

District I  
PO Box 1980, Hobbs, NM 88241-1980  
District II  
PO Drawer DD, Artesia, NM 88211-0719  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

Form C-101  
Revised February 21, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

☐ AMENDED REPORT

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

<sup>1</sup> Operator Name and Address.  SDX Resources, Inc. PO Box 5061 Midland, TX 79704		<sup>1</sup> OGRID Number 020451
<sup>4</sup> Property Code 18918	<sup>4</sup> Property Name Arco 26 A State	<sup>1</sup> API Number 30-015-29047
		<sup>4</sup> Well No. 3

<sup>7</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
D	26	17S	28E		990'	North	330'	West	Eddy

<sup>8</sup> Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
<sup>9</sup> Proposed Pool 1 Red Lake Artesia; AN-GR-SA					<sup>9</sup> Proposed Pool 2 S1300				

<sup>11</sup> Work Type Code N	<sup>11</sup> Well Type Code O	<sup>11</sup> Cable/Rotary Rotary	<sup>11</sup> Lease Type Code S	<sup>11</sup> Ground Level Elevation 3597' Gr
<sup>11</sup> Multiple No	<sup>11</sup> Proposed Depth 3500' ±	<sup>11</sup> Formation GR/SA	<sup>11</sup> Contractor United Drlg Rig#4	<sup>11</sup> Spud Date 8-1-96

<sup>21</sup> 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' 500	300	surface
7-7/8"	5-1/2"	15.5#	3500'	300	surface

<sup>22</sup> 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 approximately 350' & set 8-5/8" surface csg. Circ "C" cmt. Drill 7-7/8" hole to TD. Run open hole logs (LDT-CNL-GR & DLL). Run 5-1/2" csg & circ 50/50 POZ C cmt. Perf the Grayburg-San Andres & stimulate as necessary for optimum production.

Mud Program: Fresh water mud 0' - 350'.  
Salt water mud 350' - TD.

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <u>Bonnie Atwater</u>		<b>OIL CONSERVATION DIVISION</b>	
Printed name: <u>Bonnie Atwater</u>		Approved by: <b>ORIGINAL SIGNED BY TIM W. GUM</b>	
Title: <u>Regulatory Assistant</u>		Title: <b>DISTRICT II SUPERVISOR</b>	
Date: <u>7-19-96</u>		Approval Date: <u>7-22-96</u>	Expiration Date: <u>7-22-97</u>
Phone: <u>915/685-1761</u>		Conditions of Approval: Attached <input type="checkbox"/>	