/100 sx, Tbg 2248' 2–3/8"	5850 g. acid SF: 700 & 25000#	NA	

ATTACHMENT "C"

WELL NAME: Stanley L. Jones Continental St. #7 FIELD AREA: East Millman - Qu - 66

LOCATION: J sec. 7 T19S R29E 1650' FSL & 2310 FEL

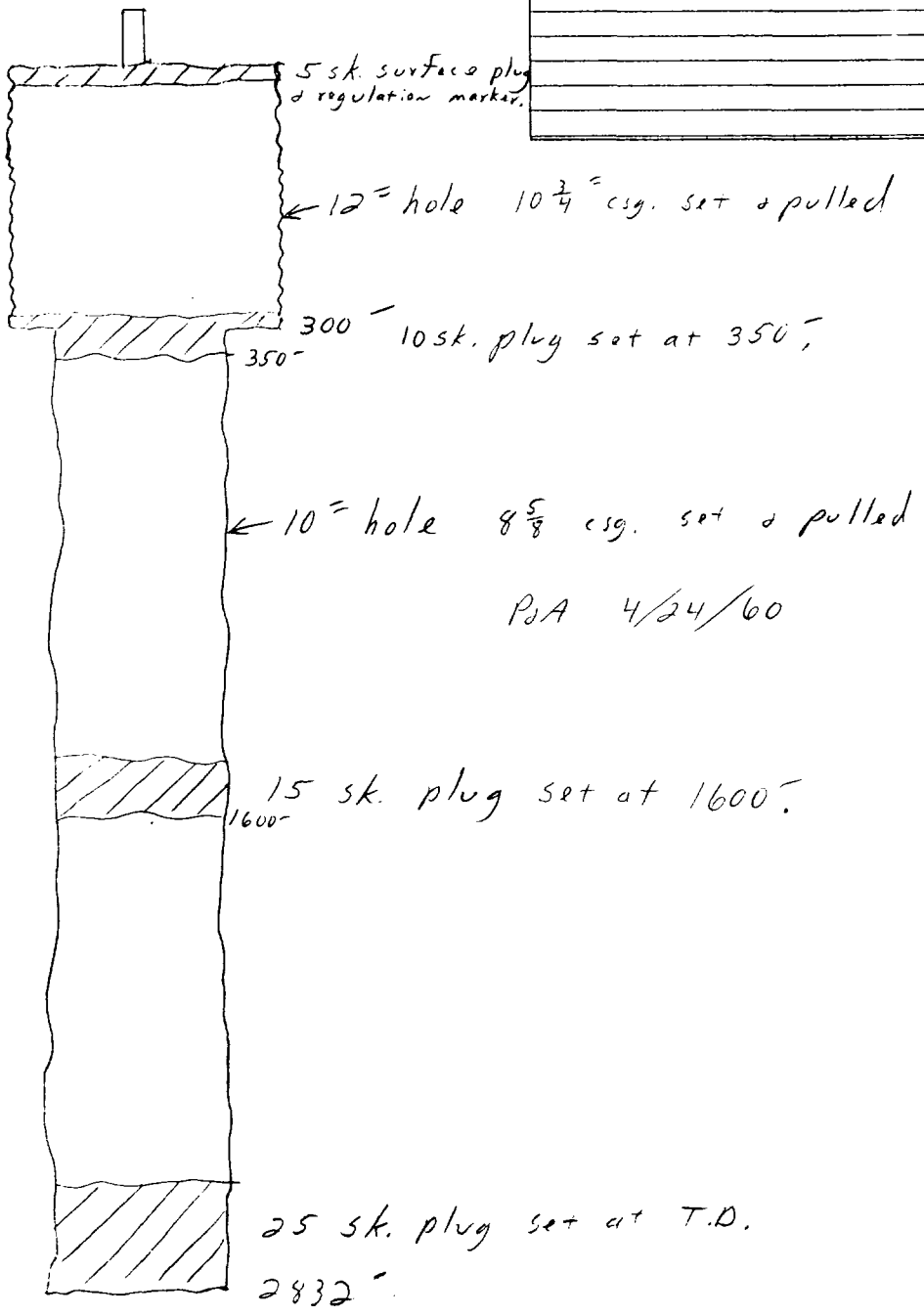
GL: 3378' ZERO: _____' AGL: _____'

KB: _____' ORIG. DRLG./COMPL. DATE: _____

COMMENTS: _____

CASING PROGRAM:

SIZE/WT./GR./CONN.	DEPTH SET



- SKETCH NOT TO SCALE -

REVISED: _____

ATTACHMENT "C"

WELL NAME: John A Yates Elizabeth Dundas #2 FIELD AREA: East Millman - 4n - 6e

LOCATION: N Sec. 17 T19S R29E 990' FSL & 1650' FWL

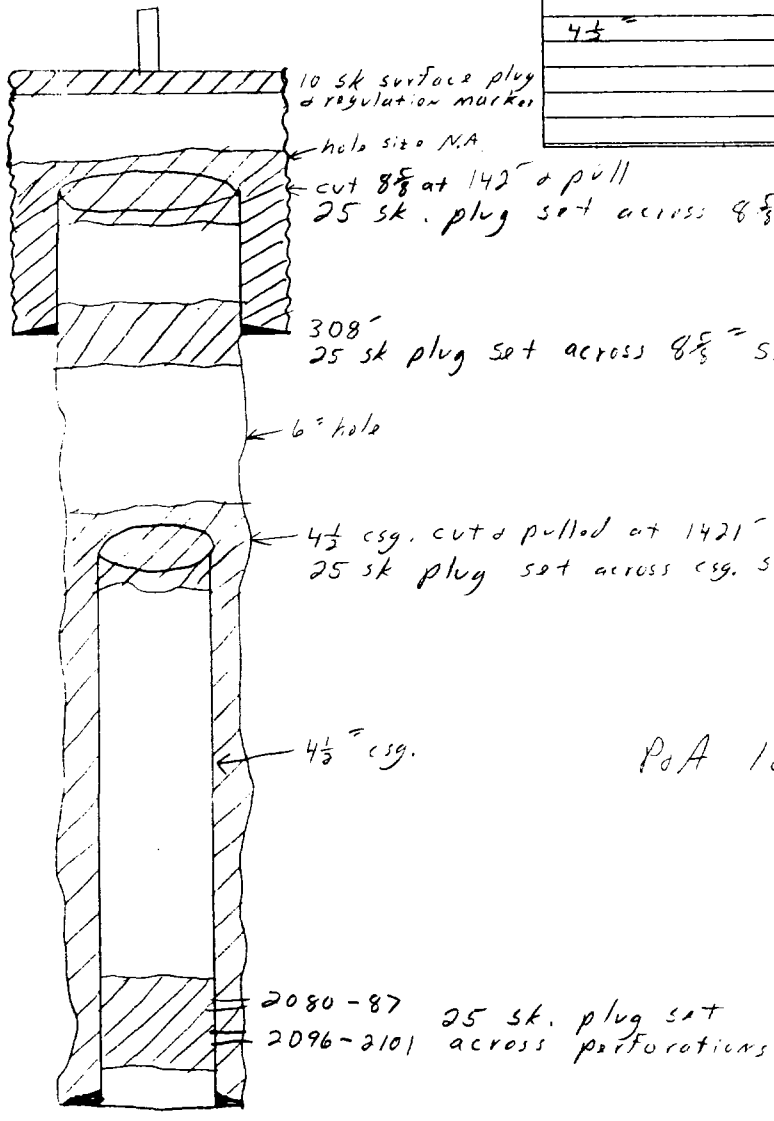
GL: ____' ZERO: 3382' AGL: 1'

KB: ____' ORIG. DRLG./COMPL. DATE: 12/30/61

COMMENTS: _____

CASING PROGRAM:

SIZE/WT./GR./CONN.		DEPTH SET
8⅝"	cmt. w/ 50 sks.	308'
4½"	cmt. w/ 100 sks	2199'



P&A 12/28/66

- SKETCH NOT TO SCALE -

REVISED: _____

ATTACHMENT "C"

WELL NAME: John A Yates "Elizabeth Dundas" #1 FIELD AREA: East Millman-Qn-Gry.

LOCATION: "M" sec 7 T19S R29E 660' FSL & 330' FWL

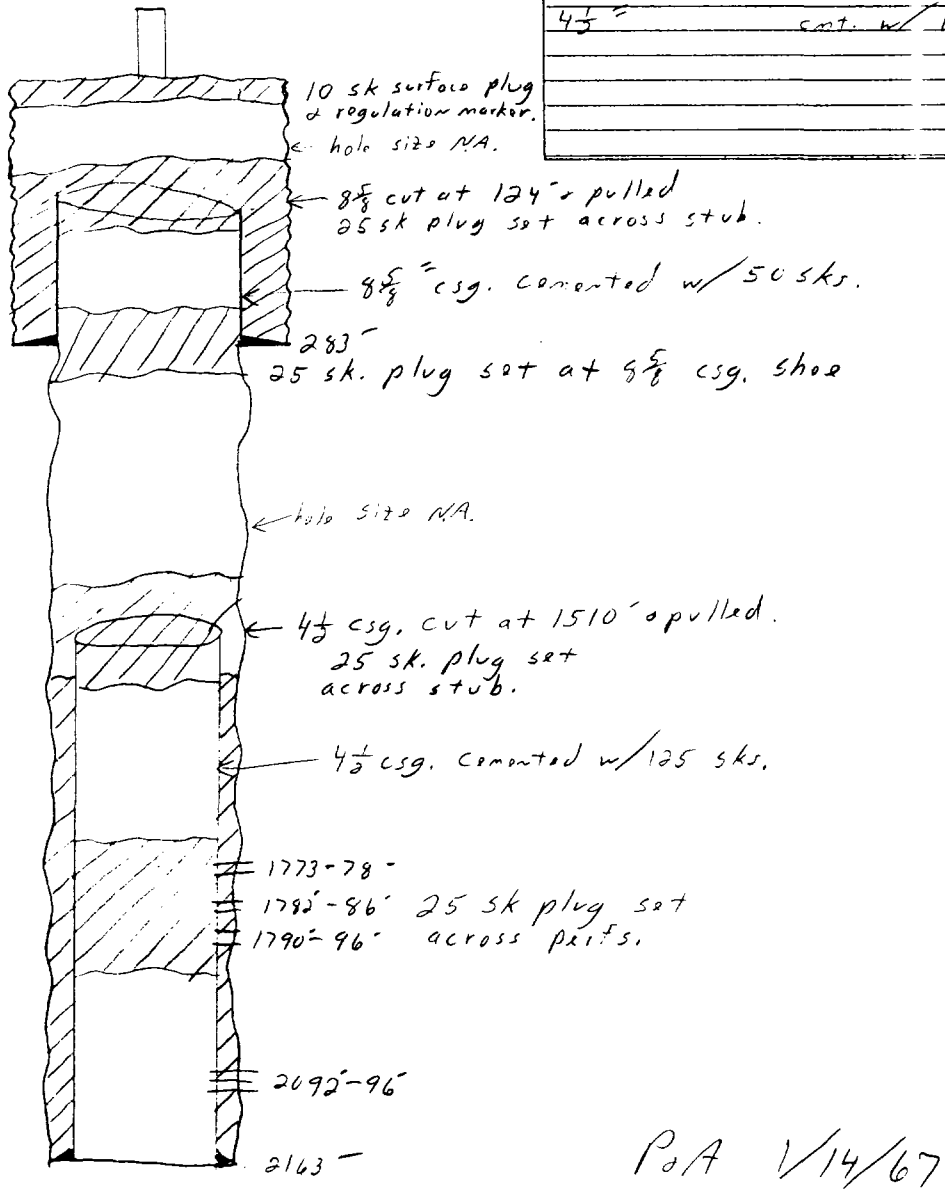
GL: ____' ZERO: 3378' AGL: 1'

KB: ____' ORIG. DRLG./COMPL. DATE: 8/10/61

COMMENTS: _____

CASING PROGRAM:

SIZE/WT./GR./CONN.		DEPTH SET
8⅝" cmt. w/	50 sks.	283'
4½" cmt. w/	125 sks	2163'



P&A 1/14/67

- SKETCH NOT TO SCALE - REVISED: _____

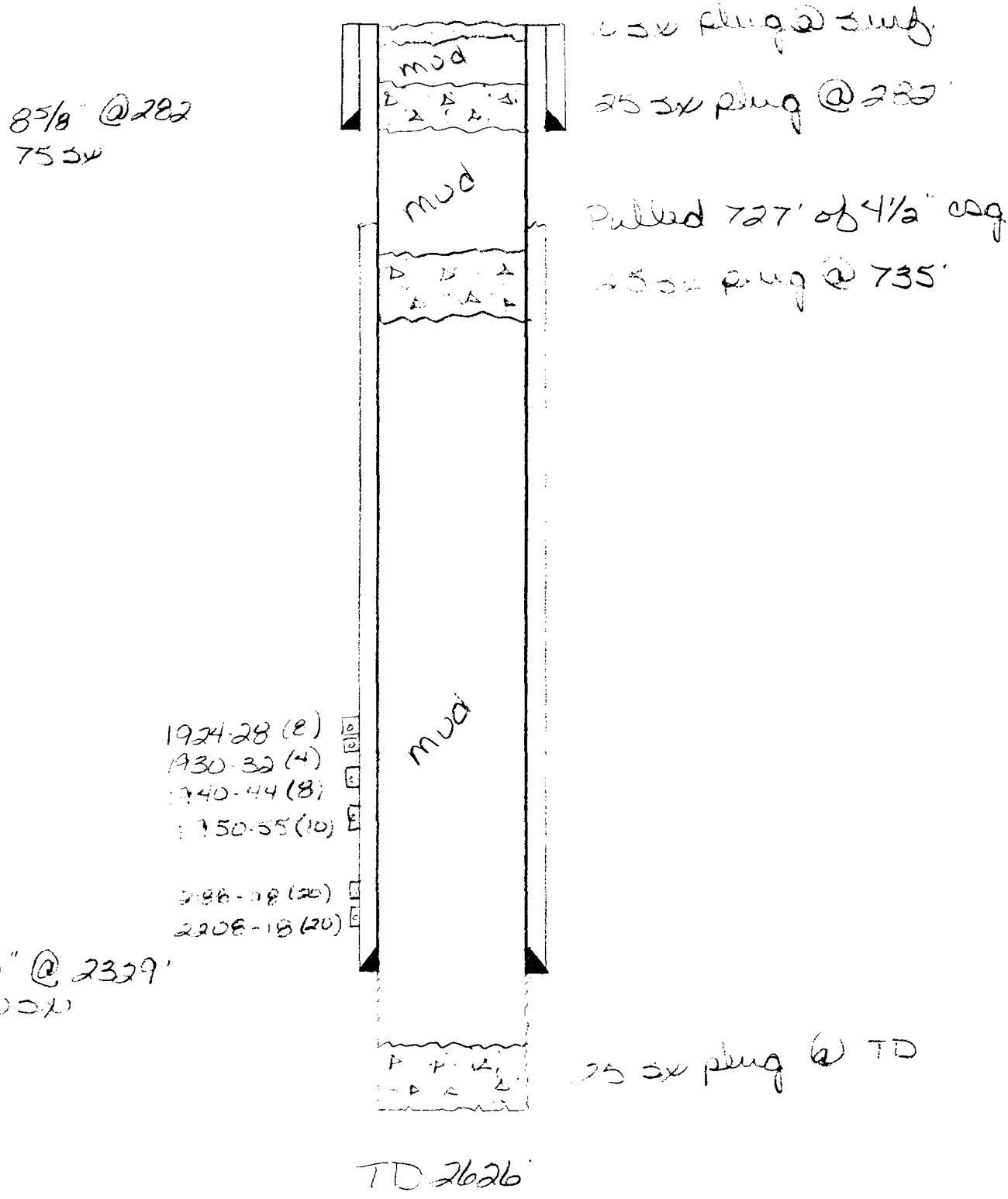
ATTACHMENT "C"

