

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised 1-1-89

OIL CONSERVATION DIVISION

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

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

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)

30-015-27781

5. Indicate Type of Lease

STATE ☒

FEE ☐

6. State Oil & Gas Lease No.

E5163

7. Lease Name or Unit Agreement Name

AR State #2

8. Well No.

2

9. Pool name or Wildcat

E. Millman Q-G-SA

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:

DRILL ☒

RE-ENTER ☐

DEEPEN ☐

PLUG BACK ☐

b. 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 : 330 Feet From The West Line and 2310 Feet From The South Line

Section 23

Township 19-S

Range 28-E

NMPM

Eddy

County

10. Proposed Depth

3200

11. Formation

Grayburg

12. Rotary or C.T.

Rot

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

3385 GR

14. Kind & Status Plug. Bond

Blanket

15. Drilling Contractor

Clover

16. Approx. Date Work will start

Dec. 13th

17. 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#	380 +	300	surf
7-7/8"	5-1/2"	15.50#	3200	500	surf

Plan to drill a 12-1/4" hole to approx. 380'; 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.

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 12/9/93

TYPE OR PRINT NAME Chuck Morgan TELEPHONE NO. 748-9224

(This space for State Use)

APPROVED BY Mark Kelly TITLE GEOLOGIST DATE 12-10-94

CONDITIONS OF APPROVAL, IF ANY:

FOR 180 DAYS
PERMIT EXPIRES 6-10-94
UNLESS DRILLING UNDERWAY