

NM OIL & GAS COMMISSION
DRAWER D
ARTESIA, NM 88210

Form 3160-3
 (July 1989)
 (formerly 9-331C)

CONTACT RECEIVING
 OFFICE FOR NUMBER
 OF COPIES REQUIRED
 (Other instructions on
 reverse side)

30-015-28008

BLM Roswell District
 Modified Form No.
 NMD60-3160-2

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WORK
 DRILL ☒ DEEPEN ☐ PLUG BACK ☐

2. TYPE OF WELL
 OIL WELL ☒ GAS WELL ☐ OTHER ☐

3. NAME OF OPERATOR
 SDX Resources, Inc. ✓

4. ADDRESS OF OPERATOR
 P.O. Box 5061, Midland, TX, 79704

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
 At surface: 330' FSL, 10' FWL, unit M, Sec. 12
 At proposed prod. zone: Same

6. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
 15 miles S.E. of Artesia, N.M.

7. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.
 (Also to nearest drlg. unit line, if any) 330' (10')

8. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 460'

9. ELEVATIONS (Show whether DF, RT, GR, etc.)
 3615 GR

10. NO. OF ACRES IN LEASE
 1240

11. NO. OF ACRES ASSIGNED TO THIS WELL
 40

12. ROTARY OR CABLE TOOLS
 rot.

13. APPROX. DATE WORK WILL START
 6/1/94

14. FIELD AND POOL, OR WILDCAT
 Art-Qn-Gb-Sa

15. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Sec. 12 T18S R28E 3230

16. COUNTY OR PARISH
 Eddy

17. STATE
 N.M.

PROPOSED CASING AND CEMENTING PROGRAM

HOLE SIZE	CASING SIZE	WEIGHT/FOOT	GRADE	THREAD TYPE	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	J-55	8rd.	350'	350 "C
7-7/8"	5-1/2"	14#	J-55	8rd.	4000'	350 POZ
						400 LITE

Plan to drill a 12-1/4" hole to approx. 350'; set 8-5/8" surface casing. Circulate "C" cement. Drill 7-7/8" hole to TD. Run open hole logs (LDT-CNL-GR & DLL). Run 5-1/2" casing and circulate cement. Perforate the San Andres-Grayburg-Queen and stimulate as necessary for optimum production. Specific programs as per Onshore Oil and Gas Order #1 are outlined in the following attachments:

- Drilling Program:
- Surface Use and Operating Plan
- Exhibit #1 Blowout Preventer Equipment
- #2 Location and Elevation Plat
- #3 Planned Access Roads
- #4 One Mile Radius Map
- #5 Planned Production Facilities and Access

Post ID-1
 7-1-94
 New Lee & API

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED Chuck Morgan TITLE Engr. DATE 4/30/94

PERMIT NO. APPROVAL DATE

APPROVED BY K. L. L. L. TITLE AREA MANAGER DATE

CONDITIONS OF APPROVAL, IF ANY:
 NON STANDARD LOCATION... SUBJECT TO LIKE APPROVAL BY STATE See Instructions On Reverse Side