WELL NAME: Nix + Curtis State #1

OPERATOR: Nix + Curtis

LOCATION: 1980 FSL, 1747 FWL, Sec 6, T 19, R 29E Eddy Co, NM

COMPLETED: 3/63 P+A 2/70



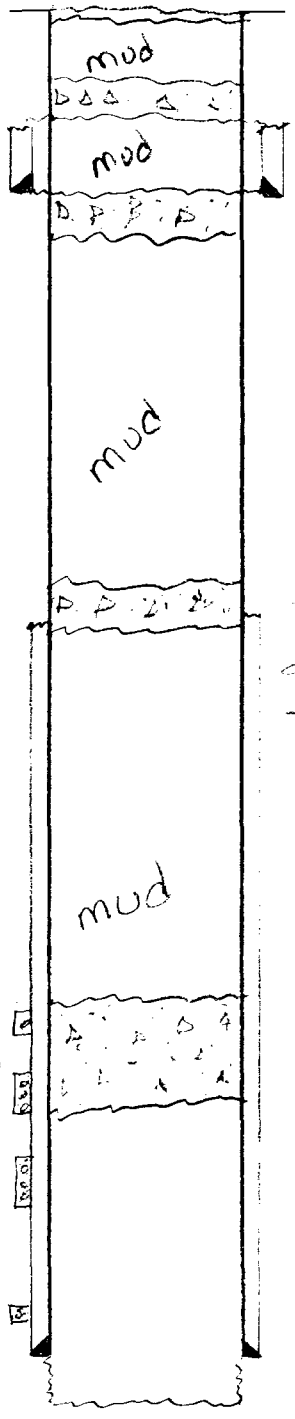
ATTACHMENT "C"

WELL NAME: N+C State #1

OPERATOR: Martin Yates III

LOCATION: 660' FSL, 543' FWL, Sec 6, T19S, R29E Eddy Co., NM

COMPLETED: 7/66 P+A 11/68



10 sx plug @ surf

25 sx plug @ stub of 8 5/8"

Pulled 269' of 8 5/8" csg

25 sx plug @ 433'

8 5/8 @ 433'
50 sx

Pulled 1231' of 5 1/2" csg

25 sx plug in + out of stub of 5 1/2" csg.

155 sx plug over perfs 2612-35'

5 1/2 @ 2795'
300 sx TOC?

TD 2844'

ATTACHMENT "C"

HALLIBURTON SERVICES

ARTESIA DISTRICT

LABORATORY REPORT

No. _____

TO SDX Resources

Date 2/10/95

Submitted by Chuck Morgan Date Rec. 2/10/95

Well No. Conoco "7" Tank Bat. Depth _____ Formation _____

Field _____ County _____ Source _____

Resistivity	.06		
Specific Gravity ..	1.1		
pH	7.1		
Calcium	2500		
Magnesium	750		
Chlorides	110,000 mpl		
Sulfates	4500 mpl		
Bicarbonates	800 mpl		
Soluble Iron	Nil		

Remarks:

David McKenzie

Respectfully submitted

Analyst: _____

HALLIBURTON SERVICES

ATTACHMENT "D"

PETROLITE

Petrolite Corporation
422 West Main Street
Artesia, NM 88210-2041

TRETOLITE DIVISION

(505) 746-3588
Fax (505) 746-3580

Reply to:
P.O. Box 1140
Artesia, NM
88211-7531

WATER ANALYSIS REPORT

Company	: SDX RESOURCES	Date	: 01/22/96
Address	: ARTESIA, NM	Date Sampled	: 01/22/96
Lease	: CONOCO 7 STATE	Analysis No.	: 0204
Well	: #5		
Sample Pt.	: WELLHEAD		

	ANALYSIS		mg/L		* meq/L
1.	pH	6.6			
2.	H2S	130			
3.	Specific Gravity	1.080			
4.	Total Dissolved Solids		125615.6		
5.	Suspended Solids		NR		
6.	Dissolved Oxygen		NR		
7.	Dissolved CO2		NR		
8.	Oil In Water		NR		
9.	Phenolphthalein Alkalinity (CaCO3)				
10.	Methyl Orange Alkalinity (CaCO3)				
11.	Bicarbonate	HCO3	951.0	HCO3	15.6
12.	Chloride	Cl	75402.0	Cl	2127.0
13.	Sulfate	SO4	1375.0	SO4	28.6
14.	Calcium	Ca	2600.0	Ca	129.7
15.	Magnesium	Mg	1847.6	Mg	152.0
16.	Sodium (calculated)	Na	43438.9	Na	1889.5
17.	Iron	Fe	1.0		
18.	Barium	Ba	NR		
19.	Strontium	Sr	NR		
20.	Total Hardness (CaCO3)		14100.0		

PROBABLE MINERAL COMPOSITION

*milli equivalents per Liter

130	*Ca <----- *HCO3	16	
	/------->		
152	*Mg -----> *SO4	29	
	<---------'		
1889	*Na -----> *Cl	2127	

Compound	Equiv wt	X meq/L	= mg/L
Ca(HCO3)2	81.0	15.6	1263
CaSO4	68.1	28.6	1949
CaCl2	55.5	85.5	4745
Mg(HCO3)2	73.2		
MgSO4	60.2		
MgCl2	47.6	152.0	7236
NaHCO3	84.0		
Na2SO4	71.0		
NaCl	58.4	1889.5	110421

Saturation Values Dist. Water 20 C

CaCO3	13 mg/L
CaSO4 * 2H2O	2090 mg/L
BaSO4	2.4 mg/L

REMARKS:
STEVE TIGERT

Petrolite Oilfield Chemicals Group

Respectfully submitted,
STEVE TIGERT

ATTACHMENT "E"

SCALE TENDENCY REPORT

Company	: SDX RESOURCES	Date	: 01/22/96
Address	: ARTESIA, NM	Date Sampled	: 01/22/96
Lease	: CONOCO 7 STATE	Analysis No.	: 0204
Well	: #5	Analyst	: STEVE TIGERT
Sample Pt.	: WELLHEAD		

STABILITY INDEX CALCULATIONS
(Stiff-Davis Method)
CaCO3 Scaling Tendency

S.I. =	0.7	at	60 deg. F or	16 deg. C
S.I. =	0.7	at	80 deg. F or	27 deg. C
S.I. =	0.8	at	100 deg. F or	38 deg. C
S.I. =	0.9	at	120 deg. F or	49 deg. C
S.I. =	0.9	at	140 deg. F or	60 deg. C

****

CALCIUM SULFATE SCALING TENDENCY CALCULATIONS
(Skillman-McDonald-Stiff Method)
Calcium Sulfate

S =	4412	at	60 deg. F or	16 deg C
S =	4758	at	80 deg. F or	27 deg C
S =	4980	at	100 deg. F or	38 deg C
S =	5085	at	120 deg. F or	49 deg C
S =	5161	at	140 deg. F or	60 deg C

Petrolite Oilfield Chemicals Group

Respectfully submitted,
STEVE TIGERT

ATTACHMENT "E"

HALLIBURTON

RECEIVED

Halliburton Energy Services
Artesia District
Laboratory Report No. W22-95

TO: S D X Resources

P. O. Box 5061

Midland, TX 79704

Date: February 10, 1995

Submitted by Chuck Morgan Date Rec February 10, 1995

Well No _____ Depth _____ Formation _____

Field _____ County _____ Source Fresh Water Tank

Resistivity.....	1.8		
Specific Gravity.	1.0		
pH.....	6.2		
Calcium.....	250		
Magnesium.....	150		
Chlorides.....	2,000 mpl		
Sulfates.....	1,750 mpl		
Bicarbonates.....	200		
Soluble Iron.....	Nil		

Remarks:

David McKenzie
Respectfully submitted

Analyst: David McKenzie -- Technical Advisor

ATTACHMENT "E"

List of all offset lease and surface owners that were sent Certified letters of notification.

1) Bass Enterprises Production Co. 915/683-2277
PO Box 2760
Midland, TX 79702-2760

2) Conoco, Inc. 915/686-5400
Attn: David Scott
10 Desta Dr #100W
Midland, TX 79705-4500

3) Frostman Oil 505/746-3344
PO Box 900
Artesia, NM 88211

4) Heyco 505/623-6601
PO Box 1933
Roswell, NM 88202

5) Mitchell Energy 713/377-5500
PO Box 4000
The Woodlands, TX 77380-4000

6) S&J Operating, Co. 817/723-2166
PO Box 2249
Wichita Falls, TX 76307

Attachment "G"

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

January 24, 1996

ADDRESS

Re: Application for Authority to Inject
Section 7, T19S, R29E
Eddy Co., New Mexico

Gentlemen:

Enclosed is a copy of Form C-108 (Application for Authority to Inject) for the following wells operated by SDX Resources, Inc.

Conoco 7 State #3 1980' FNL & 542' FWL Sec 7, T19S, R29E, Unit E	Conoco 7 State #5 2180' FNL & 1740' FWL Sec 7, T19S, R29E, Unit F
Conoco 7 State #6 660' FNL & 1740' FWL Sec 7, T19S, R29E, Unit C	Conoco 7 State #7 1980' FNL & 1980' FEL Sec 7, T19S, R29E, Unit G

Should you have any questions, please contact us at the letterhead address or call 915/685-1761. Thank you for your consideration in this matter.

Sincerely,

John Pool
Vice President

JDP:bja

enclosures

bjac-108

ATTACHMENT "G"

Affidavit of Publication

No. 15330

STATE OF NEW MEXICO,

County of Eddy:

Gary D. Scott being duly sworn, says: That he is the Publisher of The Artesia Daily Press, a daily newspaper of general circulation, published in English at Artesia, said county and state, and that the hereto attached Legal Notice

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for 1 days" consecutive weeks on the same day as follows:

First Publication January 7, 1996

Second Publication

Third Publication

Fourth Publication

Gary D. Scott

Subscribed and sworn to before me this 18th day of January 19 96

Barbara Ann Boone
Notary Public, Eddy County, New Mexico

My Commission expires September 23, 1999

Copy of Publication

LEGAL NOTICE

NOTICE OF APPLICATION FOR FLUID INJECTION WELL PERMIT

SDX Resources, Inc., located at 511 W. Ohio St., Ste. 611, Midland, TX 79701, mailing address PO Box 5061, Midland, TX 79704, Contact: John Pool 915/685-1761 is seeking administrative approval from the New Mexico Oil Conservation Division to complete the following wells located in Section 7, T19S, R29E, Eddy Co., New Mexico as injection wells: Conoco 7 State #5, #3, #6 & #7. The proposed injection zone for #5 is the GBG formation with perforations from 2038-2179'. Conoco 7 State #3 (2142-2239'), #6 (2165-2238'), & #7 (2069-2187') proposed injection zone is the QN/GBG formation. SDX Resources, Inc. intends to inject a maximum of 1000 barrels of produced formation water per day at a maximum injection pressure of 800 psi.

Interested parties must file objections or request for hearing with the Oil Conservation Division, 2040 South PPacheco, Santa Fe, New Mexico 87505 within 15 days of this notice.

Published in the Artesia Daily Press, Artesia, N.M. January 7, 1996.

Legal 15330

ORIGINAL AFFIDAVIT WITH CONOCO 7 STATE #3.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501

Revised 7-1-81

Case 11982

APPLICATION FOR AUTHORIZATION TO INJECT

I. Purpose: [X] Secondary Recovery [ ] Pressure Maintenance [ ] Disposal [ ] Storage
Application qualifies for administrative approval? [X] yes [ ] no

II. Operator: SDX Resources, Inc.

Address: PO Box 5061, Midland, TX 79704

Contact party: Chuck Morgan Phone: 505/748-9724

III. Well data: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? [ ] yes [X] no
If yes, give the Division order number authorizing the project _____.

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

* VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

*VIII. Attach appropriate geological data on the injection zone including appropriate lithologic detail, geological name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such source known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

* X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division they need not be resubmitted.)

* XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification

I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: Bonnie Atwater 915/685-3118 Title Regulatory Assistant

Signature: Bonnie Atwater Date: 1/25/96

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be duplicated and resubmitted. Please show the date and circumstance of the earlier submittal. _____

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate Division

Application for Authorization to Inject

SDX Resources, Inc. - Conoco 7 State #6
Unit Letter C, Sec. 7, T19S, R29E
660' FNL & 1740' FWL, API # 30-015-23921
Eddy Co., New Mexico

I. SDX plans to convert Conoco 7 State #6 to an injection well in the Queen/Grayburg formation.

II. Operator: SDX Resources, Inc.
PO Box 5061
Midland, Texas 79704

Attention: Chuck Morgan 505/748-9724

III. Well Data: See Attachment "A".

IV. This is not an expansion of an existing project.

V. See Attachment "B".

VI. See Attachment "C".

VII. 1) Proposed average daily injection volume: 200 BWPD. Maximum daily injection volume: 1000 BWPD.

2) System will be a closed system.

3) Proposed average injection pressure: Unknown
Proposed maximum injection pressure: To be determined by a step rate test.

4) Injection water would be produced water from the producing wells on the Conoco 7 State lease in the San Andres and Grayburg formations. Double Eagle's fresh water could possibly be added to the system. Injection fluid analysis (Attachment D).

5) Formation water analysis (Attachment E).

VIII. 1) The proposed injection interval is the portion of the Grayburg consisting of porous sand and dolomite.

2) Limited fresh water zones overlie the proposed injection zone at estimated 150'.

IX. The porposed injection interval may be acidized with 15% HCl acid.

X. Well logs and test data are on file at the OCD.

XI. Fresh Water Analysis from fresh water wells (Attachment "F").

XII. Geologic and engineering data have been examined and no evidence of open faults or any other hydrological connection between the injection zone and any fresh water aquifer has been found.

XIII. A) Certified letters sent to offset operators (See Attachment "G"). Surface is owned by State of New Mexico.

B) Copy of legal advertisement attached, along with an Affidavit of Publication (Attachment "H").

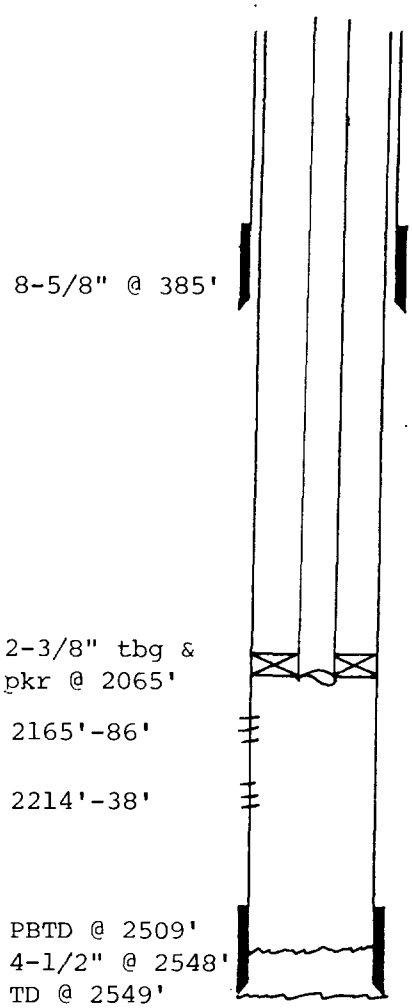
INJECTION WELL DATA SHEET

SDX Resources, Inc. (OPERATOR) Conoco 7 State (LEASE)

6 (WELL NO.) 660 FNL 1740 FWL (FOOTAGE LOCATION) 7 (SECTION) 19S (TOWNSHIP) 29E (RANGE)

Eddy Co., NM

Schematic



Tabular Data

Surface Casing

Size 8-5/8" " Cemented with 400 sx. Set @ 385'

TOC surface feet determined by circulation

Hole size 12-1/4"

Intermediate Casing

Size _____" Cemented with _____ sx.

