

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

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

Operator Name and Address SDX Resources, Inc. PO Box 5061 Midland, TX 79704 915/685-1761		OGRID Number 020451
Property Name NW State		API Number 30-015-30734
Property Code 24439	Well No. 4	

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West Line	County
B	32	17S	28E		1140	North	2277	East	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 Artesia (QN-GB-SA) 03230					Proposed Pool 2				

Work Type Code N	Well Type Code O	Cable/Rotary R	Lease Type Code S	Ground Level Elevation 3696
Multiple No	Proposed Depth 3500	Formation QN-GB-SA	Contractor Capstar	Spud Date 09-01-99

Minimum WOC time / 8 hrs. 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#	550	350 Cl C	Surf
7-7/8"	5-1/2"	14#	3500	350 Poz + 400 Lite	Surf
					Post ID-1
					8-27-99
					API + Loc

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 550' & set 8-5/8" surf csg to 550'. Circ Class C cmt. Drill 7-7/8" hole to TD (3500'). Run OH logs. Run 5-1/2" csg & circ cmt. Perf the QN-GB-SA zone & stimulate as necessary for optimum production.

Amended

NSL-4348 8/25/99

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

Signature:

Bonnie Atwater

Printed name: Bonnie Atwater

Title: Regulatory Tech

8/19/99

OIL CONSERVATION DIVISION

Approved By:

Jim W. Gurn BDX

Title:

District Supervisor

Approval Date:

8-25-99

Expiration Date:

8-25-00

District I
PO Box 1988, Hobbs, NM 88240-2988
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

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* APT Number		* Pool Code	* Pool Name
		03230	Artesia (QN-GB-SA)
* Property Code	* Property Name		* Well Number
24439	N W STATE		4
* OGRID No.	* Operator Name		* Elevation
020451	SDX RESOURCES, INC.		3696.

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	32	17-S	28-E		1140	NORTH	2277	EAST	EDDY

¹¹ 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

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

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

<div>16</div>	<div>¹⁷ OPERATOR CERTIFICATION</div> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><u>Bonnie Atwater</u> Signature Bonnie Atwater Printed Name Regulatory Tech. Title August 20, 1999 Date</p>
	<div>¹⁸ SURVEYOR CERTIFICATION</div> <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>AUGUST 17 1999 Date of Survey Signature and Seal of Professional Surveyor: Certificate No. 5412</p>

New Mexico Oil Conservation Division
C-102 Instructions

IF THIS IS AN AMENDED REPORT, CHECK THE BOX LABELED "AMENDED REPORT" AT THE TOP OF THIS DOCUMENT.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed contact the appropriate OGD district office. Independent subdivision surveys will not be acceptable.

1. The OGD assigned API number for this well
2. The pool code for this (proposed) completion
3. The pool name for this (proposed) completion
4. The property code for this (proposed) completion
5. The property name (well name) for this (proposed) completion
6. The well number for this (proposed) completion
7. Operator's OGRID number
8. The operator's name
9. The ground level elevation of this well
10. The surveyed surface location of this well measured from the section lines. NOTE: If the United States government survey designates a Lot Number for this location use that number in the "UL or lot no." box. Otherwise use the OGD unit letter.
11. Proposed bottom hole location. If this is a horizontal hole indicate the location of the end of the hole.
12. The calculated acreage dedicated to this completion to the nearest hundredth of an acre
13. Put a Y if more than one completion will be sharing this same acreage or N if this is the only completion on this acreage
14. If more than one lease of different ownership has been dedicated to the well show the consolidation code from the following table:

C	Communization
U	Unitization
F	Forced pooling
O	Other
P	Consolidation pending

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!

15. Write in the OGD order(s) approving a non-standard location, non-standard spacing, or directional or horizontal drilling

16.

This grid represents a standard section. You may superimpose a non-standard section over this grid. Outline the dedicated acreage and the separate leases within that dedicated acreage. Show the well surface location and bottom hole location. If it is directionally drilled, with the dimensions from the section lines in the cardinal directions. (Note: A legal location is determined from the perpendicular distance to the edge of the tract.) If this is a high angle or horizontal hole show that portion of the well bore that is open within this pool.

