

District I  
PO Box 1980, Hobbs, NM 88241-1980

District II  
811 South First, Artesia, NM 88210

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

District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-101  
Revised October 18, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

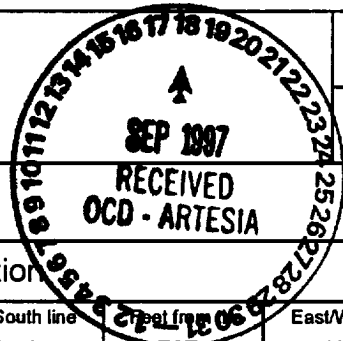
OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

AMENDED REPORT

*CLF  
BWM  
5/2  
OP*

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

Operator Name and Address SDX Resources, Inc. P. O. Box 5061 Midland, TX 79704		GRID Number 020451
Property Code 18918		API Number 30-015-29852
Property Name Arco 26A State		Well No. 8



Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	East/West Line	County
E	26	17S	28E		1637	North	West	Eddy

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
Proposed Pool 1 Red Lake, QN-GR-SA (51300)					Proposed Pool 2				

Work Type Code N	Well Type Code O	Cable/Rotary R	Lease Type Code S	Ground Level Elevation 3620
Multiple No	Proposed Depth 3500	Formation GR/SA	Contractor United Drig Co	Spud Date 10-01-97

Proposed Casing and Cement Program

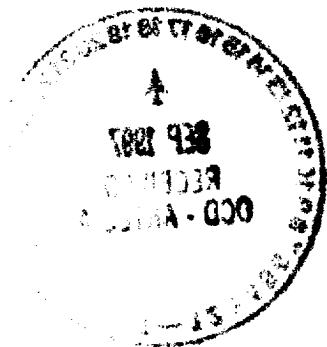
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4"	8-5/8"	24#	500	300 sxs	Surface
7-7/8"	5-1/2"	15.5#	3500	575 sxs	Surface
					<i>Post FR-1 9-26-97 APE &amp; New Loc</i>

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 500' and set 8-5/8" surface casing. Circulate cement to surface. Drill 7-7/8" hole to total depth. Run Open Hole logs (LDT-CNL-GR and DLL). Run 5-1/2" casing and circulate 50/50 Poz Cl "C" cement. Perforate the Grayburg-SA and stimulate as necessary for optimum production.

Mud Program: Fresh water Mud 0 - 500'.  
Salt Water Mud 500 - T.D.

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Janice Courtney</i>	OIL CONSERVATION DIVISION	
	Approved By: ORIGINAL SIGNED BY TIM W. GUM	Title: DISTRICT II SUPERVISOR
Printed name: Janice Courtney 9/17/97	Approval Date: SEP 22 1997	Expiration Date: 9-22-98
Title: Regulatory Tech 915/685-1761		



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  
 Energy, Minerals & Natural Resources Department

Form C-102  
 Revised February 10, 1994  
 Instructions on back  
 Submit to Appropriate District Office  
 State Lease - 4 Copies  
 Fee Lease - 3 Copies

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-015-29852</b>		Pool Code 51300	Pool Name Red Lake, QN-GR-SA (51300)
Property Code 18918	Property Name ARCO 26 A STATE		Well Number 8
OGRID No. 020451	Operator Name SDX RESOURCES, INC.		Elevation 3620.

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
E	26	17-S	28-E		1637	NORTH	797	WEST	EDDY

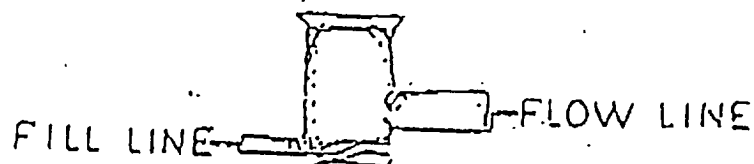
11 Bottom Hole Location If Different From Surface

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

12 Dedicated Acres 40	13 Joint or Infill	14 Consolidation Code	15 Order No.
--------------------------	--------------------	-----------------------	--------------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Janice Courtney</i>          Signature          Janice Courtney          Printed Name          Regulatory Technician          Title          9/17/97          Date</p>		
	<p>18 SURVEYOR CERTIFICATION</p> <p>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 belief.</p> <p>SEPTEMBER 25 1997          Date of Survey          Signature and Seal of Professional Surveyor:            Certificate Number          NM PE&amp;PS NO 5412</p>		



ANNULAR  
TYPE  
PREVENTER

BLIND RAMS  
PIPE RAMS