TOC _____ feet determined by _____

Hole size _____

Long string

Size 4-1/2 " Cemented with 884 sx. Set @ 2548'

TOC surface feet determined by circulation

Hole size 7-7/8"

Total depth 2549' PBTD 2509'

Injection interval

2165 feet to 2238 feet
(perforated or open-hole, indicate which)

Tubing size 2-3/8" lined with plastic (material) set in a

AD-1 PC (brand and model) packer at 2065' feet

(or describe any other casing-tubing seal).

Other Data

1. Name of the injection formation Queen/Grayburg

2. Name of Field or Pool (if applicable) E. Millman

3. Is this a new well drilled for injection? ☐ Yes ☒ No

If no, for what purpose was the well originally drilled? oil producer

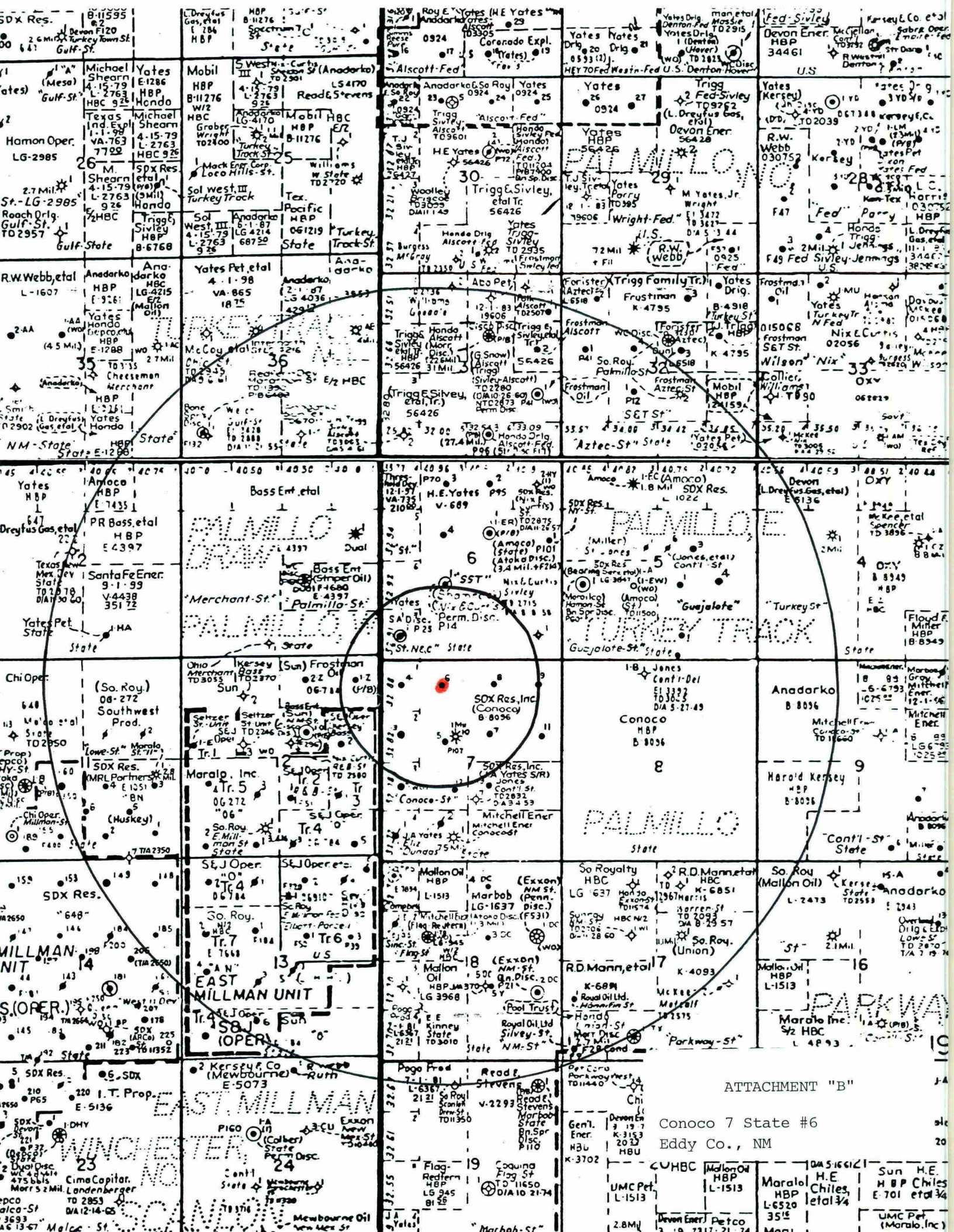
4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail (sacks of cement or bridge plug(s) used)

NO

5. Give the depth to and name of any overlying and/or underlying oil or gas zones (pools) in this area.

underlying: San Andres

ATTACHMENT "A"


PALMILLO
PALMILLO
PALMILLO
PALMILLO
PARKWAY
EAST MILLMAN UNIT
EAST MILLMAN
WINCHESTER
SAN ANDRES
TURKEY TRACK
Anadarko
Yates
Mobil
Texas Ind. Expl.
Michael Shearn
Harmon Oper.
LG-2985
Gulf-St.
Gulf-State
Devon Ener.
Devon F120
Turkey Town St.
Coronado Expl.
Alscott-Fed
Trigg & Sivley, etal Tr.
56426
Trigg Family Tr.
Frostman
K-4795
Frostman Aztec St
Aztec-St
Palmillo-St
Merchant-St.
Lowe-St.
Gwajolote-St.
Conoco-St
Parkway-St
Turkey St
Bass Ent. etal
Bass Ent (Sinper Oil)
Santa Fe Ener.
Yates Pet.
Amoco
Conoco
Marbob
Mallon Oil
Read & Stevens
Pogo Prod
Kersey & Co
Sun
Oxy
Devon
Frostman Oil
Collier, Williamson
Harold Kersey
R.D. Mann, etal
So Royalty
So. Roy (Mallon Oil)
Maralo, Inc.
Sun H.E. H B P Chiles E-701 etal 3/4
H.E. Chiles, etal 3/4
UMC Pet.
Petco
Flag-Redfern
Coquina
SDX Res.
SDX Res, Inc.
Jones Cont'l-Del
Southwest Prod.
Chi Oper.
Cima Capital
Londenberger
I. T. Prop.
Newbourne Oil
Exxon
Ohio
Kersey
Frostman
Seltzer
Millman Unit
ATTACHMENT "B"
Conoco 7 State #6
Eddy Co., NM

WELLS IN THE AREA OF REVIEW

WELL NAME	OPERATOR	TYPE	SPUD	COMPL. (IP)	T.D.	PROD. ZONE	PERFS.	COMPLETION INFORMATION		T O C	
Conoco 7 St. #5 F 07 19S 29E	SDX Resources	Prod.	02/02/82	03/17/82	2571'	Grayburg	2038-50'(Sqz'd) 2054-68' 2140-79'	12-1/4" hole, 372' 8-5/8" 24# cmtd w/800 sxs 7-7/8", 2571', 4-1/2" 9.5#,cmtd w/850 sxs.	4500 g. acid,28,000 g. & 60,000# sd frac,	Surf Surf	Cacl 50% Circ
Conoco 7 St. #7 G 07 19S 29E	SDX Resources	Prod.	01/16/82	03/4/82	2576'	Grayburg	2069-2107' 2137-87'	12-1/4" hole,399', 8-5/8" 23#, cmtd w/300 sxs. 7-7/8" hole, 2568' 4-1/2" 9.5#,cmtd w/1000 sxs.	4000 g. acid,28000 g. & 60,000# sd frac.	Surf Surf	Circ Circ
Conoco 7 St. #3 E 07 19S 29E	SDX Resources	Prod.	03/21/81	07/17/81	3599'	Grayburg	3523-54' CIBP 3423' 2730-74' CIPB 2700 2142-2239'	12-1/4" hole, 432' 8-5/8" 24#,cmtd w/400 sxs. 7-7/8" hole, 3599',4-1/2" 9.5# cmtd w/1250 sxs.	2000 g. acid,28000 g. & 60,000# sd frac.	Surf Surf	Circ Calc 0.75
Conoco 7 St. #2 L 07 19S 29E	SDX Resources	Prod.	03/14/81	07/21/81	3792'	Grayburg	1854-2054(Sqz'd) 2122-2216'	12-1/4" hole,450',8-5/8" 23#,cmtd w/600 sxs. 7-7/8" hole, 3792',4-1/2", 9.5# cmtd w/1085 sxs.	4000 g. acid,28000 g. & 60,000# sd frac.	Surf 624	Circ CBL
Conoco 7 St. #13 J 07 19S 29E	SDX Resources	Prod.	01/05/86	02/25/86	2765'	Grayburg	1202-1307'(sqz'd) 2412-2642'CIBP 2402' 2224-2358'	12-1/4" hole,354',8-5/8" 24#,cmtd w/248 sxs. 7-7/8" hole,2765',5-1/2" 15.5#,cmtd w/675 sxs.	3700 g. acid,68000 g. & 83,000# sd frac.	Surf Surf	Calc 0.75 Calc
Conoco 7 St. #12 K 07 19S 29E	SDX Resources	Prod.	04/27/85	10/29/85	2800'	Grayburg	1993-2100(sqz'd) 2638-96'CIBP 2625 2112-2590'	12-1/4" hole,378',8-5/8" 24#,cmtd w/275 sxs. 7-7/8" hole,2800',4-1/2" 9.5-10.5#,cmtd w/930 sxs.	15,300 g. acid,84,900 g. & 212,434# sd frac.	Surf Surf	Circ Circ
Conoco 7 St. #11 H 07 19S 29E	SDX Resources	Prod.	05/04/82	06/22/82	2505'	Grayburg	2150-60' (Sqz'd) 2149-54'	12-1/4" hole,369',8-5/8" 23#,cmtd w/185 sxs. 7-7/8" hole,2505',4-1/2" 9.5-10.5# cmtd w/575 sxs.	3,000 g. acid,14,000 g. & 30,000# sd frac.	73' Surf	Calc (.50 eff) Circ
Conoco 7 St. #9 A 07 19S 29E	SDX Resources	Prod.	12/19/81	04/05/82	2449'	Grayburg	2076-2111'(Sqz'd) 2115-25'	12-1/4" hole,370',8-5/8" 23#,cmtd w/250 sxs. 7-7/8" hole,2449',4-1/2" 10.5#,cmtd w/1000 sxs.	2,500 g. acid,14,000 g. & 30,000# sd frac.	Surf Surf	Calc (.50 eff) Circ
Conoco 7 St. #8 B 07 19S 29E	SDX Resources	Prod.	02/13/82	03/31/82	2549'	Grayburg	2110-20'(Sqz'd) 2351-2508' CIBP 2340 2199-2323'	12-1/4" hole,379',8-5/8" 23#,cmtd w/400 sxs. 7-7/8" hole,2549',4-1/2" 11.6-9.5#,cmtd w/950 sxs.	1325 g.acid,39000 g. & 52200# sd frac.	Surf Surf	Circ (.75) Calc
Conoco 7 St. #4 D 07 19S 29E	SDX Resources	Prod.	11/11/81	02/21/82	2587'	Grayburg	2163-98' 2214-40'	12-1/4" hole,384',8-5/8" 24#,cmtd w/400 sxs. 7-7/8" hole,2587',4-1/2" 9.5#,cmtd w/875 sxs.	4000 g.acid,28000 g. & 60000# sd frac.	Surf Surf	Circ 0.75 Calc
Conoco 7 St. #6 C 07 19S 29E	SDX Resources	Prod.	11/30/81	02/21/82	2853'	Grayburg	2165-86' 2214-38'	12-1/4", 385',8-5/8"24#,cmtd w/400 sxs. 7-7/8" hole,2553',4-1/2" 9.5#,cmtd w/884 sxs.	4000 g.acid,28000 g. & 60000# sd frac.	Surf Surf	Calc (0.50) Circ
Conoco 7 St. #1 J 07 19S 29E	Stanley Jones	P&A 4/24/60	04/09/52	NA	2832'	NA	NA	12", 10-3/4",300',set & pld. 10" hole,8-5/8",2000' set & pld. See wellbore diagram for P&A details.		NA	NA
Conoco 7 St. #1 N 07 19S 29E	Mitchell Energy Corp.	Prod.	02/12/80	05/08/80	11610	Morrow	11036-11050'	17-1/2" hole,13-3/8" 48#, 400', cmtd w/550 sxs Cl C 11" hole,8-5/8" 24-32#, 2690',cmtd w/ 1100 sxs Lite & 200 sxs C,7-7/8"hole,5-1/2" 17#, 11264' cmtd w/1025 sxs 2-7/8" tbg & pkr @ 10942'.		NA 450' 5678	RediMix Temp Calc (75%)
Conoco 7 St. #10 F 07 19S 29E	Mitchell Energy Corp.	Prod.	11/04/81	01/07/82	11550	Morrow	11138-166', pkr plug @ 11078' New Perfs 10986-11044'	17-1/2" hole,13-3/8" 54.5-61# 377', cmtd w/375 sxs Cl C 12-1/4' hole,8-5/8" 24-32#, 3020',cmtd w/ 580sxs Pozmix,200 sxs Cl C,7-7/8",5-1/2" 17-20# @ 11533',cmtd w/785 Pozmix,2-3/8"tbg & pkr @ 10925'.		Surf Surf 8395	Circ 10 sxs Circ 10 sxs Temp
Elizabeth Dundas #1 M 07 19S 29E	John A. Yates	P&A 01/14/67	08/10/61	09/11/61	2227	NA	2092-96' 1773-96'	11"hole,8-5/8" @ 283',cmtd w/50 sxs, 6" hole, 4-1/2" @2163',cmtd w/125 sxs. See wellbore for P&A details.		144 1530'	Assumed Assumed
Elizabeth Dundas #2 N 07 19S 29E	John A. Yates	P&A 12/28/66	12/30/61	01/31/62	2348	NA	2101-2096' 2087-2080'	11"hole,8-5/8" @ 283',cmtd w/50 sxs, 6" hole, 4-1/2" 9.5# @ 2199',cmtd w/100 sxs. See wellbore for P&A details.		162 1441	Assumed Assumed

P:\12DK\2WELLAREA.WK1 FORM

ATTACHMENT "C"