Show all lots, lot numbers, and their respective acreage.

If more than one lease has been dedicated to this completion, outline each one and identify the ownership as to both working interest and royalty.

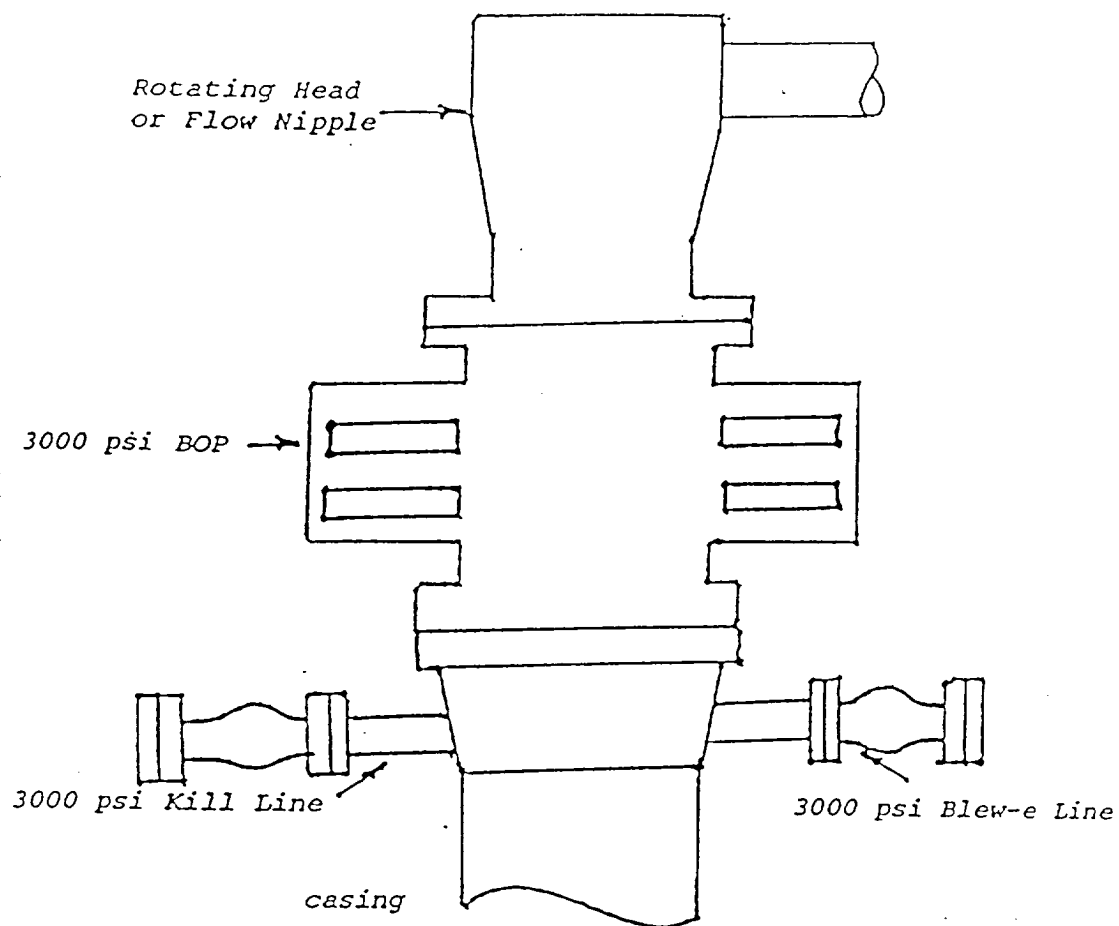
17.

The signature, printed name, and title of the person authorized to make this report, and the date this document was signed.

18.

The registered surveyors certification. This section does not have to be completed if this form has been previously accepted by the OGD and is being filed for a change of pool or dedicated acreage.

Blow Out Preventor Schematic



SDX RESOURCES, INC.

LEASE: NW 5th

WELL #: 4