

Submit to Appropriate
District Office
State Lease - 6 copies
Lease - 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
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

API NO. (assigned by OCD on New Wells)

30-014-27304

5. Indicate Type of Lease

STATE ☒

FEE ☐

6. State Oil & Gas Lease No.

648

7. Lease Name or Unit Agreement Name

East Millman

8. Well No.

199

9. Pool name or Wildcat

E. Millman Q-G-SA

1a. Type of Work:

DRILL ☒

RE-ENTER ☐

DEEPEN ☐

PLUG BACK ☐

1b. Type of Well:

OIL WELL ☒

GAS WELL ☐

OTHER ☐

SINGLE ZONE ☐

MULTIPLE ZONE ☒

2. Name of Operator

SDX RESOURCES, INC.

3. Address of Operator

P.O. BOX 5061 Midland, TX. 79704-5061

4. Well Location

Unit Letter E

: 10

Feet From The West

Line and 1425

Feet From The North

Line

Section 14

Township 19-S

Range 28-E

NMPM Eddy

County

10. Proposed Depth

2600

11. Formation

Grayburg

12. Rotary or C.T.

Rot

13. Elevations (Show whether DF, RT, GR, etc.)

3467 GR

14. Kind & Status Plug. Bond

Blanket

15. Drilling Contractor

Capstar

16. Approx. Date Work will start

Feb. 01

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12-1/4"	8-5/8"	24#	350'±	300	surf
7-7/8"	5-1/2"	15.50#	2600'	500	surf

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 50/50 POZ "C" cement. Perforate the Grayburg-Queen and stimulate as necessary for optimum production.

Mud Program: Fresh water mud 0'-350'
Salt water mud 350'-TD.

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 8-3-93
UNLESS DRILLING UNDERWAY

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE

Chuck Morgan

TITLE

Engr.

DATE

1/29/93

TYPE OR PRINT NAME

Chuck Morgan

TELEPHONE NO. 748-9814

(This space for State Use)

APPROVED BY

Mark Bahley

TITLE

Geologist

DATE

2-3-93

CONDITIONS OF APPROVAL, IF ANY: