

French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Road, Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
May 27, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

RECEIVED

Submit to appropriate District Office

MAY 12 2005

☐ AMENDED REPORT

OOD-ARTESIA

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

¹ Operator Name and Address SDX Resources, Inc. PO Box 5061 Midland, TX 79704		² OGRID Number 020451	
³ Property Code 34318		⁴ Property Name Sedona	
⁵ Proposed Pool 1 Red Lake, QN-GB-SA		⁶ Proposed Pool 2	
⁷ API Number 30 - 015 - 34110		⁸ Well No. 42	

7 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	21	17S	28E		604	North	990	East	Eddy

8 Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Additional Well Information

¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary Rotary	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3622'
¹⁶ Multiple N	¹⁷ Proposed Depth 4000'	¹⁸ Formation QN-GB-SA	¹⁹ Contractor United Drig	²⁰ Spud Date 6/15/05
Depth to Groundwater >50 <100		Distance from nearest fresh water well <1000		Distance from nearest surface water >1000
Liner: Synthetic X 12 mils thick Clay <input type="checkbox"/> Pit Volume: 8000 bbls Closed-Loop System <input type="checkbox"/> 20 Points Drilling Method: Fresh Water X Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4"	8-5/8"	24#	350'	350 sx	Surf
7-7/8"	5-1/2"	14#	4000'	750 sx	Surf

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

Plan to drill a 12-1/4" hole to appx 350' & set 8-5/8" surf csg to 350'. Circ Cl C cmt. Drill 7-7/8" hole to TD (4000'). Run OH logs. Run 5-1/2" csg & circ cmt. Perf the QN-GB-SA zone & stimulate as necessary for optimum production.

Anticipated H2S levels are not expected to be high enough to require a H2s Contingency Plan.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name: Bonnie Atwater

Title: Regulatory Tech

E-mail Address: batwater@sdresources.com

Date: 5/10/05

Phone: 432/685-1761

OIL CONSERVATION DIVISION

Approved by:

TIM W. GUM

DISTRICT II SUPERVISOR

Title:

Approval Date: MAY 16 2005

Expiration Date: MAY 16 2006

If earthen pits are used in association with the drilling of this well, an OCD pit permit must be obtained prior to pit construction.

Revised March 17, 1999

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

State of New Mexico
Energy, Minerals & Natural Resources

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, N M 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 51300	Pool Name Red Lake, QN-GB-SA
Property Code 34318	Property Name SEDONA	Well Number 2
OGRID No. 020451	Operation Name SDX RESOURCES, INC.	Elevation 3622

Surface Location

UL or Lot No.	Section	Township	Range	Lot Idn.	Feet from the	North/South line	Feet from the	East/West line	County
P	21	17-S	28-E		604	SOUTH	990	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or Lot No.	Section	Township	Range	Lot Idn.	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTEREST HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

OPERATOR CERTIFICATION

I HEREBY CERTIFY THAT THE INFORMATION HEREIN IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Signature *Bonnie Atwater*

Printed Name Bonnie Atwater

Title Regulatory Tech

Date 5/10/05

SURVEYOR CERTIFICATION

I HEREBY CERTIFY THAT THE WELL LOCATION SHOWN ON THIS PLAT WAS PLOTTED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION, AND THAT THE SAME IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

