State Lease 6 copies	State of New Mer y, Minerals and Natural Re		Form C-101 Revised 1.1-89			
DISTRICT I P.O. Box 1930, Hobbs, NM 88240 DISTRICT II P.O. Drawer DD, Artesia, NM 88210 DISTRICT III 1000 Rio Brazos Rd., Azzec, NM 87410	CONSERVATIO P.O. Box 208 Santa Fe, New Mexico	8 37504-2088 SED 0 392	API NO. (assigned by OCE 5. Indicate Type of Lease ST 6. State Oil & Gas Lease 1 648			
APPLICATION FOR PERMI			7. Lease Name or Unit Ag East Millm			
<ol> <li>Name of Operator</li> <li>SDX RESOURCES, INC.</li> <li>Address of Operator</li> <li>P.O. BOX 5061 Midland, TX. 79704-5061</li> </ol>			8. Well No. 205 9. Pool name or Wildcat E. Millman Q-G-SA			
4. Well Location Unit Letter:1330 Fe Section To	a From The <u>East</u>	Line and	1261 Feet From The	North Line County		
13. Elevations (Show whether DF, RT, GR, etc.)	10. Proposed Depth 2650 14. Kind & Status Plug. Bond Blanket	15. Drilling Contractor		12. Rotary or C.T. Rot · Date Work will start		
3405_GR     Blanket     Capstar     Apr. 01       17.     PROPOSED CASING AND CEMENT PROGRAM						
SIZE OF HOLE SIZE OF CASIN		SETTING DEPTH	SACKS OF CEMENT	EST. TOP		
<u>12-1/4"</u> 8-5/8" 7-7/8" 5-1/2"	24# 15.50#	<u>350'+</u> 2600'	<u>300</u> 500	surf 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'
	2	Salt water mud	350'-TD.

11 - 21 -3 10 - 13 1 Eastair A1,02

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 signature	edge and belief	Engr.	DATE 3/7/93
TYPE OR PRINT NAME Chuck Morgan			TELEPHONE NO. 748-9724
(This space for State Use) APPROVED BY May Ac Helly CONDITIONS OF APPROVAL, IF ANY:	mre _	Herbourd .	DATE 3-15-93 DAYS

Sui init to Appropriate District Office State Lease - 4 copies Fee Lease - 3 copies

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

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

SDX RESOURCES, INC.     EAST MILLMAN UNIT     205       Unit Letter     Section     Township     Range     County       B     14     19 SOUTH     28 EAST     NMPM     EDDY COUNTY, NM       Actual Footage Location of Well:     1261     feet from the     NORTH     line and     1330     feet from the     EAST     line	DISTRICT III 1000 Rio Brazos R	d., Azzec, NM 87410			ND ACREAGE DED		AT	
B       IA       Towship       Range       Course       Dotted on the second of Weil?       EDDY COUNTY, NM         1261       feet from the NORTH       line and       1330       feet from the EDDY COUNTY, NM         2001       1261       feet from the NORTH       line and       1330       feet from the EDDY COUNTY, NM         305.       G G. & - S.A.       Foil       ////reac.G G.G S.A.       4.0       Acres         1. Outline textrege declarated to the major waith y colored people.       in the acress of declared to the major waith y colored people.       for the acress of declared to the major waith y colored people.       Acres         1. Outline the acress of declared to the major waith y colored people.       for the acress of declared to the major waith y colored people.       for the acress of declared to the major waith y colored people.       for the acress of declared to the major waith y colored people.       for the acress of declared to the major waith y colored people.       for the acress of declared to the major waith y colored people.       for the acress of declared to the major waith y colored people.       for the acress of declared to the major waith y colored people.       for the acress of declared to the major waith y colored people.       for the acress of declared to the major waith y colored people.       for the acress of declared to the major waith y colored people.       for the acress of declared to the major waith y colored people.       for the acress of declared to the acress of declared to the major	Operator				Lease			Well No.
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Actual Focuse Location of Well:       NORTH       line and       1330       feet from the       EAST       line         3405.       G - G & - S A       For Million A - G & - S A       Intermediate of the served educated to the well, outline each and identify the ownership thereof bodh as to working interest and royalty).       It more than one lease is dedicated to the well, outline each and identify the ownership thereof bodh as to working interest and royalty).         3. If more than one lease of different ownership is dedicated to the well, outline each and identify the ownership thereof bodh 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, initization, force-pooling, cc ?         If answer is 'bo' list the owners and rand descriptions which have scinally been consolidated. (Use reverse add of this form is not inacting science, has been approved by the Division.         If answer is 'bo' list the owners and rand descriptions which have scinally been consolidated. (Use reverse add of this form is not indexels, has been approved by the Division.         If an one standard unit, diminating and interest, has been approved by the Divisio.         If an one standard unit, diminating and interest, has been approved by the Divisio.         If acted by owner and the well location standard or proved by the Divisio.         If acted by owner and the well location standard and begin the owner applicit of the best of my browledge and bidif.         If acted by ownere applicit do fin disto acto actual surveys and but the same is t	В	14	19	SOUTH	-	NR (D	עתתי	COUNTY, NM
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State of New Mexico Energy, Minerals and Natural Resources Department

**OIL CONSERVATION DIVISION** 

P.O. Box 2088 Santa Fe, New Mexico 87504-2088 Form C-102 Revised 1-1-89



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