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

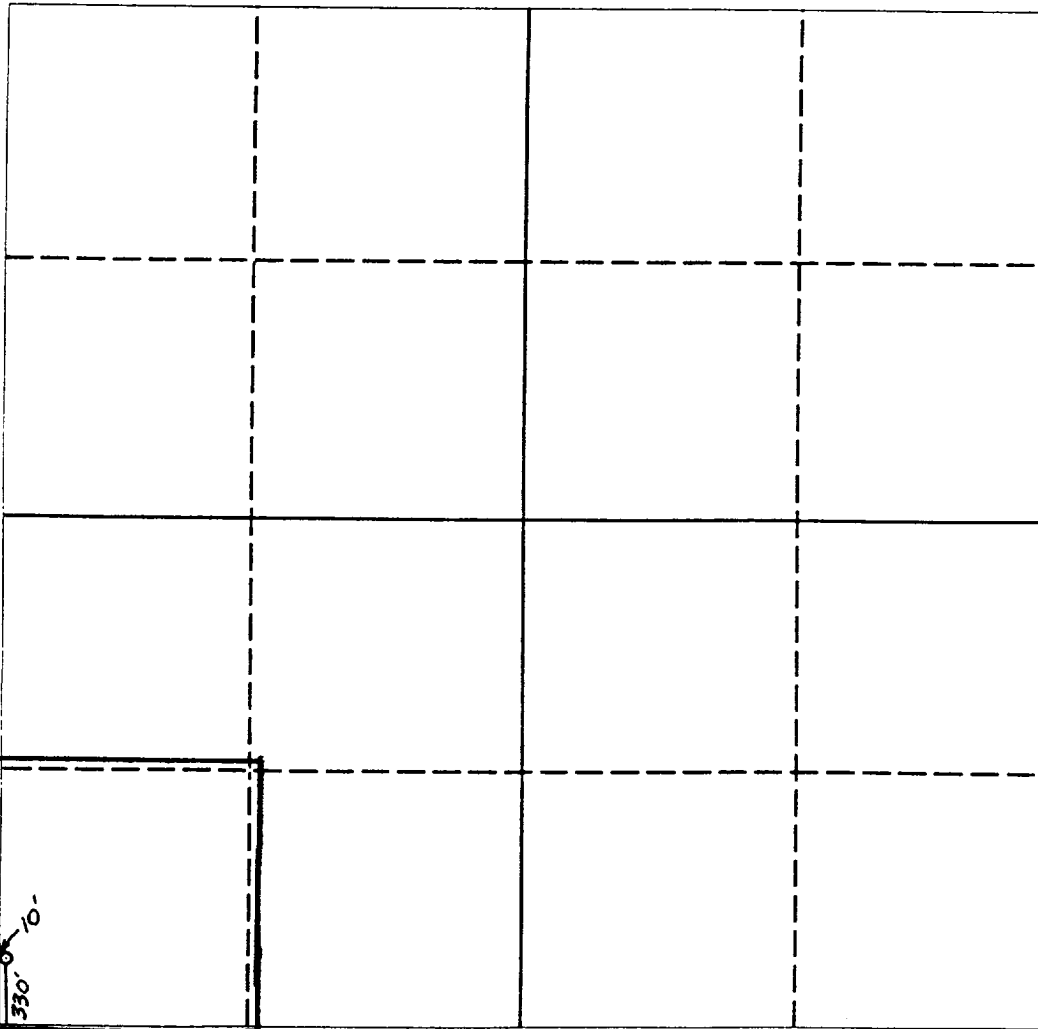
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator SDX RESOURCES, INC.			Lease DUNN B FEDERAL		Well No. 36
Unit Letter M	Section 12	Township 18 SOUTH	Range 28 EAST	County EDDY COUNTY, NM	
Actual Footage Location of Well: 330 feet from the SOUTH line and 10 feet from the WEST line					
Ground level Elev. 3615.	Producing Formation Qn - 6b - SA		Pool Artesia - Qn - 6b - SA.	Dedicated Acreage: 40 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc?
☐ Yes ☐ No If answer is "yes" type of consolidation _____
If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if neccessary.)
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

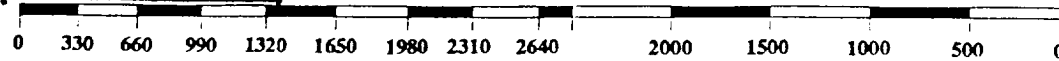
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

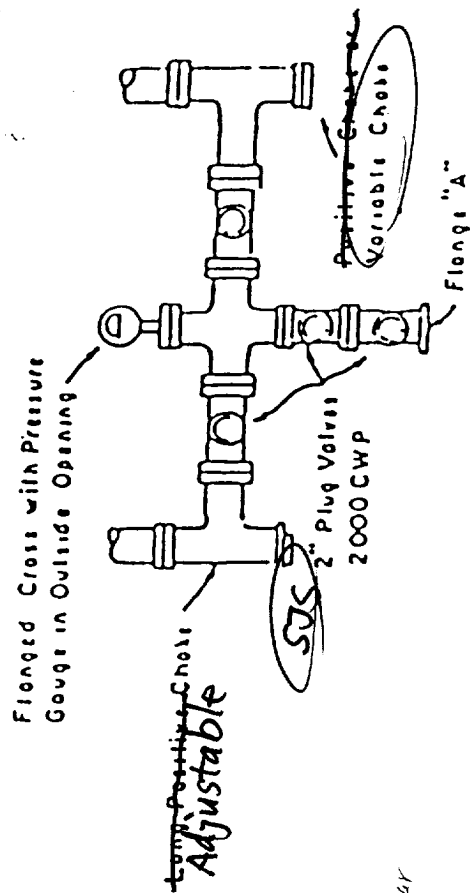
Signature *Chuck Morgan*
Printed Name **Chuck Morgan**
Position **Engr.**
Company **SDX Resources**
Date **5/3/94**

SURVEYOR CERTIFICATION

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 knowledge and belief.

Date Surveyed
APRIL 25, 1994
Signature & Seal of Professional Surveyor
DR. R. EDDY
NEW MEXICO
5412
REGISTERED PROFESSIONAL SURVEYOR
ENGINEER
NM PLATS NO. 5412





PLAN VIEW - CHOKE MANIFOLD

Exhibit #1