

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>PO Box 5061<br>Midland, TX 79704<br>915/685-1761 |  | GRID Number<br>020451      |
| Property Code<br><b>26805</b>                                                                        |  | API Number<br>30-015-31387 |
| Property Name<br>Tigner State                                                                        |  | Well No.<br>1              |

Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West Line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| L             | 28      | 17S      | 28E   |         | 2310          | South            | 990           | 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 |
|--------------------------------|---------|----------|-------|---------|-----------------|------------------|-----------------|----------------|--------|
| Artesia<br>[REDACTED] QN-GB-SA |         |          |       |         | Proposed Pool 1 |                  | Proposed Pool 2 |                |        |

Minimum WOC time 18 hrs.

|                     |                        |                       |                            |                                |
|---------------------|------------------------|-----------------------|----------------------------|--------------------------------|
| Work Type Code<br>N | Well Type Code<br>O    | Cable/Rotary<br>R     | Lease Type Code<br>S       | Ground Level Elevation<br>3648 |
| Multiple<br>No      | Proposed Depth<br>4000 | Formation<br>QN-GB-SA | Contractor<br>United Drilg | Spud Date<br>11-01-00          |

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           | 325             | Surf          |
| 7-7/8"    | 5-1/2"      | 14#                | 4000          | 600             | 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.

Plan to drill a 12-1/4" hole to appx 400' & set 8-5/8" surf csg to 400'. Circ Class 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.

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

10/16/00

OIL CONSERVATION DIVISION

Approved By:

ORIGINAL SIGNED BY TIM W. GUM  
DISTRICT II SUPERVISOR

Title:

Approval Date: OCT 19 2000

Expiration Date: OCT 19 2001

District I  
1625 N. French Dr., Hobbs, NM 88249

District II  
811 South First, Artesia, NM 88210

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1000 Rio Brazos Rd., Aztec, NM 87410

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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

RECEIVED  
OCT 01 2000

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 | Well Name         |
|               |                     | 51300     | Red Lake QN-GB-SA |
| Property Code | Property Name       |           | Well Number       |
|               | TIGNER STATE        |           |                   |
| OGRID No.     | Operator Name       |           | Elevation         |
| 020451        | SDX RESOURCES, INC. |           | 3648.             |

#### 10 Surface Location

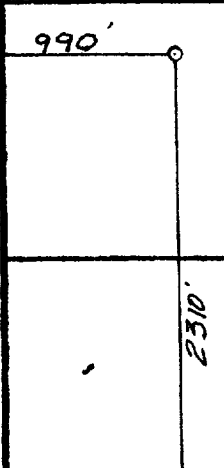
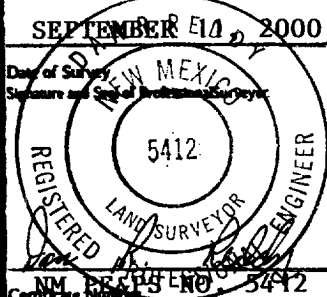
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| L             | 28      | 17-S     | 28-E  |         | 2310          | SOUTH            | 990           | WEST           | EDDY   |