WELLS IN THE AREA OF REVIEW

WELL NAME	OPERATOR	TYPE	SPUD	COMPL. (IP)	T.D.	PROD. ZONE	PERFS.	COMPLETION INFORMATION	T O C		
State N&C #1 M 06 19S 29E	M. Yates II	Prod.	10/18/65	07/14/66	2844' PB 2658	San Andres	2776-78' (Sqz'd) 2676-82' (Sqz'd) 2621-25' (Sqz'd) 2612-16'	12-1/4" hole, 433' 8-5/8" 24# cmtd w/50 sx 2795' 5-1/2", cmtd w/300 sx	7000 g. acid SWF: 39,480 & 58000#	NA	
Nix & Curtis St #1 K 06 19S 29E	Collins, Davis, Nix & Curtis	Prod.	09/15/62	03/22/63	2626' PB 1987	Grayburg (TA) Penrose	2188-98', 2208-18' CIBP 1987',1924-28' 1930-32', 1940-44' 1950-55'	12-1/4" hole, 282' 8-5/8", cmtd w/75 sx 7-7/8" hole, 2329' 4-1/2", cmtd w/200 sx	500 g. mud acid 500 g. acid SF 40000 & 66000#	NA	
New Mexico Z St #1 A 12 19S 28E	Sun Exploration	Prod.	07/08/82	09/29/82	2922' PB 2252	San Andres QN/GRB	2592-2632' New Perfs: 2382-98' 2280-94', 2056-88' 2106-16', 2158-74' 2196-2220'	412' 9-5/8", cmtd w/250 sx 2922' 5-1/2", cmtd w/1475 sx	12000 g. acid SWF: 80000 & 139750#	NA	
New Mexico O St #1 G 12 19S 28E	Sun Exploration	Prod.	01/16/83	01/26/84	11465' PB 9511	Cisco Wolfcamp	10802-804,10886-89(10903-915,10932-941 10316-324, 9756-60 9789-99, 9534-46 CIBP 9680' New Perf: 9468-87	365' 13-3/8", cmtd w/450 sx 12-1/4" hole, 3000' 8-5/8", cmtd w/2000 sx 11465' 5-1/2", cmtd w/1680 sx	11400 g. total acid	NA	
Bass #2 H 12 19S 28E	Kersey & Co.	Prod.?	01/07/64	03/28/64	2278'	Grayburg	2167-69', 2190-94' 2234-36'	12-1/4" hole, 405' 8-5/8", cmtd w/50 sx 1894' 7", cmt NA, 2278' 4-1/2", cmtd w/100 sx	SF: 25000 & 25000#	NA	
E. Millman Tr 3 #1 I 12 19S 28E	Sun Oil	WI	08/11/63 Converted 08/01/81	10/10/63 08/09/81	2318' PB 2272	QN/GRB	2148-56', 2225-35' New Perf: 1718-2136'	12-1/4" hole, 401' 8-5/8", cmtd w/50 sx 2318' 4-1/2", cmtd w/100 sx, Tbg 2248' 2-3/8"	5850 g. acid SF: 700 & 25000#	NA	

ATTACHMENT "C"

WELL NAME: Stanley L. Jones Continental St. #7 FIELD AREA: East Millman - Qal-Gb

LOCATION: J sec. 7 T 19S R 29E 1650' FSL & 2310 FEL

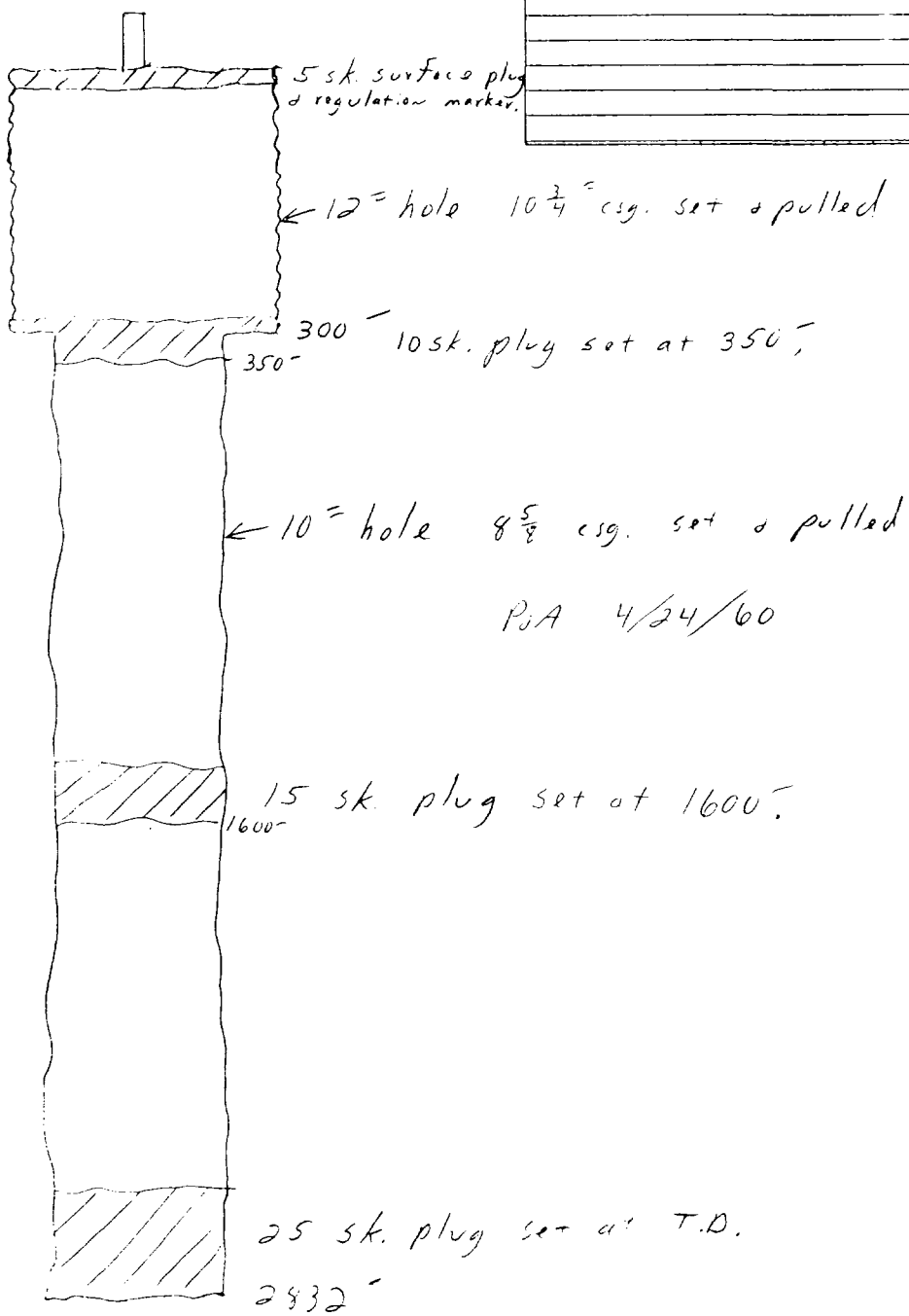
GL: 3378' ZERO: ____' AGL: ____'

KB: ____' ORIG. DRLG./COMPL. DATE: ____

COMMENTS: ____

CASING PROGRAM:

SIZE/WT./GR./CONN.	DEPTH SET



- SKETCH NOT TO SCALE -

REVISED: ____

ATTACHMENT "C"

WELL NAME: John A Yates Elizabeth Dundas #2 FIELD AREA: East Millman - Qn - Gb

LOCATION: N sec. 27 T19S R29E 990' FSL & 1650' FWL

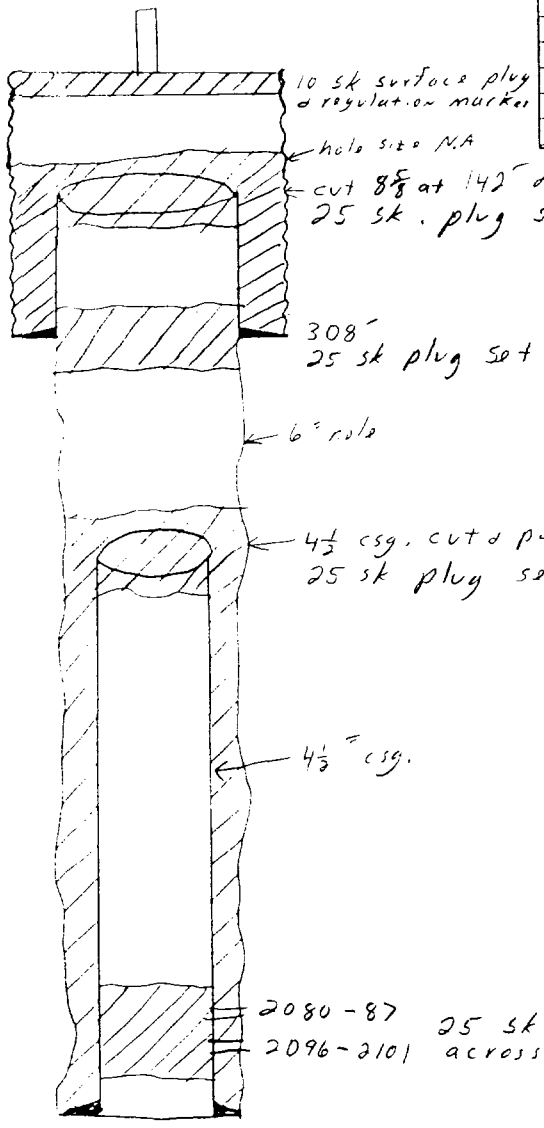
GL: ____' ZERO: 3382' AGL: 1'

KB: ____' ORIG. DRLG./COMPL. DATE: 12/30/61

COMMENTS: _____

CASING PROGRAM:

SIZE/WT./GR./CONN.		DEPTH SET
8⅝"	cmt. w/ 50 sks.	308'
4½"	cmt. w/ 100 sks.	2199'



P&A 12/28/66

- SKETCH NOT TO SCALE -

REVISED: _____

ATTACHMENT "C"

WELL NAME: John A Yatos "Elizabeth Dundee" #1 FIELD AREA: East Millmar-Qu-Gry.

LOCATION: "M" Sec 7 T19S R29E 660' FSL & 330' FWL

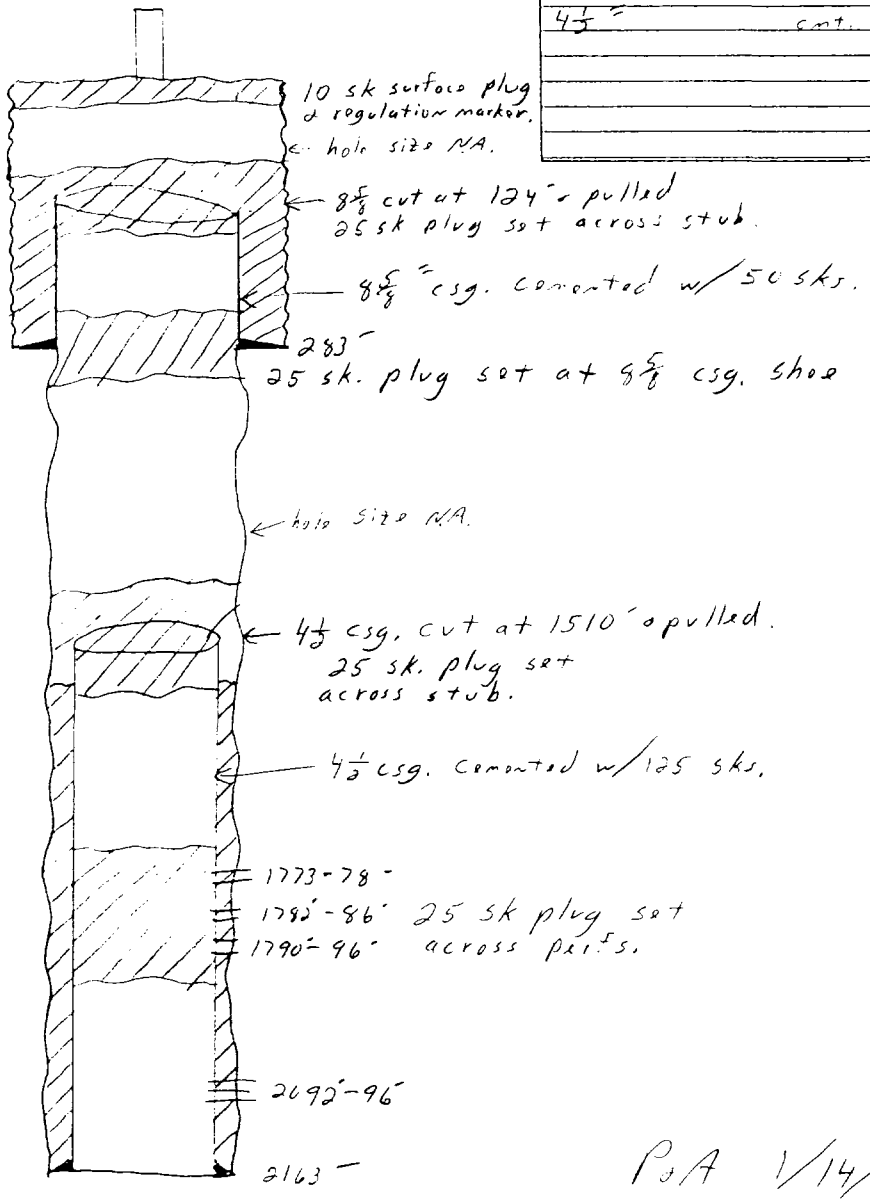
GL: ____' ZERO: 3378' AGL: 1'

KB: ____' ORIG. DRLG./COMPL. DATE: 8/10/61

COMMENTS: _____

CASING PROGRAM:

SIZE/WT./GR./CONN.			DEPTH SET
8⅝"	cmt. w/	50 sks.	283'
4½"	cmt. w/	125 sks	2163'



P&A 1/14/67

- SKETCH NOT TO SCALE -

REVISED: _____

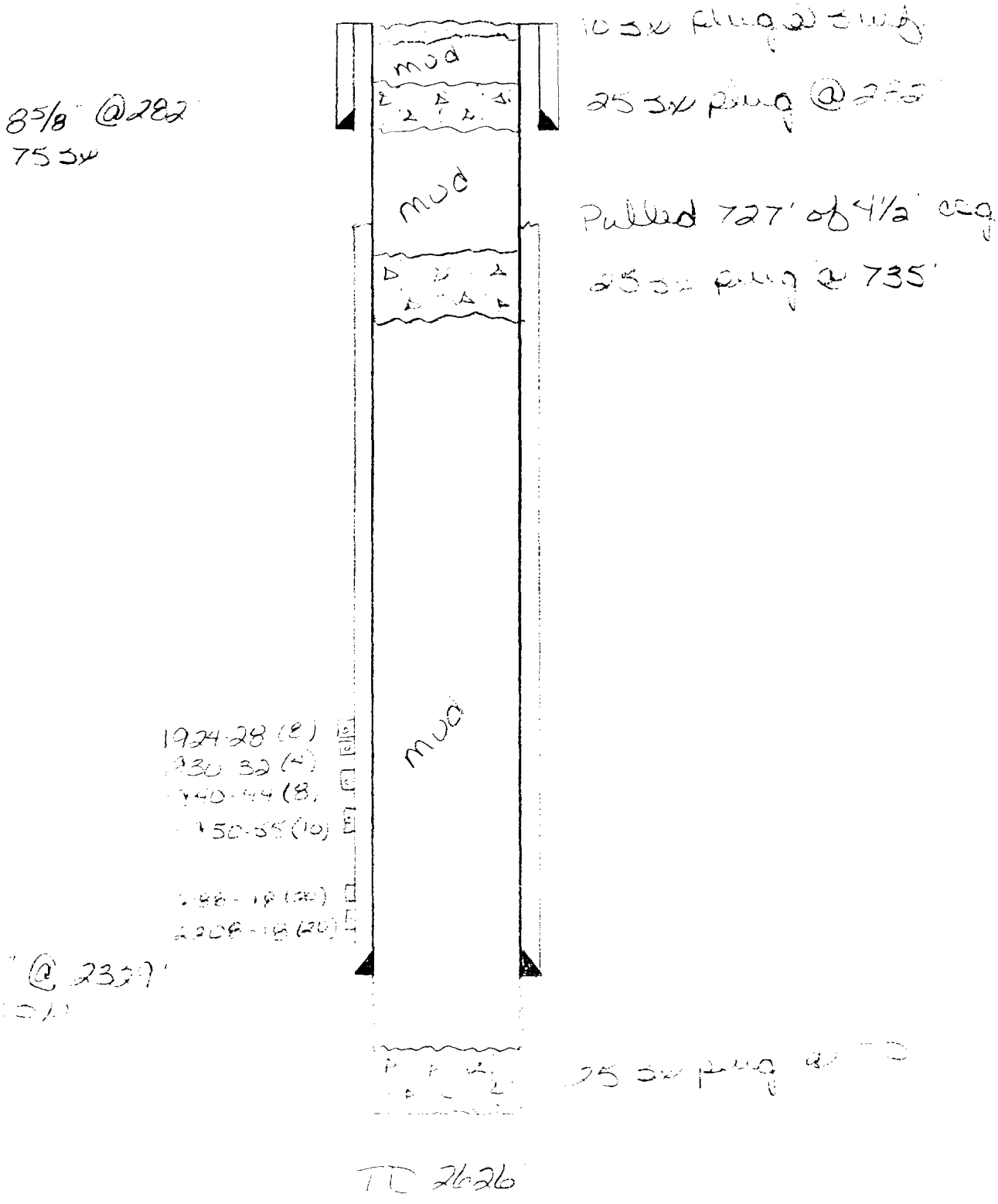
ATTACHMENT "C"

