

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO. 30-015-02550

Indicate Type of Lease STATE ☒ FEE ☐

State Oil & Gas Lease No.

Lease Name or Unit Agreement Name
Artesia Unit

Well No. 61

Pool name or Wildcat
Artesia QN-GB-SA (03230)

Well Location
Unit Letter O 660 Feet From The South Line and 2310 Feet From The East Line
Section 3 Township 18S Range 28E NMPM Eddy County

Elevation (Show whether DF, RKB, RT, GR, etc.)

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"
(FORM C-101) FOR SUCH PROPOSALS.)

Type of Well:
OIL WELL ☐ GAS WELL ☐ OTHER WIW

Name of Operator
SDX Resources, Inc.

Address of Operator
PO Box 5061, Midland, TX 79704

Well Location
Unit Letter O 660 Feet From The South Line and 2310 Feet From The East Line
Section 3 Township 18S Range 28E NMPM Eddy County

Elevation (Show whether DF, RKB, RT, GR, etc.)

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Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☒

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ANBANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Pull tbg & pkr out of hole. Redress pkr & TIH. Reset pkr @ 2330'. Test annulus. If annulus is ok - circ pkr fluid & run chart. If csg is bad, will P&A well.

P&A Proposal:

Set CIBP @ 2300' & cap w/25 sx. TOC @ 2060'

Spot 25 sx plug from 1682 - 1442 * Integrate 4 1/2" x 4 1/2" squeeze cement plug

Spot 45 sx plug from 950 - 515" * Integrate 4 1/2" x 4 1/2" squeeze cement plug

Spot 10 sx surface plug

Install marker

* Grout gel between cement plugs

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

SIGNATURE

Chuck Morgan

TITLE Engineer

DATE 02-10-00

TYPE OR PRINT NAME Chuck Morgan

TELEPHONE NO. 915/685-1761

(This space for State Use)

APPROVED BY

Mrs. S. H. H. H.

TITLE Field Rep. II

DATE 2/25/2000

CONDITIONS OF APPROVAL, IF ANY

* Integrate 4 1/2" x 4 1/2" squeeze cement plug

Artesia Unit # 61
660' FSL & 2310 FEL
Sec. 3 T18S R28E
Edy Co., N.M.

Existing Condition:

N/A" hole to 545' with 545' of 8-5/8" csg cemented with N/A sxs.

7-7/8" hole to 2517 with 2517' of 5-1/2" casing cemented with 100 sxs. Squeezed hole at 187-217
5 times with a total of 325 sxs.

Perfs: 2434'-2490, (2360-62 squeeze holes).

2-3/8" PC tubing with Johnson 101-S at 2399'.

Formation Tops:	Seven Rivers: 1013'
	Queen: 1632'
	Grayburg: 2100'
	San Andres: 2488'

Proposal:

- 1.) Pull tubing and packer out of the hole. Redress packer and TIH. Reset packer at 2330'.
- 2.) Test annulus. If annulus is OK: Circulate packer fluid and run chart. If casing is bad, will P&A well.

P&A Proposal:

- 1.) Set CIBP at 2300' and cap with 25 sxs. TOC=2060
- 2.) Spot 25 sx. Plug from 1682-1442
- 3.) Spot 45 sx. Plug from 950-515'.
- 4.) Spot 10 sx surface plug.
- 5.) Install marker.