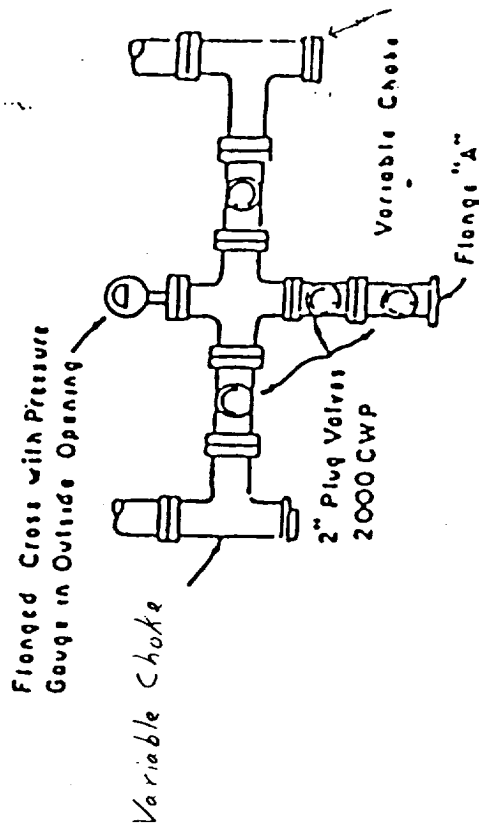
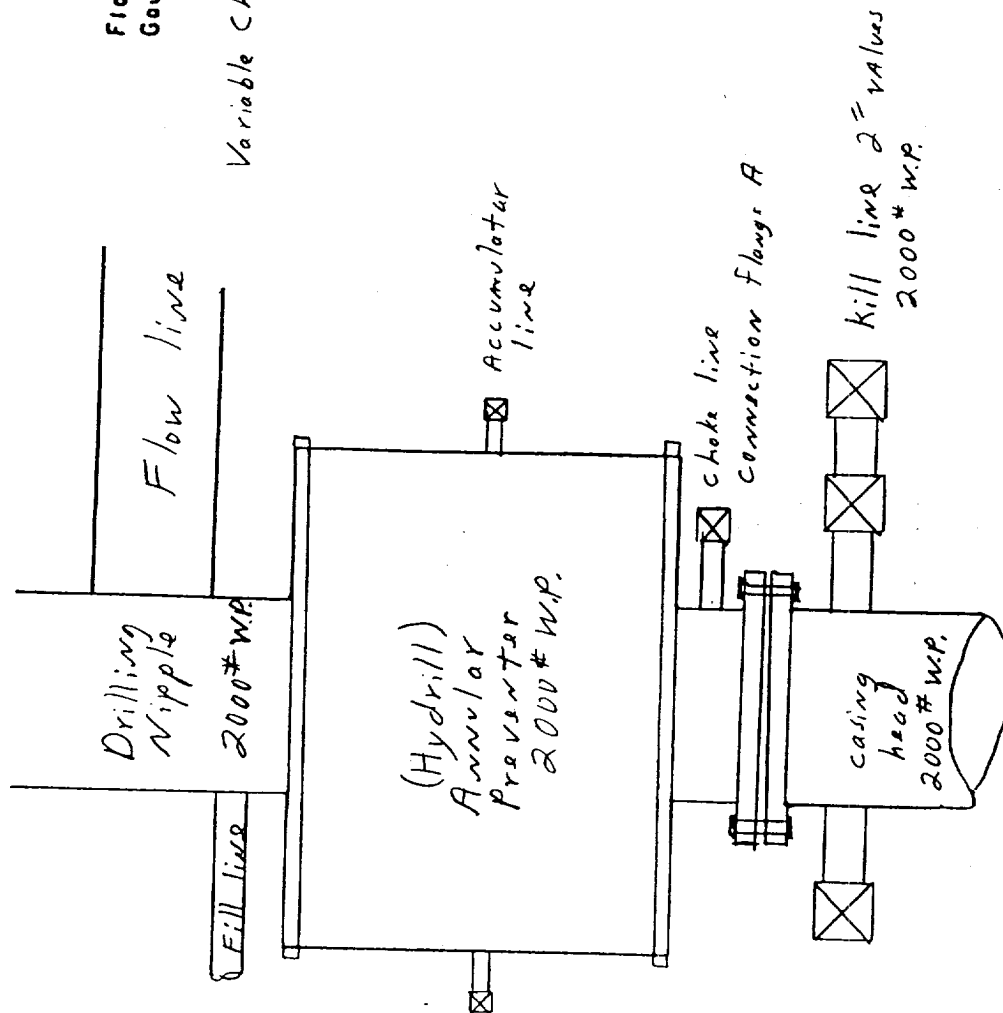
#### 11 Bottom Hole Location If Different From Surface

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

| Dedicated Acres | Joint or Infill | Consolidation Code | Order No. |
|-----------------|-----------------|--------------------|-----------|
| 40              |                 |                    |           |

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

|                                                                                                   |  |  |  |  |                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|---------------------------------------------------------------------------------------------------|--|--|--|--|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <div>16</div>  |  |  |  |  | <b>17 OPERATOR CERTIFICATION</b><br>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.<br><br>Signature <u>Bonnie Atwater</u><br>Printed Name Bonnie Atwater<br>Title Regulatory Tech<br>Date 10/16/00 |                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                                                                                                   |  |  |  |  |                                                                                                                                                                                                                                                                         | <b>18 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.<br><br>SEPTEMBER 11, 2000<br>Date of Survey<br>Signature and Seal of Professional Surveyor<br> |
|                                                                                                   |  |  |  |  |                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                                                                                                   |  |  |  |  |                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                       |



PLAN VIEW - CHOKE MANIFOLD