WELL NAME: Nix + Curtis State #1

OPERATOR: Nix + Curtis

LOCATION: 1980 FSL, 1747 FWL, Sec 6, T 19 S, R 29 E Eddy Co, NM

COMPLETED: 3/63 P+A 2/70



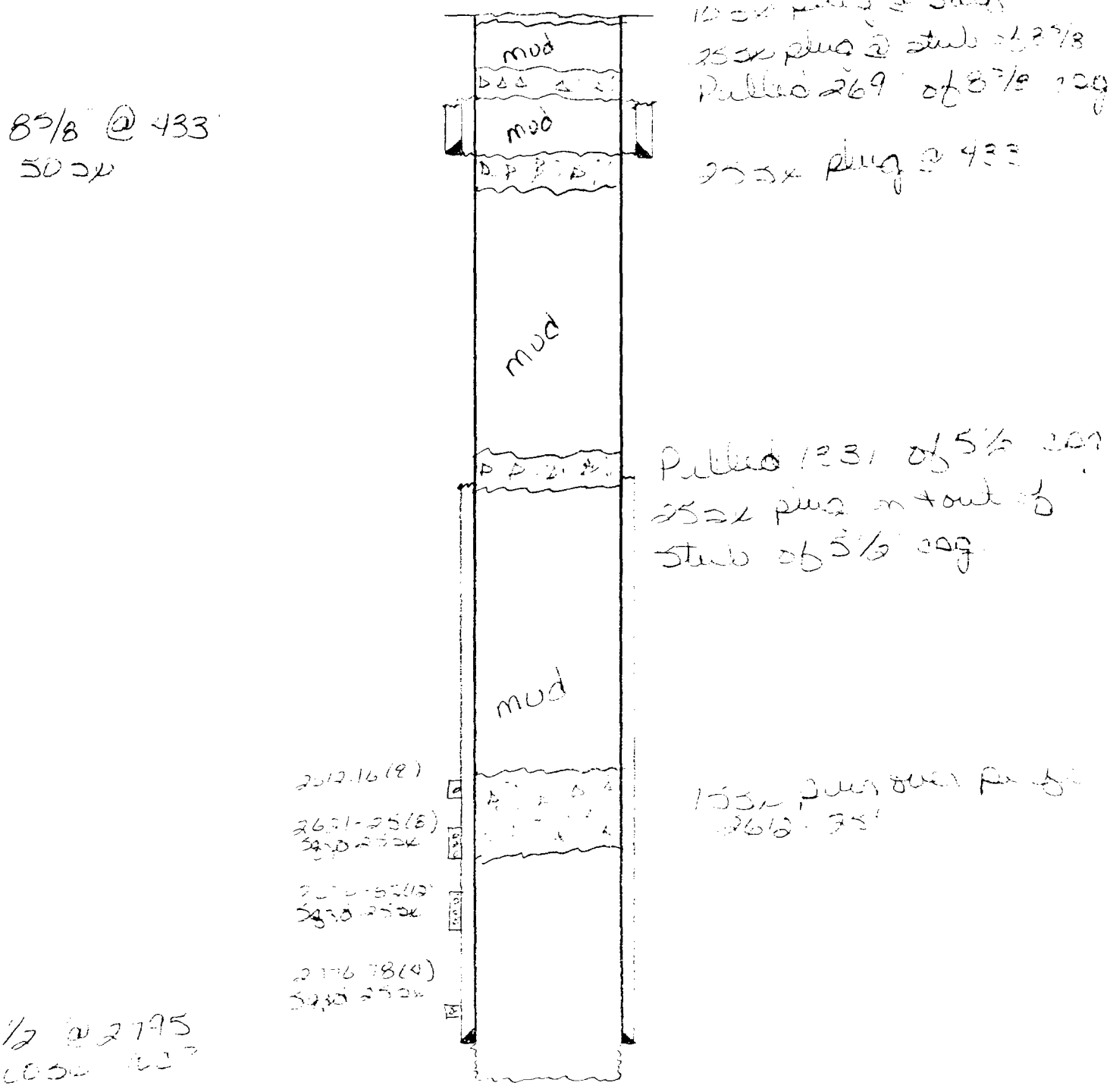
ATTACHMENT "C"

WELL NAME: N+C State #1

OPERATOR: Martin Yates III

LOCATION: 660' FSL, 543' FWL, Sec 6, T19S, R29E Eddy Co., NM

COMPLETED: 7/66 P+A 11/68



ATTACHMENT "C"

HALLIBURTON SERVICES

ARTESIA DISTRICT

LABORATORY REPORT No. _____

TO SDX Resources Date 2/10/95

Submitted by Chuck Morgan Date Rec. 2/10/95

Well No. Conoco 7 Tank Bat. Depth _____ Formation _____

Field _____ County _____ Source _____

Resistivity	.06		
Specific Gravity ..	1.1		
pH	7.1		
Calcium	2500		
Magnesium	750		
Chlorides	110,000 mpl		
Sulfates	4500 mpl		
Bicarbonates	800 mpl		
Soluble Iron	Nil		

Remarks:

David McKenzie
Respectfully submitted

Analyst: _____ HALLIBURTON SERVICES

NOTICE: This report is for information only and the content is limited to the sample described. Halliburton makes no warranties, express or implied, as to the accuracy of the contents or results. Any user of this report agrees Halliburton shall not be liable for any loss or damage, regardless of cause, including any act or omission of Halliburton, resulting from the use hereof.

ATTACHMENT "D"

PETROLITE

Petrolite Corporation
422 West Main Street
Artesia, NM 88210-2041

TRETOLITE DIVISION

(505) 746-3588
Fax (505) 746-3580

Reply to:
P.O. Box 1140
Artesia, NM
88211-7331

WATER ANALYSIS REPORT

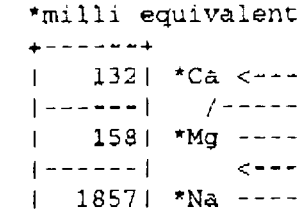
Company : SDX RESOURCES
Address : ARTESIA, NM
Lease : CONOCO 7 STATE
Well : #6
Sample Pt. : WELLHEAD

Date : 01/22/96
Date Sampled : 01/22/96
Analysis No. : 0203

	ANALYSIS		mg/L		* meq/L
1.	pH	6.5			
2.	H2S	130			
3.	Specific Gravity	1.080			
4.	Total Dissolved Solids		124123.6		
5.	Suspended Solids		NR		
6.	Dissolved Oxygen		NR		
7.	Dissolved CO2		NR		
8.	Oil In Water		NR		
9.	Phenolphthalein Alkalinity (CaCO3)				
10.	Methyl Orange Alkalinity (CaCO3)				
11.	Bicarbonate	HCO3	939.0	HCO3	15.4
12.	Chloride	Cl	74550.0	Cl	2103.0
13.	Sulfate	SO4	1375.0	SO4	28.6
14.	Calcium	Ca	2640.0	Ca	131.7
15.	Magnesium	Mg	1920.5	Mg	158.0
16.	Sodium (calculated)	Na	42698.1	Na	1857.2
17.	Iron	Fe	1.0		
18.	Barium	Ba	NR		
19.	Strontium	Sr	NR		
20.	Total Hardness (CaCO3)		14500.0		

PROBABLE MINERAL COMPOSITION

*milli equivalents per Liter



Saturation Values Dist. Water 20 C
CaCO3 13 mg/L
CaSO4 * 2H2O 2090 mg/L
BaSO4 2.4 mg/L

Compound	Equiv wt	X meq/L	= mg/L
Ca(HCO3)2	81.0	15.4	1247
CaSO4	68.1	28.6	1949
CaCl2	55.5	87.7	4867
Mg(HCO3)2	73.2		
MgSO4	60.2		
MgCl2	47.6	158.0	7522
NaHCO3	84.0		
Na2SO4	71.0		
NaCl	58.4	1857.2	108536

REMARKS:
STEVE TIGERT

Petrolite Oilfield Chemicals Group

Respectfully submitted,
STEVE TIGERT

ATTACHMENT "E"

PETROLITE

SCALE TENDENCY REPORT

Company	: SDX RESOURCES	Date	: 01/22/96
Address	: ARTESIA, NM	Date Sampled	: 01/22/96
Lease	: CONOCO 7 STATE	Analysis No.	: 0203
Well	: #6	Analyst	: STEVE TIGERT
Sample Pt.	: WELLHEAD		

STABILITY INDEX CALCULATIONS
(Stiff-Davis Method)
CaCO3 Scaling Tendency

S.I. =	0.6	at	60 deg. F or	16 deg. C
S.I. =	0.6	at	80 deg. F or	27 deg. C
S.I. =	0.7	at	100 deg. F or	38 deg. C
S.I. =	0.8	at	120 deg. F or	49 deg. C
S.I. =	0.8	at	140 deg. F or	60 deg. C

****

CALCIUM SULFATE SCALING TENDENCY CALCULATIONS
(Skillman-McDonald-Stiff Method)
Calcium Sulfate

S =	4365	at	60 deg. F or	16 deg C
S =	4710	at	80 deg. F or	27 deg C
S =	4930	at	100 deg. F or	38 deg C
S =	5034	at	120 deg. F or	49 deg C
S =	5111	at	140 deg. F or	60 deg C

Petrolite Oilfield Chemicals Group

Respectfully submitted,
STEVE TIGERT

ATTACHMENT "E"

HALLIBURTON

RECEIVED
2-15-95

Halliburton Energy Services
Artesia District
Laboratory Report **No.** W22-95

TO: S D X Resources

P. O. Box 5061

Midland, TX 79704

Date: February 10, 1995

Submitted by Chuck Morgan Date Rec February 10, 1995

Well No _____ Depth _____ Formation _____

Field _____ County _____ Source Fresh Water Tank

Resistivity.....	1.8		
Specific Gravity.	1.0		
pH.....	6.2		
Calcium.....	250		
Magnesium.....	150		
Chlorides.....	2,000 mpl		
Sulfates.....	1,750 mpl		
Bicarbonates.....	200		
Soluble Iron.....	Nil		

Remarks:

David McKenzie
Respectfully submitted

Analyst: David McKenzie -- Technical Advisor

List of all offset lease and surface owners that were sent Certified letters of notification.

1) Bass Enterprises Production Co. 915/683-2277
PO Box 2760
Midland, TX 79702-2760

2) Conoco, Inc. 915/686-5400
Attn: David Scott
10 Desta Dr #100W
Midland, TX 79705-4500

3) Frostman Oil 505/746-3344
PO Box 900
Artesia, NM 88211

4) Heyco 505/623-6601
PO Box 1933
Roswell, NM 88202

5) Mitchell Energy 713/377-5500
PO Box 4000
The Woodlands, TX 77380-4000

6) S&J Operating, Co. 817/723-2166
PO Box 2249
Wichita Falls, TX 76307

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

January 24, 1996

ADDRESS

Re: Application for Authority to Inject
Section 7, T19S, R29E
Eddy Co., New Mexico

Gentlemen:

Enclosed is a copy of Form C-108 (Application for Authority to Inject) for the following wells operated by SDX Resources, Inc.

Conoco 7 State #3 1980' FNL & 542' FWL Sec 7, T19S, R29E, Unit E	Conoco 7 State #5 2180' FNL & 1740' FWL Sec 7, T19S, R29E, Unit F
Conoco 7 State #6 660' FNL & 1740' FWL Sec 7, T19S, R29E, Unit C	Conoco 7 State #7 1980' FNL & 1980' FEL Sec 7, T19S, R29E, Unit G

Should you have any questions, please contact us at the letterhead address or call 915/685-1761. Thank you for your consideration in this matter.

Sincerely,

John Pool
Vice President

JDP:bja

enclosures

bjac-108

Affidavit of Publication

No. 15330

STATE OF NEW MEXICO,

County of Eddy:

Gary D. Scott being duly sworn, says: That he is the Publisher of The Artesia Daily Press, a daily newspaper of general circulation, published in English at Artesia, said county and state, and that the hereto attached Legal Notice

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for 1 consecutive days" weeks on the same day as follows:

First Publication January 7, 1996

Second Publication

Third Publication

Fourth Publication

Gary D. Scott

Subscribed and sworn to before me this 18th day of January 19 96

Barbara Romero Evans
Notary Public, Eddy County, New Mexico

My Commission expires September 23, 1999

Copy of Publication

LEGAL NOTICE

NOTICE OF APPLICATION FOR FLUID INJECTION WELL PERMIT

SDX Resources, Inc., located at 511 W. Ohio St., Ste. 611, Midland, TX 79701, mailing address PO Box 5061, Midland, TX 79704, Contact: John Pool 915/685-1761 is seeking administrative approval from the New Mexico Oil Conservation Division to complete the following wells located in Section 7, T19S, R29E, Eddy Co., New Mexico as injection wells: Conoco 7 State #5, #3, #6 & #7. The proposed injection zone for #5 is the GBG formation with perforations from 2038-2179'. Conoco 7 State #3 (2142-2239'), #6 (2165-2238'), & #7 (2069-2187') proposed injection zone is the QN/GBG formation. SDX Resources, Inc. intends to inject a maximum of 1000 barrels of produced formation water per day at a maximum injection pressure of 800 psi.

Interested parties must file objections or request for hearing with the Oil Conservation Division, 2040 South PPacheco, Santa Fe, New Mexico 87505 within 15 days of this notice.

Published in the Artesia Daily Press, Artesia, N.M. January 7, 1996.

Legal 15330

ORIGINAL AFFIDVIT WITH CONOCO 7 STATE #3.

ATTACHMENT "H"

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501

Revised 7-1-81

APPLICATION FOR AUTHORIZATION TO INJECT

I. Purpose: [X] Secondary Recovery [ ] Pressure Maintenance [ ] Disposal [ ] Storage
Application qualifies for administrative approval? [X] yes [ ] no

II. Operator: SDX Resources, Inc.

Address: PO Box 5061, Midland, TX 79704

Contact party: Chuck Morgan Phone: 505/748-9724

III. Well data: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? [ ] yes [X] no
If yes, give the Division order number authorizing the project _____.

