

**MINERAL OIL CONS COMMISSION**  
**DRAWER DD**  
**ARTESIA, NM 88210**

CONTACT RECEIVING  
OFFICE FOR MIN  
OF COPIES REQ.  
(Other instructions on  
reverse side)

30-015-28245  
BLM Roswell District  
Modified Form No.  
NM60-3160-2  
CISF

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM54184	
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N.A.	
2. NAME OF OPERATOR SDX Resources, Inc.		7. UNIT AGREEMENT NAME N.A.	
3a. Area Code & Phone No. 20451 (505)748-9724		8. FARM OR LEASE NAME Dunn B Fed. 9814'	
3. ADDRESS OF OPERATOR P.O. Box 5061, Midland, TX. 79704		9. WELL NO. 39	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface: 1319' FNL, 60' FEL, unit A, Sec. 10 At proposed prod. zone: <u>UNORTHODOX LOCATION</u> Same		10. FIELD AND POOL, OR WILDCAT Art-Qn-Gb-Sa	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 15 miles S.E. of Artesia, N.M.		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 10 T18S R28E	
10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1319' (01')		12. COUNTY OR PARISH Eddy	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 891'		13. STATE N.M.	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3630' GR		17. NO. OF ACRES ASSIGNED TO THIS WELL 40	
16. NO. OF ACRES IN LEASE 1240		20. ROTARY OR CABLE TOOLS rot.	
19. PROPOSED DEPTH 4000'		22. APPROX. DATE WORK WILL START* 12/1/94	

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 CIRCULATE
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. 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

#6 Drilling Rig Layout

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 10/27/94

(This space for Federal or State office use)

PERMIT NO. 14 Link Lacwell APPROVAL DATE 12-7-94  
APPROVED BY Link Lacwell TITLE ACTING AREA MANAGER DATE 12-7-94  
CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions On Reverse Side

District I  
PO Box 1980, Hobbs, NM 88240-1980  
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

1 API Number		2 Pool Code		3 Pool Name <i>Artesia - Qv. - Gb - Sq.</i>		
4 Property Code		5 Property Name DUNN B FEDERAL			6 Well Number 39	
7 OGRID No.		8 Operator Name SDX RESOURCES, INC.			9 Elevation 3630.	

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
A	10	18S	28E		1319	NORTH	60	EAST	EDDY

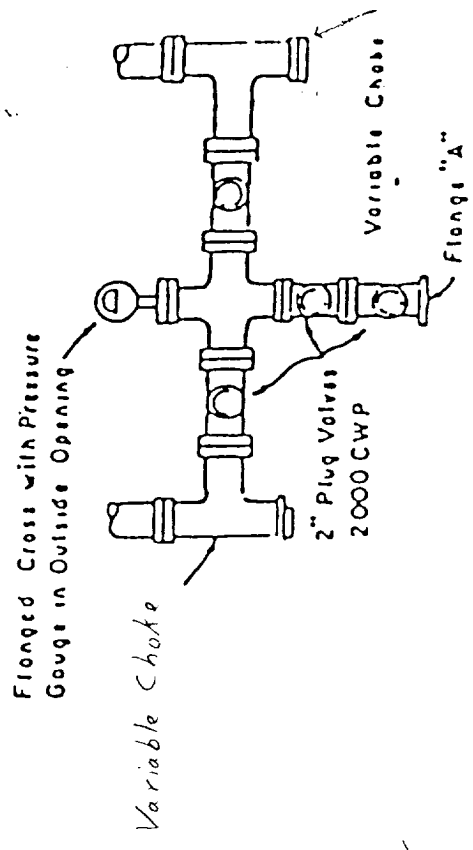
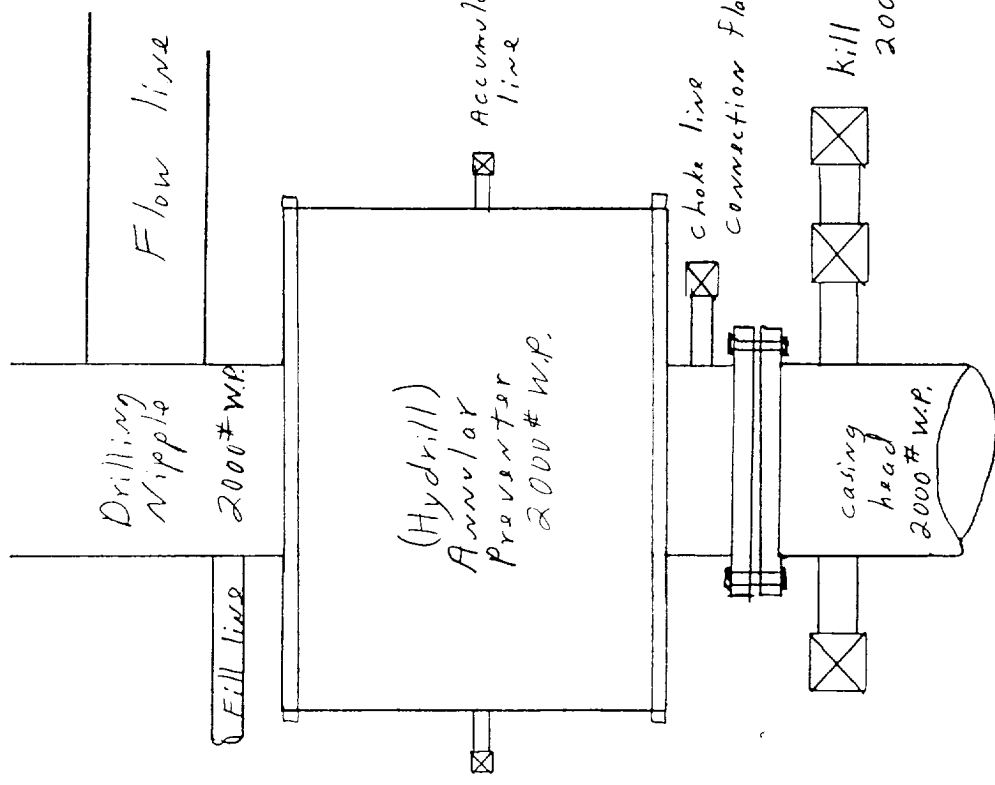
11 Bottom Hole Location If Different From Surface

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 <i>40</i>	13 Joint or Infill	14 Consolidation Code	15 Order No.
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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

16					1319' 60'	17 OPERATOR CERTIFICATION 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 <i>Chuck Morgan</i>	
						Title <i>Engr.</i>	
						Date <i>10/28/94</i>	18 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 belief.
						OCTOBER 21, 1994 Date of Survey	
						Signature and Seal of Professional Surveyor: <i>Don R. Reddy</i>	
						5412 REGISTERED PROFESSIONAL ENGINEER Certificate Number NM PEAPS No. 5412	



PLAN VIEW - CHOKE MANIFOLD

Exhibit #1