APRIL 28, 2005

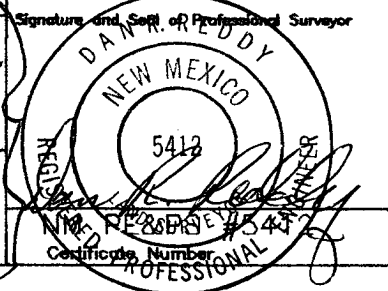
Date of Survey

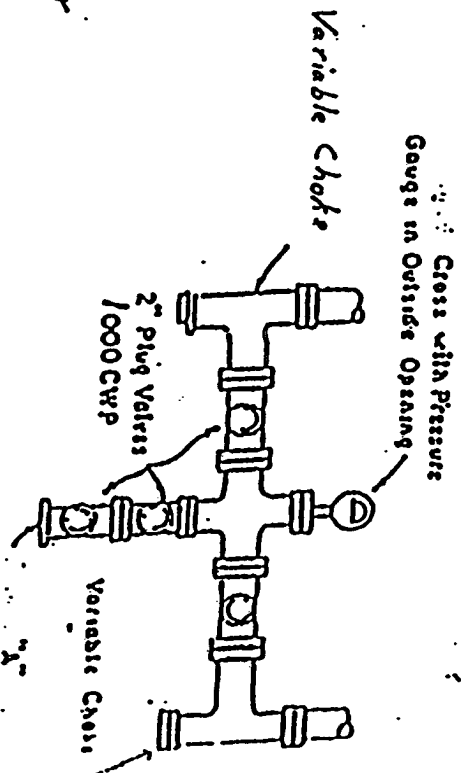
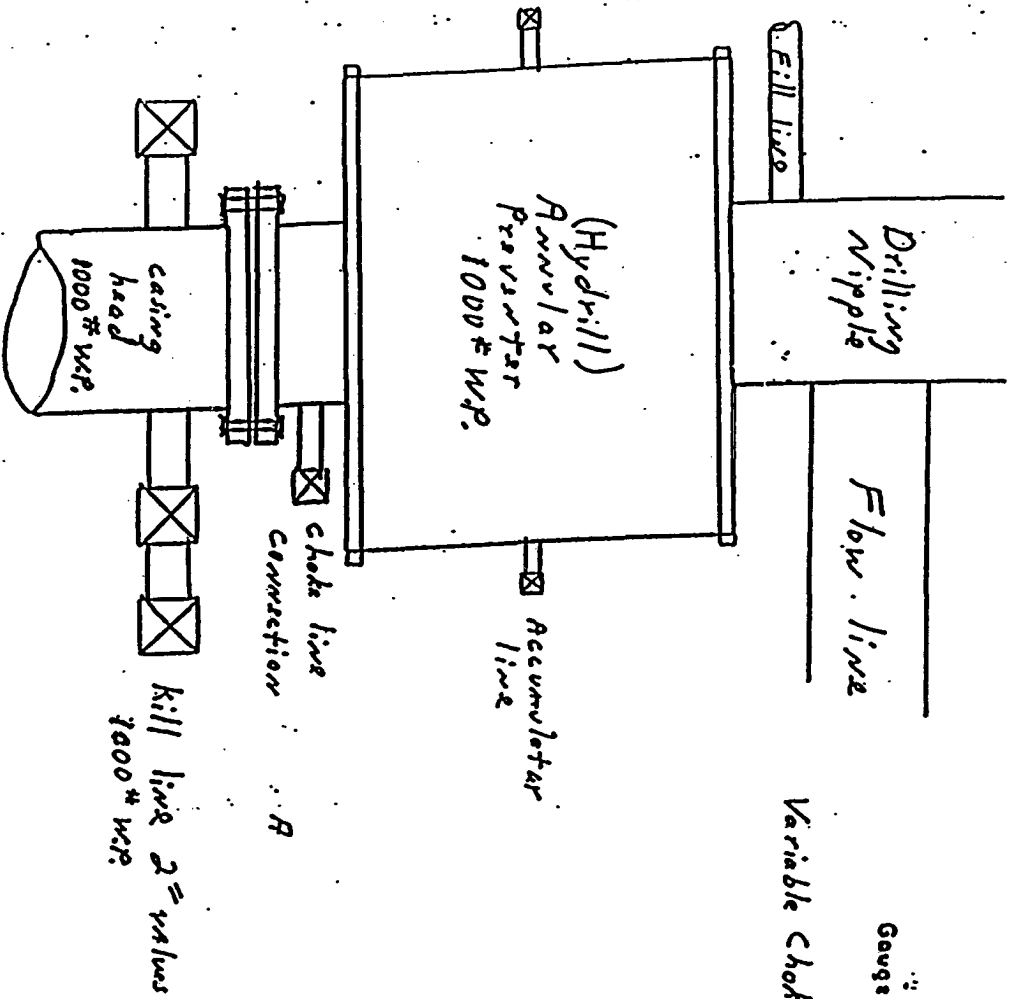
Signature and Seal of Professional Surveyor

LAT N32°48'51.6"
LON W104°10'32.2"

990'

604'





PLAN VIEW-CHOKE MANIFOLD

Exhibit #1