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

* VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

*VIII. Attach appropriate geological data on the injection zone including appropriate lithologic detail, geological name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such source known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

* X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division they need not be resubmitted.)

* XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification

I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: Bonnie Atwater 915/685-3118 Title Regulatory Assistant

Signature: Bonnie Atwater Date: 1/25/96

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be duplicated and resubmitted. Please show the date and circumstance of the earlier submittal. _____

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

Application for Authorization to Inject

SDX Resources, Inc. - Conoco 7 State #7
Unit Letter G, Sec. 7, T19S, R29E
1980' FNL & 1980' FEL, API # 30-015-23930
Eddy Co., New Mexico

I. SDX plans to convert Conoco 7 State #7 to an injection well in the Queen/Grayburg formation.

II. Operator: SDX Resources, Inc.
PO Box 5061
Midland, Texas 79704

Attention: Chuck Morgan 505/748-9724

III. Well Data: See Attachment "A".

IV. This is not an expansion of an existing project.

V. See Attachment "B".

VI. See Attachment "C".

VII. 1) Proposed average daily injection volume: 200 BWPD. Maximum daily injection volume: 1000 BWPD.

2) System will be a closed system.

3) Proposed average injection pressure: Unknown
Proposed maximum injection pressure: To be determined by a step rate test.

4) Injection water would be produced water from the producing wells on the Conoco 7 State lease in the San Andres and Grayburg formations. Double Eagle's fresh water could possibly be added to the system. Injection fluid analysis (Attachment D).

5) Formation water analysis (Attachment E).

VIII. 1) The proposed injection interval is the portion of the Grayburg consisting of porous sand and dolomite.

2) Limited fresh water zones overlie the proposed injection zone at estimated 150'.

IX. The porposed injection interval may be acidized with 15% HCl acid.

X. Well logs and test data are on file at the OCD.

XI. Fresh Water Analysis from fresh water wells (Attachment "F").

XII. Geologic and engineering data have been examined and no evidence of open faults or any other hydrological connection between the injection zone and any fresh water aquifer has been found.

XIII. A) Certified letters sent to offset operators (See Attachment "G"). Surface is owned by State of New Mexico.

B) Copy of legal advertisement attached, along with an Affidavit of Publication (Attachment "H").

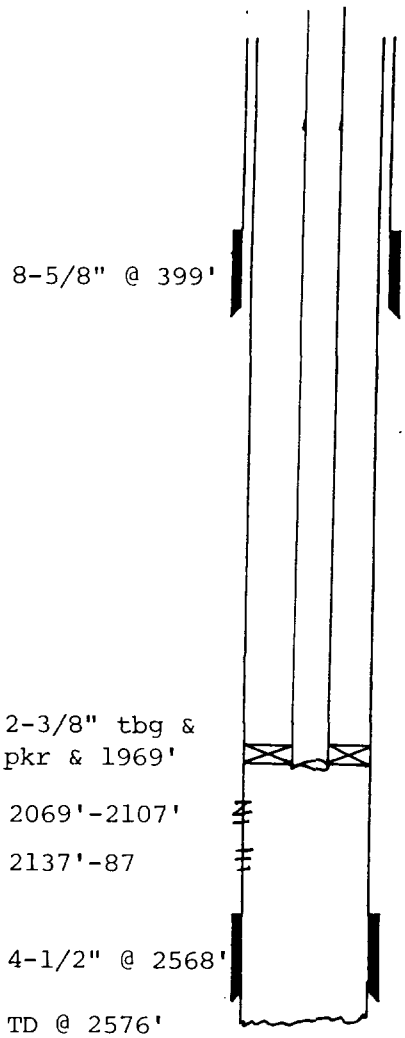
INJECTION WELL DATA SHEET

SDX Resources, Inc. (OPERATOR) Conoco 7 State (LEASE)

7 (WELL NO.) FOOTAGE LOCATION 7 (SECTION) 19S (TOWNSHIP) 29E (RANGE)

Eddy Co., NM

Schematic



Tabular Data

Surface Casing

Size 8-5/8" Cemented with 300 sx. Set @ 399'

TOC surface feet determined by circulation

Hole size 12-1/4"

Intermediate Casing

Size _____" Cemented with _____ sx.

TOC _____ feet determined by _____

Hole size _____

Long string

Size 4-1/2" Cemented with 1000 sx. Set @ 2568'

TOC surface feet determined by circulation

Hole size 7-7/8"

Total depth 2576'

Injection interval

2069 feet to 2187 feet
(perforated or open-hole, indicate which)

Tubing size 2-3/8" lined with plastic (material) set in a

AD-1 PC (brand and model) packer at 1969' feet

(or describe any other casing-tubing seal).

Other Data

1. Name of the injection formation Queen/Grayburg

2. Name of Field or Pool (if applicable) E. Millman

3. Is this a new well drilled for injection? ☐ Yes ☒ No

If no, for what purpose was the well originally drilled? oil producer

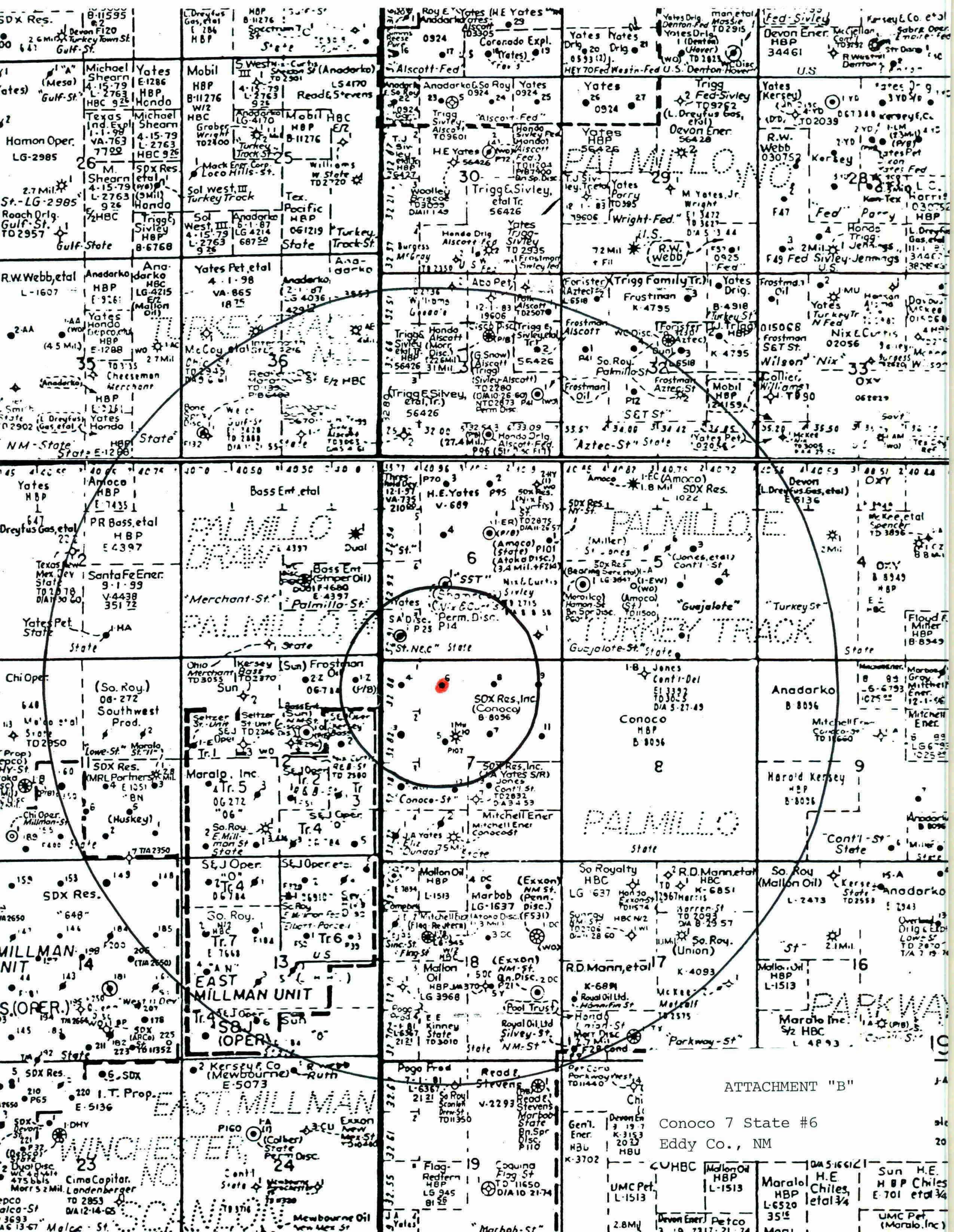
4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail (sacks of cement or bridge plug(s) used)

NO

5. Give the depth to and name of any overlying and/or underlying oil or gas zones (pools) in this area.

underlying: San Andres

ATTACHMENT "A"



ATTACHMENT "B"

Conoco 7 State #6
Eddy Co., NM

WELLS IN THE AREA OF REVIEW

WELL NAME	OPERATOR	TYPE	SPUD	COMPL. (IP)	T.D.	PROD. ZONE	PERFS.	COMPLETION INFORMATION		TOC	
Conoco 7 St. #5 F 07 19S 29E	SDX Resources	Prod.	02/02/82	03/17/82	2571'	Grayburg	2038-50'(Sqz'd) 2054-68' 2140-79'	12-1/4" hole, 372' 8-5/8" 24# cmtd w/800 sxs 7-7/8", 2571', 4-1/2" 9.5#,cmtd w/850 sxs.	4500 g. acid,28,000 g. & 60,000# sd frac,	Surf Surf	Caci 50% Circ
Conoco 7 St. #7 G 07 19S 29E	SDX Resources	Prod.	01/16/82	03/4/82	2576'	Grayburg	2069-2107' 2137-87'	12-1/4" hole,399', 8-5/8" 23#, cmtd w/300 sxs. 7-7/8" hole, 2568' 4-1/2" 9.5#,cmtd w/1000 sxs.	4000 g. acid,28000 g. & 60,000# sd frac.	Surf Surf	Circ Circ
Conoco 7 St. #3 E 07 19S 29E	SDX Resources	Prod.	03/21/81	07/17/81	3599'	Grayburg	3523-54' CIBP 3423' 2730-74'CIPB 2700 2142-2239'	12-1/4" hole, 432' 8-5/8" 24#,cmtd w/400 sxs. 7-7/8" hole, 3599',4-1/2" 9.5# cmtd w/1250 sxs.	2000 g. acid,28000 g. & 60,000# sd frac.	Surf Surf	Circ Calc 0.75
Conoco 7 St. #2 L 07 19S 29E	SDX Resources	Prod.	03/14/81	07/21/81	3792'	Grayburg	1854-2054(Sqz'd) 2122-2216'	12-1/4" hole,450',8-5/8" 23#,cmtd w/600 sxs. 7-7/8" hole, 3792',4-1/2", 9.5# cmtd w/1085 sxs.	4000 g. acid,28000 g. & 60,000# sd frac.	Surf 624	Circ CBL
Conoco 7 St. #13 J 07 19S 29E	SDX Resources	Prod.	01/05/86	02/25/86	2765'	Grayburg	1202-1307'(sqz'd) 2412-2642'CIBP 2402' 2224-2358'	12-1/4" hole,354',8-5/8" 24#,cmtd w/248 sxs. 7-7/8" hole,2765',5-1/2" 15.5#,cmtd w/675 sxs.	3700 g. acid,68000 g. & 83,000# sd frac.	Surf Surf	Calc 0.75 Calc
Conoco 7 St. #12 K 07 19S 29E	SDX Resources	Prod.	04/27/85	10/29/85	2800'	Grayburg	1993-2100(sqz'd) 2638-96'CIBP 2625 2112-2590'	12-1/4" hole,378',8-5/8" 24#,cmtd w/275 sxs. 7-7/8" hole,2800',4-1/2" 9.5-10.5#,cmtd w/930 sxs.	15,300 g. acid,84,900 g. & 212,434# sd frac.	Surf Surf	Circ Circ
Conoco 7 St. #11 H 07 19S 29E	SDX Resources	Prod.	05/04/82	06/22/82	2505'	Grayburg	2150-60' (Sqz'd) 2149-54'	12-1/4" hole,369',8-5/8" 23#,cmtd w/185 sxs. 7-7/8" hole,2505',4-1/2" 9.5-10.5# cmtd w/575 sxs.	3,000 g. acid,14,000 g. & 30,000# sd frac.	73' Surf	Calc (.50 eff) Circ
Conoco 7 St. #9 A 07 19S 29E	SDX Resources	Prod.	12/19/81	04/05/82	2449'	Grayburg	2076-2111'(Sqz'd) 2115-25'	12-1/4" hole,370',8-5/8" 23#,cmtd w/250 sxs. 7-7/8" hole,2449',4-1/2" 10.5#,cmtd w/1000 sxs.	2,500 g. acid,14,000 g. & 30,000# sd frac.	Surf Surf	Calc (.50 eff) Circ
Conoco 7 St. #8 B 07 19S 29E	SDX Resources	Prod.	02/13/82	03/31/82	2549'	Grayburg	2110-20'(Sqz'd) 2351-2508' CIBP 2340 2199-2323'	12-1/4" hole,379',8-5/8" 23#,cmtd w/400 sxs. 7-7/8" hole,2549',4-1/2" 11.6-9.5#,cmtd w/950 sxs.	1325 g.acid,39000 g. & 52200# sd frac.	Surf Surf	Circ (.75) Calc
Conoco 7 St. #4 D 07 19S 29E	SDX Resources	Prod.	11/11/81	02/21/82	2587'	Grayburg	2163-98' 2214-40'	12-1/4" hole,384',8-5/8" 24#,cmtd w/400 sxs. 7-7/8" hole,2587',4-1/2" 9.5#,cmtd w/875 sxs.	4000 g.acid,28000 g. & 60000# sd frac.	Surf Surf	Circ 0.75 Calc
Conoco 7 St. #6 C 07 19S 29E	SDX Resources	Prod.	11/30/81	02/21/82	2853'	Grayburg	2165-86' 2214-38'	12-1/4", 385',8-5/8"24#,cmtd w/400 sxs. 7-7/8" hole,2553',4-1/2" 9.5#,cmtd w/884 sxs.	4000 g.acid,28000 g. & 60000# sd frac.	Surf Surf	Calc (0.50) Circ
Conoco 7 St. #1 J 07 19S 29E	Stanley Jones	P&A 4/24/60	04/09/52	NA	2832'	NA	NA	12", 10-3/4",300',set & pld. 10" hole,8-5/8",2000' set & pld. See wellbore diagram for P&A details.		NA	NA
Conoco 7 St. #1 N 07 19S 29E	Mitchell Energy Corp.	Prod.	02/12/80	05/08/80	11610	Morrow	11036-11050'	17-1/2" hole,13-3/8" 48#, 400', cmtd w/550 sxs Cl C 11" hole,8-5/8" 24-32#, 2690',cmtd w/ 1100 sxs Lite & 200 sxs C,7-7/8"hole,5-1/2" 17#, 11264' cmtd w/1025 sxs 2-7/8"tbg & pkr @ 10942'.		NA 450' 5678	RediMix Temp Calc (75%)
Conoco 7 St. #10 F 07 19S 29E	Mitchell Energy Corp.	Prod.	11/04/81	01/07/82	11550	Morrow	11138-166', pkr plug @ 11078' New Perfs 10986-11044'	17-1/2" hole,13-3/8" 54.5-61# 377', cmtd w/375 sxs Cl C 12-1/4' hole,8-5/8" 24-32#, 3020',cmtd w/ 580sxs Pozmix,200 sxs Cl C,7-7/8",5-1/2" 17-20# @ 11533',cmtd w/785 Pozmix,2-3/8"tbg & pkr @ 10925'		Surf Surf 8395	Circ 10 sxs Circ 10 sxs Temp
Elizabeth Dundas #1 M 07 19S 29E	John A. Yates	P&A 01/14/67	08/10/61	09/11/61	2227'	NA	2092-96' 1773-96'	11"hole,8-5/8" @ 283',cmtd w/50 sxs, 6" hole, 4-1/2" @2163',cmtd w/125 sxs. See wellbore for P&A details.		144 1530'	Assumed Assumed
Elizabeth Dundas #2 N 07 19S 29E	John A. Yates	P&A 12/28/66	12/30/61	01/31/62	2348	NA	2101-2096' 2087-2080'	11"hole,8-5/8" @ 283',cmtd w/50 sxs, 6" hole, 4-1/2" 9.5# @ 2199',cmtd w/100 sxs. See wellbore for P&A details.		162 1441	Assumed Assumed

