

**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**

811 S. 1ST ST.  
ARTEZIA, NM 87003  
SUBMIT IN TRIPLICATE\*  
(with 2 copies on reverse side)

FORM APPROVED  
OMB NO. 1004-0136  
Expires: February 28, 1995

c/sf

**APPLICATION FOR PERMIT TO DRILL OR DEEPEN**

## 1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

## b. TYPE OF WELL

OIL  
WELL ☒GAS  
WELL ☐OTHER ☐SINGLE  
ZONE ☐MULTIPLE  
ZONE ☐

## 2. NAME OF OPERATOR

SDX Resources, Inc.

## 3. ADDRESS AND TELEPHONE NO.

PO Box 5061, Midland, TX 79704 915/685-1761

## 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.')

At surface 2160' FSL 990' FEL

At proposed prod. zone

Same

**SECRETARY'S POTASH**

## 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

12 miles SE of Loco Hills, NM

15. DISTANCE FROM PROPOSED\*  
LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT  
(Also to nearest drg. unit line, if any)330'  
330'

## 16. NO. OF ACRES IN LEASE

80

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION\*  
TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

468'

## 19. PROPOSED DEPTH

4000'

## 20. ROTARY OR CABLE TOOLS

Rotary

## 21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3501' GR

**CANTON CONTROLLED WATER BASIN**

## 22. APPROX. DATE WORK WILL START\*

06/01/98

## 23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8" J-55	24#	500'	400 sx Class C
7-7/8"	5-1/2" J-55 or	9.5# - 17#	4000'	350 sx 50/50 POZ
	4-1/2" J-55			400 sx 35/65 POZ

Plan to drill a 12-1/4" hole to appx 500'. Set 8-5/8" surface csg & circ C cmt to surface. Drill 7-7/8" hole to TD. Run open hole logs (LDT-CNL-GR & DLL). Run 4-1/2" or 5-1/2" csg & circ cmt to surface. Will perf & stimulate as necessary for optimum production.

Specific programs as per Onshore Oil & Gas Order #1 are outlined in the following attachments:

Drilling Program

Surface Use &amp; Operating Plan

H2S Plan

Exhibit 1: BOP

2: Plat

3: Planned ROW's (access roads &amp; flowlines &amp; high lines)

4: One Mile Radius Map

5: Drilling Rig Layout

**APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHED**

IN ABOVE SPACE DESCRIBE PROGRAM: If proposal is to deepen, 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.

24.

SIGNED

*Bonnie Ottwater*

TITLE Regulatory Tech.

DATE 04/14/98

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

*FRANK SPENCER*

TITLE

Acting

**STATE DIRECTOR**

DATE

7-21-98

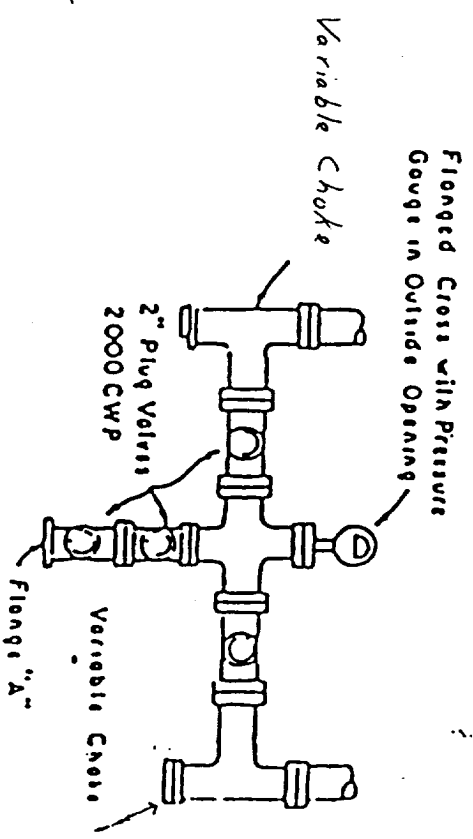
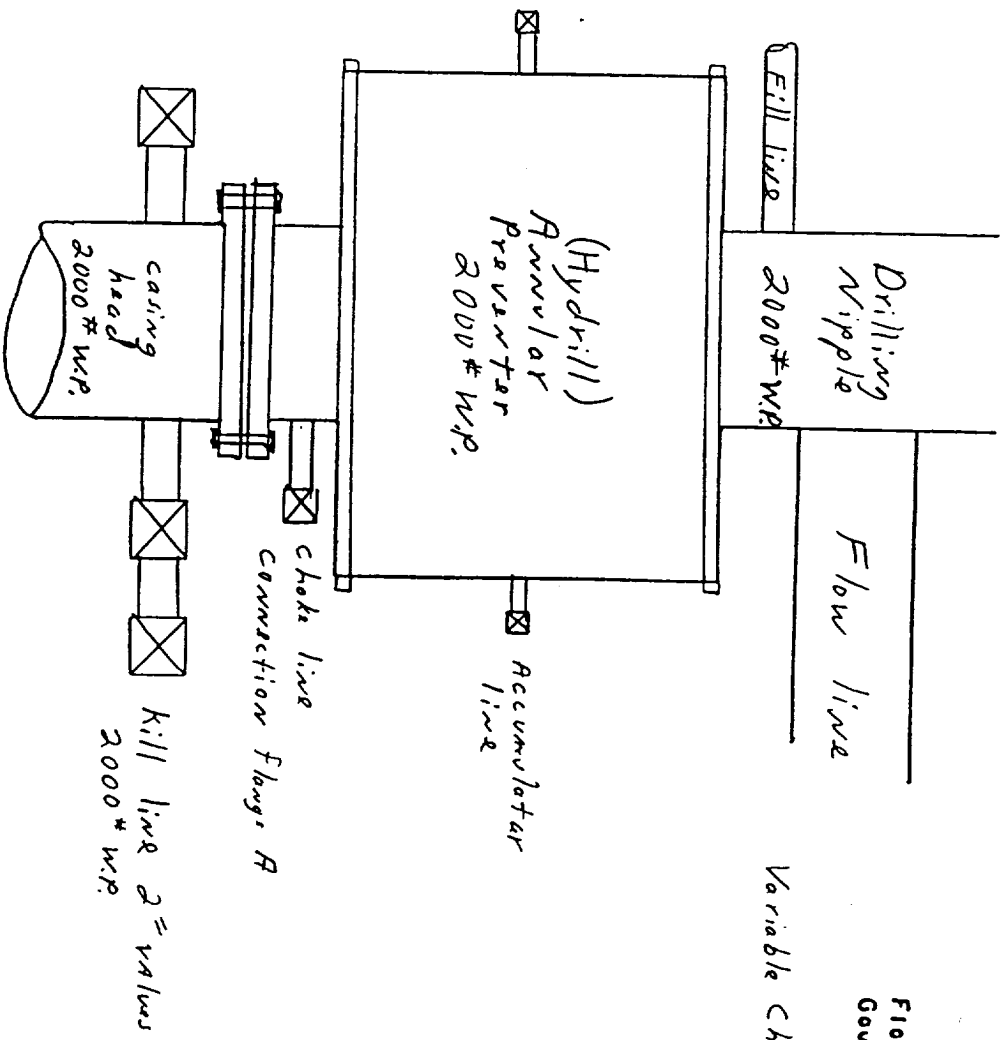
\*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Form C-102  
Revised February 10, 1994  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

**DISTRICT IV**  
**P.O. BOX 2088, SANTA FE, N.M. 87504-2088**

☐ AMENDED REPORT



PLAN VIEW-CHOKE MANIFOLD

Exhibit #1