

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

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-101  
Revised October 18, 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, PLUG BACK OR ADD A ZONE

|   |  |                              |
|---|--|------------------------------|
| Operator Name and Address<br>SDX Resources, Inc.<br>P. O. box 5061<br>Midland, TX 79704<br>(915) 685-1761 |  | OGRID Number<br>020451       |
| Property Code<br>20563  |  | API Number<br>30 - 015-31067 |
| Property Name<br>Marathon 26 State  |  | Well No.<br>18               |

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             | 26      | 17S      | 28E   |         | 430           | North            | 1650          | 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<br>Red Lake, QN-GB-SA (51300) |         |          |       |         | Proposed Pool 2 |                  |               |                |        |

|                     |                        |                      |                                |                                |
|---------------------|------------------------|----------------------|--------------------------------|--------------------------------|
| Work Type Code<br>N | Well Type Code<br>O    | Cable/Rotary<br>R    | Lease Type Code<br>S           | Ground Level Elevation<br>3676 |
| Multiple<br>No      | Proposed Depth<br>4500 | Formation<br>GB / SA | Contractor<br>Capstar Drilling | Spud Date<br>04-15-00          |

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#                | 400           | 300 sxs         | Surf.         |
| 7-7/8"    | 5-1/2"      | 15.5#              | 4500          | 575 sxs         | Surf.         |
|           |             |                    |               |                 |               |
|           |             |                    |               |                 |               |
|           |             |                    |               |                 |               |

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.

Moved location 100' South at Fee surface owners request.

New Location: 430' FNL & 1650' FEL, SEC. 26, T17S R28E

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

Signature:

*Chuck Morgan*

Printed name: Chuck Morgan

Title: Engineer

4/7/2000

OIL CONSERVATION DIVISION

Approved By:

*Jim W. Green*

Title:

SUPERVISOR, DISTRICT II

Approval Date:

4-10-00

Expiration Date:

APR 10 2001

District I  
1525 N. French Dr., Hobbs, NM 88240  
District II  
111 South First, Artesia, NM 88210  
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2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-102  
Revised March 17, 1999

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☒ AMENDED REPORT

### WELL LOCATION AND ACREAGE DEDICATION PLAT

|                               |   |                           |  |
|-------------------------------|---|---------------------------|--|
| API Number                    |   | Pool Code<br><b>51300</b> | Pool Name<br><b>Red Lake, Qx - Gb - Sa</b> |
| Property Code<br><b>20563</b> | Property Name<br><b>MARATHON "26" STATE</b> |                           | Well Number<br><b>18</b>                   |
| OGRID No.<br><b>020451</b>    | Operator Name<br><b>SDX RESOURCES, INC.</b> |                           | Elevation<br><b>3676.</b>                  |

#### 10 Surface Location

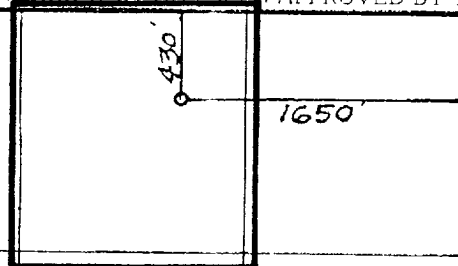
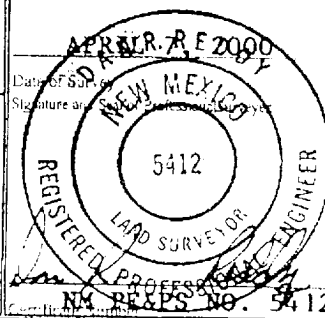
| Section  | Township  | Range       | Lot Idn     | Feet from the | North/South line | Feet from the | East/West line | County      |
|----------|-----------|-------------|-------------|---------------|------------------|---------------|----------------|-------------|
| <b>B</b> | <b>26</b> | <b>17-S</b> | <b>28-E</b> | <b>430</b>    | <b>NORTH</b>     | <b>1650</b>   | <b>EAST</b>    | <b>EDDY</b> |

#### 11 Bottom Hole Location If Different From Surface

| Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
|         |          |       |         |               |                  |               |                |        |

|                 |                 |                    |           |
|-----------------|-----------------|--------------------|-----------|
| Dedicated Acres | Joint or Infill | Consolidation Code | 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

|  |   |
|--|---|
|  | <b>12 OPERATOR CERTIFICATION</b><br>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.   |
|  | Signature <i>Chuck Morgan</i>   |
|  | Printed Name <b>Chuck Morgan</b>  |
|  | Title <b>Engr.</b>  |
|  | Date <b>4/2/00</b>  |
|  | <b>13 SURVEYOR CERTIFICATION</b><br>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. |
|  | Date of Survey  |
|  | Signature of Surveyor   |
|  |    |