P:\12DRLD\WELLAREA.WK1 FORM

ATTACHMENT "C"

WELLS IN THE AREA OF REVIEW

WELL NAME	OPERATOR	TYPE	SPUD	COMPL. (IP)	T.D.	PROD. ZONE	PERFS.	COMPLETION INFORMATION		T O C	
State N&C #1 M 06 19S 29E	M. Yates II	Prod.	10/18/65	07/14/66	2844' PB 2658	San Andres	2776–78' (Sqz'd) 2676–82' (Sqz'd) 2621–25' (Sqz'd) 2612–16'	12–1/4" hole, 433' 8–5/8" 24# cmtd w/50 sx 2795' 5–1/2", cmtd w/300 sx	7000 g. acid SWF: 39,480 & 58000#	NA	
Nix & Curtis St #1 K 06 19S 29E	Collins, Davis, Nix & Curtis	Prod.	09/15/62	03/22/63	2626' PB 1987	Grayburg (TA) Penrose	2188–98', 2208–18' CIBP 1987',1924–28' 1930–32', 1940–44' 1950–55'	12–1/4" hole, 282' 8–5/8", cmtd w/75 sx 7–7/8" hole, 2329' 4–1/2", cmtd w/200 sx	500 g. mud acid 500 g. acid SF 40000 & 66000#	NA	
New Mexico Z St #1 A 12 19S 28E	Sun Exploration	Prod.	07/08/82	09/29/82	2922' PB 2252	San Andres QN/GRB	2592–2632' New Perfs: 2382–98' 2280–94', 2056–88' 2106–16', 2158–74' 2196–2220'	412' 9–5/8", cmtd w/250 sx 2922' 5–1/2", cmtd w/1475 sx	12000 g. acid SWF: 80000 & 139750#	NA	
New Mexico O St #1 G 12 19S 28E	Sun Exploration	Prod.	01/16/83	01/26/84	11465' PB 9511	Cisco Wolfcamp	10802–804,10886–890 10903–915,10932–941 10316–324, 9756–60 9789–99, 9534–46 CIBP 9680' New Perf: 9468–87	365' 13–3/8", cmtd w/450 sx 12–1/4" hole, 3000' 8–5/8", cmtd w/2000 sx 11465' 5–1/2", cmtd w/1680 sx	11400 g. total acid	NA	
Bass #2 H 12 19S 28E	Kersey & Co.	Prod.?	01/07/64	03/26/64	2278'	Grayburg	2167–69', 2190–94' 2234–36'	12–1/4" hole, 405' 8–5/8". cmtd w/50 sx 1894' 7", cmt NA, 2278' 4–1/2", cmtd w/100 sx	SF: 25000 & 25000#	NA	
E. Millman Tr 3 #1 I 12 19S 28E	Sun Oil	WI	08/11/63 Converted 08/01/81	10/10/63 08/09/81	2318' PB 2272	QN/GRB	2148–56', 2225–35' New Perf: 1718–2136'	12–1/4" hole, 401' 8–5/8", cmtd w/50 sx 2318' 4–1/2", cmtd w/100 sx, Tbg 2248' 2–3/8"	5850 g. acid SF: 700 & 25000#	NA	

ATTACHMENT "C"

WELL NAME: Stanley L. Jones Continental St. #7 FIELD AREA: East Millman - Qu - 66

LOCATION: J sec. 7 T19S R29E 1650' FSL & 2310 FEL

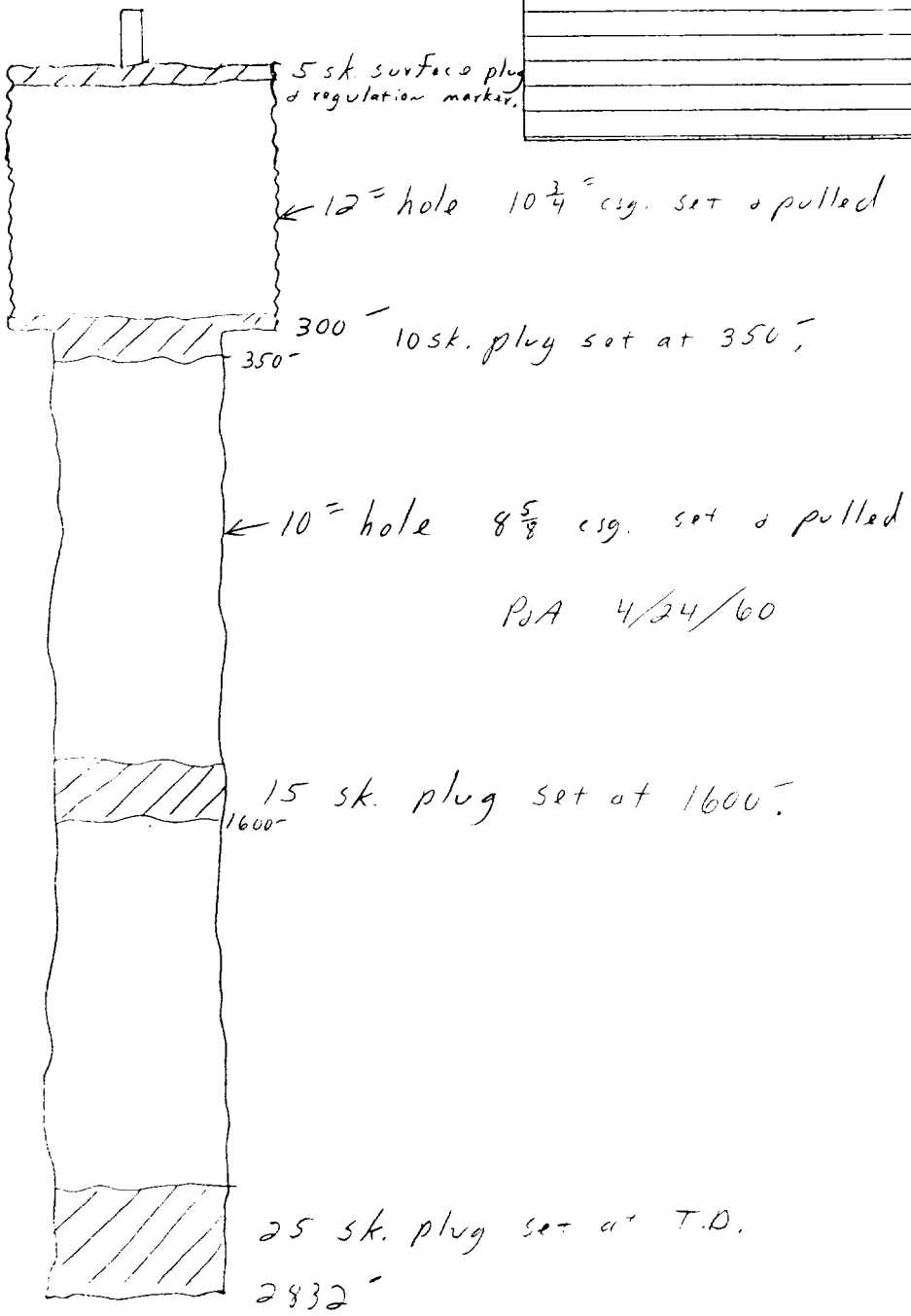
GL: 3378' ZERO: _____' AGL: _____'

KB: _____' ORIG. DRLG./COMPL. DATE: _____

COMMENTS: _____

CASING PROGRAM:

SIZE/WT./GR./CONN.	DEPTH



- SKETCH NOT TO SCALE -

REVISED: _____

ATTACHMENT "C"

WELL NAME: John A Yates Elizabeth Dundas #2 FIELD AREA: East Millman - Qn - Gb

LOCATION: N Sec. 27 T19S R29E 990' FSL & 1650' FWL

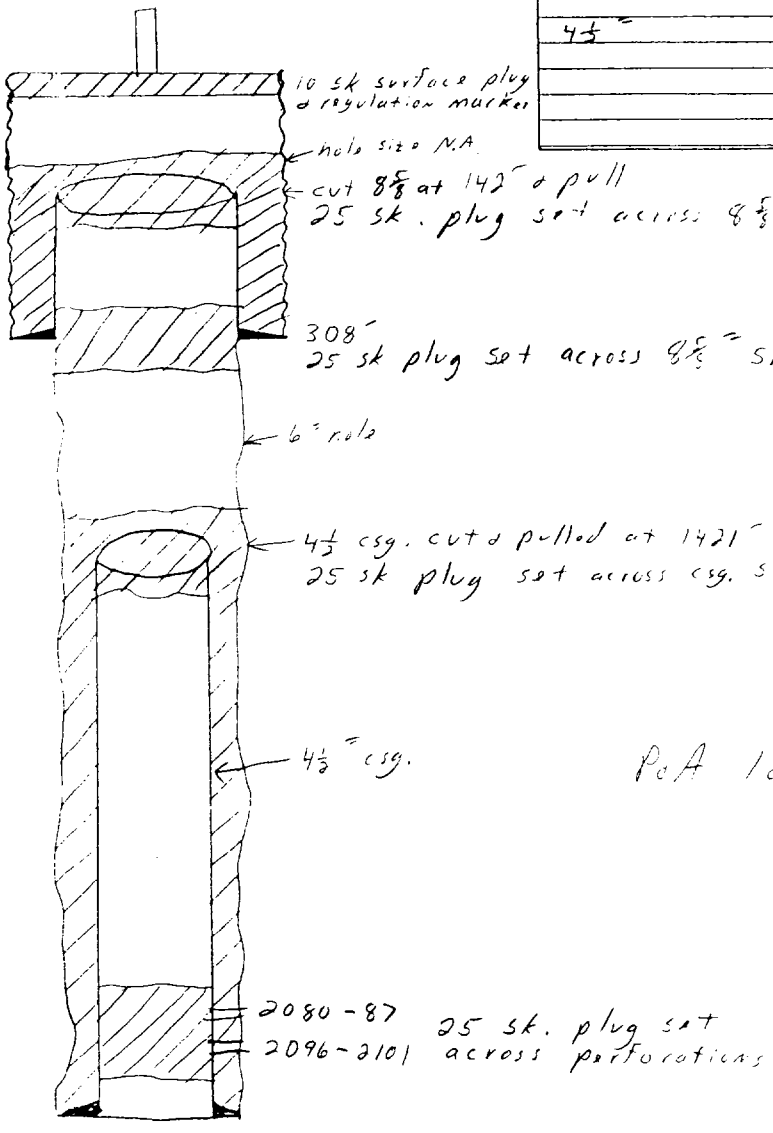
GL: ____' ZERO: 3382' AGL: 1'

KB: ____' ORIG. DRLG./COMPL. DATE: 12/30/61

COMMENTS: _____

CASING PROGRAM:

SIZE/WT./GR./CONN.		DEPTH SET
8⅝"	cmt. w/ 50 sks.	308'
4½"	cmt. w/ 100 sks	2199'



PoA 12/28/66

- SKETCH NOT TO SCALE -

REVISED: _____

ATTACHMENT "C"

WELL NAME: John A Yates "Elizabeth Dundee #1 FIELD AREA: East Millman-Qn-Grayburg

LOCATION: "M" sec 7 T19S R29E 660' FSL & 330' FWL

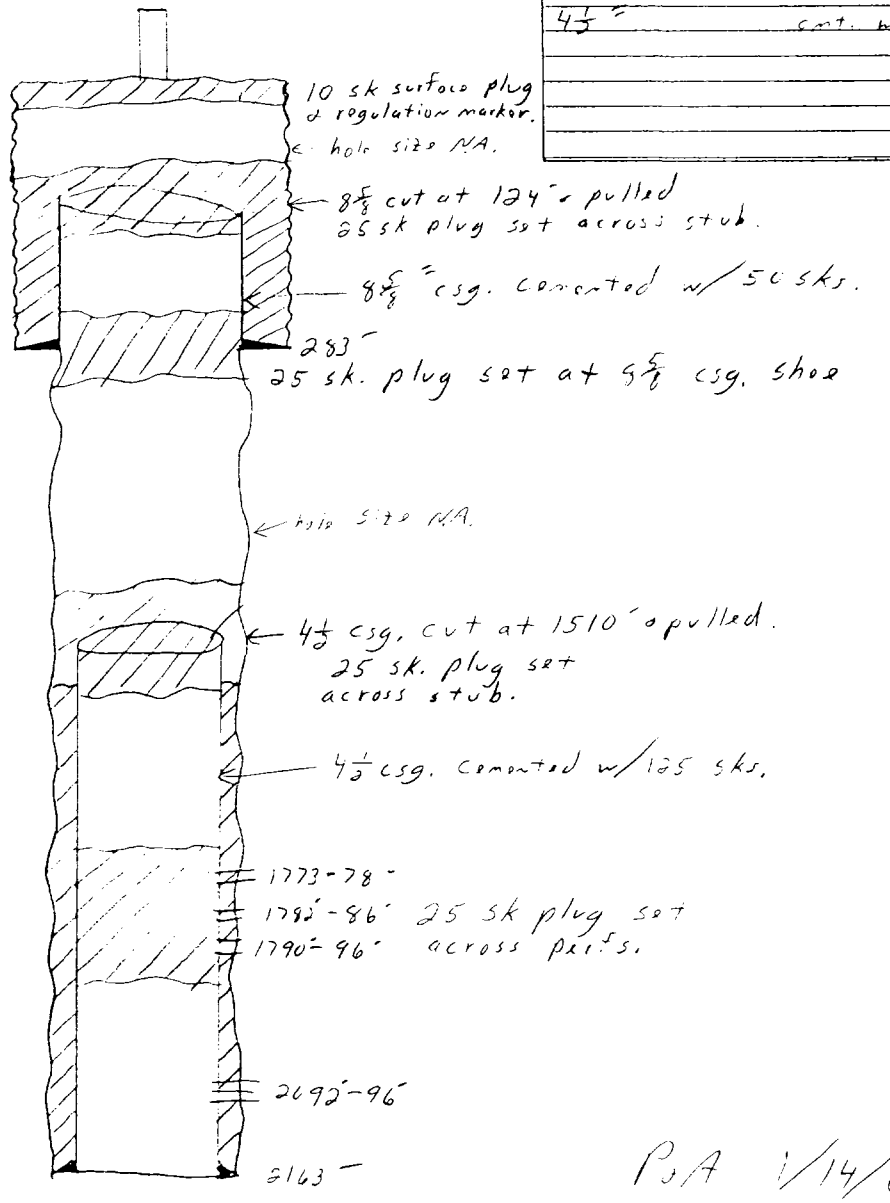
GL: ____' ZERO: 3378' AGL: 1'

KB: ____' ORIG. DRLG./COMPL. DATE: 8/10/61

COMMENTS: _____

CASING PROGRAM:

SIZE/WT./GR./CONN.			DEPTH SET
8⅝"	cmt. w/	50 sks.	283'
4½"	cmt. w/	125 sks	2163'



P&A 1/14/67

- SKETCH NOT TO SCALE -

REVISED: _____

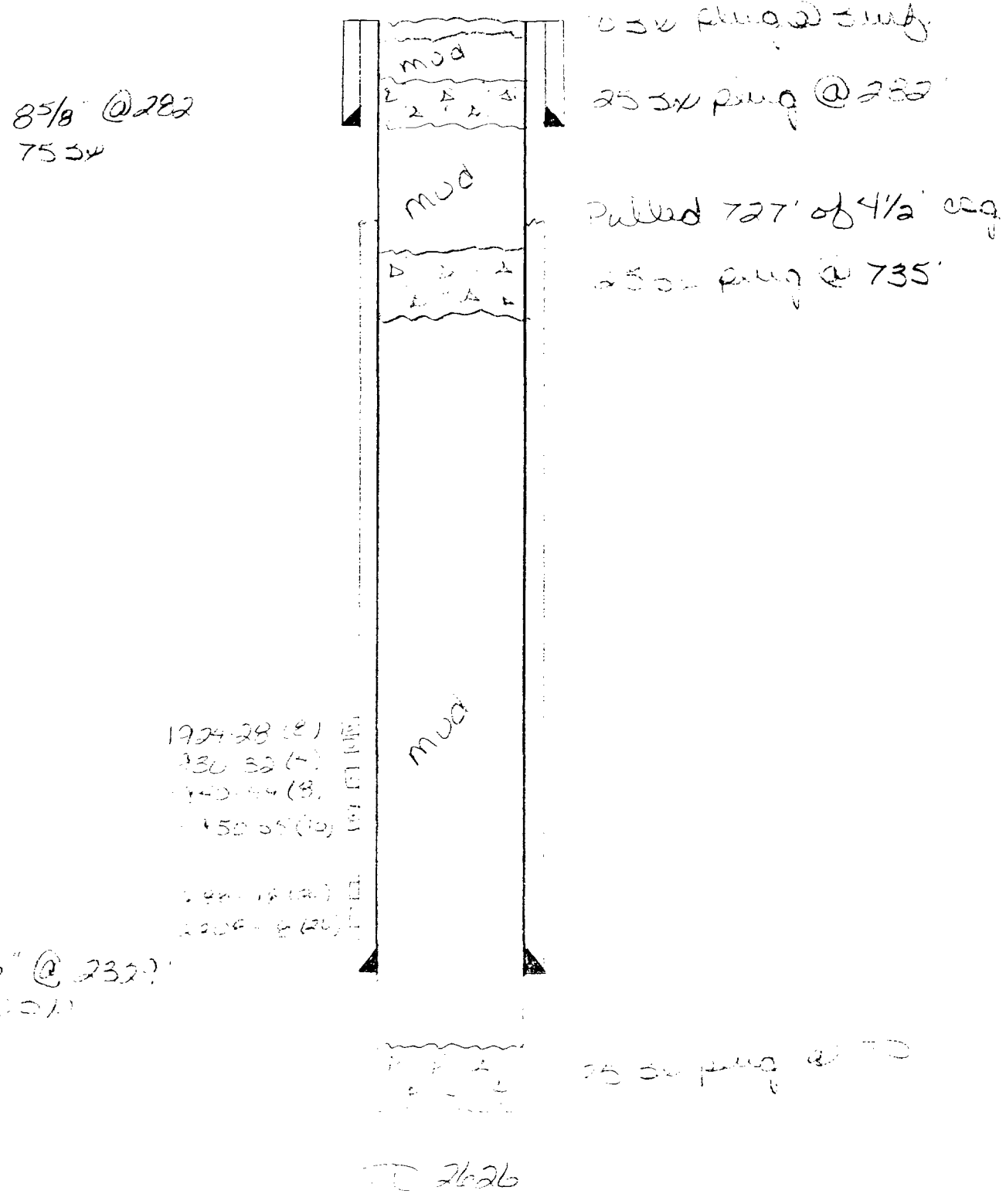
ATTACHMENT "C"

WELL NAME: Nix + Curtis State #1

OPERATOR: Nix + Curtis

LOCATION: 1980 FSL, 1747 FWL, Sec 6, T19S, R29E Eddy Co, NM

COMPLETED: 3/63 P+A 2/70



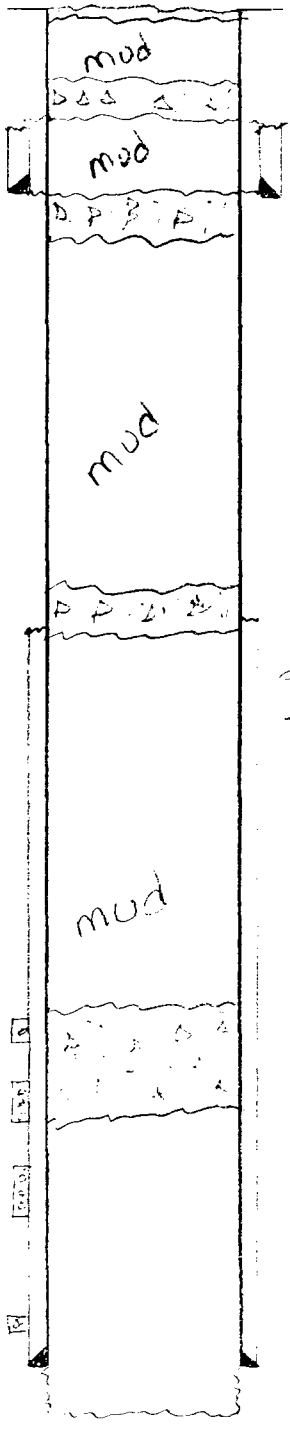
ATTACHMENT "C"

WELL NAME: N+C State #1

OPERATOR: Martin Yates III

LOCATION: 660' FSL, 543' FWL, Sec 6, T19S, R29E
Eddy Co., NM

COMPLETED: 7/66 P+A 11/68



10 sx plug @ surf
25 sx plug @ stub of 8 5/8
Pulled 269' of 8 5/8" csg

8 5/8 @ 433'
50 sx

25 sx plug @ 433'

Pulled 123' of 5 1/2 csg
25 sx plug in + out of
stub of 5 1/2 csg

155 sx plug over perfs
2612-35'

TD 2844'

ATTACHMENT "C"

HALLIBURTON SERVICES

ARTESIA DISTRICT

LABORATORY REPORT No. _____

TO SDX Resources Date 2/10/95

Submitted by Chuck Morgan Date Rec. 2/10/95

Well No. Conoco "7" Tank Bat. Depth _____ Formation _____

Field _____ County _____ Source _____

Resistivity	.06		
Specific Gravity ..	1.1		
pH	7.1		
Calcium	2500		
Magnesium	750		
Chlorides	110,000 mpl		
Sulfates	4500 mpl		
Bicarbonates	800 mpl		
Soluble Iron	Nil		

Remarks:

David McKenzie
Respectfully submitted

Analyst: _____ HALLIBURTON SERVICES

NOTICE: This report is for information only and the content is limited to the sample described. Halliburton makes no warranties, express or implied, as to the accuracy of the contents or results. Any user of this report agrees Halliburton shall not be liable for any loss or damage, regardless of cause including any act or omission of Halliburton resulting from the use hereof.

ATTACHMENT "D"

PETROLITE

Petrolite Corporation
422 West Main Street
Artesia, NM 88210-2041

TRETOLITE DIVISION

(505) 746-3588
Fax (505) 746-3580

Reply to:
P.O. Box 1140
Artesia, NM
88211-7531

WATER ANALYSIS REPORT

Company	: SDX RESOURCES	Date	: 01/22/96
Address	: ARTESIA, NM	Date Sampled	: 01/22/96
Lease	: CONOCO 7 STATE	Analysis No.	. 0202
Well	: #7		
Sample Pt.	: WELLHEAD		

	ANALYSIS		mg/L		* meq/L
1.	pH	6.6			
2.	H2S	110			
3.	Specific Gravity	1.080			
4.	Total Dissolved Solids		129044.1		
5.	Suspended Solids		NR		
6.	Dissolved Oxygen		NR		
7.	Dissolved CO2		NR		
8.	Oil In Water		NR		
9.	Phenolphthalein Alkalinity (CaCO3)				
10.	Methyl Orange Alkalinity (CaCO3)				
11.	Bicarbonate	HCO3	1024.0	HCO3	16.8
12.	Chloride	Cl	75828.0	Cl	2139.0
13.	Sulfate	SO4	2500.0	SO4	52.1
14.	Calcium	Ca	4440.0	Ca	221.6
15.	Magnesium	Mg	464.4	Mg	38.2
16.	Sodium (calculated)	Na	44786.6	Na	1948.1
17.	Iron	Fe	1.0		
18.	Barium	Ba	NR		
19.	Strontium	Sr	NR		
20.	Total Hardness (CaCO3)		13000.0		

PROBABLE MINERAL COMPOSITION

*milli equivalents per Liter

222	*Ca <----- *HCO3	17
	/------->	
38	*Mg -----> *SO4	52
	<---------/	
1948	*Na ------> *Cl	2139

Saturation Values Dist. Water 20 C

CaCO3	13 mg/L
CaSO4 * 2H2O	2090 mg/L
BaSO4	2.4 mg/L

Compound	Equiv wt	X meq/L	= mg/L
Ca(HCO3)2	81.0	16.8	1360
CaSO4	68.1	52.1	3543
CaCl2	55.5	152.7	8474
Mg(HCO3)2	73.2		
MgSO4	60.2		
MgCl2	47.6	38.2	1819
NaHCO3	84.0		
Na2SO4	71.0		
NaCl	58.4	1948.1	113847

REMARKS:
STEVE TIGERT

Petrolite Oilfield Chemicals Group

Respectfully submitted,
STEVE TIGERT

ATTACHMENT "F"

PETROLITE

SCALE TENDENCY REPORT

Company	: SDX RESOURCES	Date	: 01/22/96
Address	: ARTESIA, NM	Date Sampled	: 01/22/96
Lease	: CONOCO 7 STATE	Analysis No.	: 0202
Well	: #7	Analyst	: STEVE TIGERT
Sample Pt.	: WELLHEAD		

STABILITY INDEX CALCULATIONS
(Stiff-Davis Method)
CaCO3 Scaling Tendency

S.I. =	0.9	at	60 deg. F or	16 deg. C
S.I. =	1.0	at	80 deg. F or	27 deg. C
S.I. =	1.1	at	100 deg. F or	38 deg. C
S.I. =	1.1	at	120 deg. F or	49 deg. C
S.I. =	1.2	at	140 deg. F or	60 deg. C

****

CALCIUM SULFATE SCALING TENDENCY CALCULATIONS
(Skillman-McDonald-Stiff Method)
Calcium Sulfate

S =	3361	at	60 deg. F or	16 deg C
S =	3663	at	80 deg. F or	27 deg C
S =	3857	at	100 deg. F or	38 deg C
S =	3950	at	120 deg. F or	49 deg C
S =	4017	at	140 deg. F or	60 deg C

Petrolite Oilfield Chemicals Group

Respectfully submitted
STEVE TIGERT

ATTACHMENT "E"

HALLIBURTON

RECEIVED
2-15-95

Halliburton Energy Services
Artesia District
Laboratory Report No. W22-95

TO: S D X Resources

P. O. Box 5061

Midland, TX 79704

Date: February 10, 1995

Submitted by Chuck Morgan Date Rec February 10, 1995

Well No _____ Depth _____ Formation _____

Field _____ County _____ Source Fresh Water Tank

Resistivity.....	1.8		
Specific Gravity.	1.0		
pH.....	6.2		
Calcium.....	250		
Magnesium.....	150		
Chlorides.....	2,000 mpl		
Sulfates.....	1,750 mpl		
Bicarbonates.....	200		
Soluble Iron.....	Nil		

Remarks:

David McKenzie
Respectfully submitted

Analyst: David McKenzie -- Technical Advisor

List of all offset lease and surface owners that were sent Certified letters of notification.

1) Bass Enterprises Production Co. 915/683-2277
PO Box 2760
Midland, TX 79702-2760

2) Conoco, Inc. 915/686-5400
Attn: David Scott
10 Desta Dr #100W
Midland, TX 79705-4500

3) Frostman Oil 505/746-3344
PO Box 900
Artesia, NM 88211

4) Heyco 505/623-6601
PO Box 1933
Roswell, NM 88202

5) Mitchell Energy 713/377-5500
PO Box 4000
The Woodlands, TX 77380-4000

6) S&J Operating, Co. 817/723-2166
PO Box 2249
Wichita Falls, TX 76307

Attachment "G"

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

January 24, 1996

ADDRESS

Re: Application for Authority to Inject
Section 7, T19S, R29E
Eddy Co., New Mexico

Gentlemen:

Enclosed is a copy of Form C-108 (Application for Authority to Inject) for the following wells operated by SDX Resources, Inc.

Conoco 7 State #3 1980' FNL & 542' FWL Sec 7, T19S, R29E, Unit E	Conoco 7 State #5 2180' FNL & 1740' FWL Sec 7, T19S, R29E, Unit F
Conoco 7 State #6 660' FNL & 1740' FWL Sec 7, T19S, R29E, Unit C	Conoco 7 State #7 1980' FNL & 1980' FEL Sec 7, T19S, R29E, Unit G

Should you have any questions, please contact us at the letterhead address or call 915/685-1761. Thank you for your consideration in this matter.

Sincerely,

John Pool
Vice President

JDP:bja

enclosures

bjac-108

ATTACHMENT "G"

Affidavit of Publication

No. 15330

STATE OF NEW MEXICO,

County of Eddy:

Gary D. Scott being duly sworn, says: That he is the Publisher of The Artesia Daily Press, a daily newspaper of general circulation, published in English at Artesia, said county and state, and that the hereto attached Legal Notice

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for 1 consecutive weeks on the same day as follows:

days"

First Publication January 7, 1996

Second Publication

Third Publication

Fourth Publication

Gary D. Scott

Subscribed and sworn to before me this 18th day of January 19 96

Barbara Ann Boone
Notary Public, Eddy County, New Mexico

My Commission expires September 23, 1999

Copy of Publication

LEGAL NOTICE

NOTICE OF APPLICATION FOR FLUID INJECTION WELL PERMIT

SDX Resources, Inc., located at 511 W. Ohio St., Ste. 611, Midland, TX 79701, mailing address PO Box 5061, Midland, TX 79704, Contact: John Pool 915/685-1761 is seeking administrative approval from the New Mexico Oil Conservation Division to complete the following wells located in Section 7, T19S, R29E, Eddy Co., New Mexico as injection wells: Conoco 7 State #5, #3, #6 & #7. The proposed injection zone for #5 is the GBG formation with perforations from 2038-2179'. Conoco 7 State #3 (2142-2239'), #6 (2165-2238'), & #7 (2069-2187') proposed injection zone is the QN/GBG formation. SDX Resources, Inc. intends to inject a maximum of 1000 barrels of produced formation water per day at a maximum injection pressure of 800 psi.

Interested parties must file objections or request for hearing with the Oil Conservation Division, 2040 South PPacheco, Santa Fe, New Mexico 87505 within 15 days of this notice.

Published in the Artesia Daily Press, Artesia, N.M. January 7, 1996.

Legal 15330

ORIGINAL AFFIDAVIT WITH CONOCO 7 STATE #3.

ATTACHMENT "H"