

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NM OIL CONS COMMISSION
Drawer DD
Artesia, NM 88210

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

SDX Resources, Inc.

3. Address and Telephone No.

P. O. Box 5061, Midland, TX 79704 915/685-1761

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2310' FSL & 2310' FEL, Unit J
Sec. 10, T18S, R28E

5. Lease Designation and Serial No.

NM 54184

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Dunn B Federal # 48

9. API Well No.

30-015-28393

10. Field and Pool, or Exploratory Area

ART-QN-GB-SA

11. County or Parish, State

Eddy Co., NM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Request Extension of Expiration Date of APD
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

SDX Resources, Inc. respectfully request an extension for the drilling of the Dunn B Federal #48. The approved APD will expire on March 13, 1996.

By extending the expiration of this APD it will give SDX Resources, Inc. additional time to complete their drilling program for this area.

APPROVED FOR 12 MONTH PERIOD
ENDING 3/13/97

RECEIVED
NOV 6 9 27 AM '95
CARL AREA

14. I hereby certify that the foregoing is true and correct

Signed Janice Courtney

Title Regulatory Tech

Date 11/03/95

(This space for Federal Official)

(ORIG. SCD.) JOE G. LARA

PETROLEUM ENGINEER

Approved by
Conditions of approval, if any:

Title

Date 11/22/95

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.

*See Instruction on Reverse Side

GENERAL INSTRUCTIONS

Instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

This form is designed for submitting proposals to perform certain well operations, and reports of such operations when completed, as indicated, on Federal and Indian lands pursuant to applicable Federal law and regulations, and, if approved or accepted by any State, on all lands in such State, pursuant to applicable State law and regulations. Any necessary special in-

SPECIFIC INSTRUCTIONS

zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to top of any left in the hole; method of closing top of well; and date well site conditioned for final inspection looking to approval of the abandonment.

Item 4—If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 13—Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by local Federal and/or State offices. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et. seq., 351 et. seq., 25 U.S.C. et. seq.; 43 CFR 3160.

PRINCIPAL PURPOSE — The information is to be used to evaluate, when appropriate, approve applications, and report completion of secondary well operations, on a Federal or Indian lease.

ROUTINE USES:

(1) Evaluate the equipment and procedures used during the proposed or completed subsequent well operations.

(2) Request and grant approval to perform those actions covered by 43 CFR 3162.3-2(2).

(3) Analyze future applications to drill or modify operations in light of data obtained and methods used.

(4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION — Filing of this notice and report and disclosure of the information is mandatory once an oil or gas well is drilled.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501, et. seq.) requires us to inform you that:

This information is being collected in order to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

This information will be used to report subsequent operations once work is completed and when requested, to obtain approval for subsequent operations not previously authorized.

Response to this request is mandatory for the specific types of activities specified in 43 CFR Part 3160.

BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 25 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, (Alternate) Bureau Clearance Officer, (WO-771), 18 and C Streets, N.W., Washington, D.C. 20240, and the Office of Management and Budget, Paperwork Reduction Project (1004-0135), Washington, D.C. 20503.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONTACT RECEIVING
OFFICE FOR NUMBER
OF COPIES REQUIRED
(Other instructions on
reverse side)

30-015-28393
BLM Roswell District
Modified Form No.
NM060-3160-2

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER ☐

SINGLE
ZONE ☐

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

SDX Resources, Inc.

20451

3a. Area Code & Phone No.

(505) 749-972

3. ADDRESS OF OPERATOR

P.O. Box 5061, Midland, TX. 79704

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

At surface

2310' FSL, 2310' FEL, unit J, Sec. 10

At proposed prod. zone

Same

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

15 miles S.E. of Artesia, N.M.

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

330'

(330')

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1043'

16. NO. OF ACRES IN LEASE

1240

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

19. PROPOSED DEPTH

4000'

20. ROTARY OR CABLE TOOLS

rot.

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

3612 GR

22. APPROX. DATE WORK WILL START*

2/1/95

23.

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 "C" CIRCULATE
7-7/8"	5-1/2"	14#	J-55	8rd.	4000'	350 POZ (TIE BACK)
						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

RECEIVED

MAR 16 1995

OIL CON. DIV.

DIST. 2

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

12/21/94

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Timothy P. O'Brien

APPROVED BY

TITLE

Acting

AREA MANAGER

DATE

3-13-95

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

*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 APT Number 30-015-28393		2 Pool Code 3230		3 Pool Name Art.- 4n. - 66. - 5A	
4 Property Code		5 Property Name DUNN B FEDERAL			6 Well Number 48
7 OGRID No.		8 Operator Name SDX RESOURCES, INC.			9 Elevation 3612.

10 Surface Location

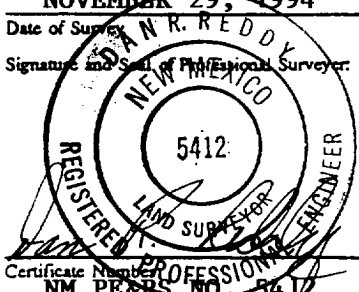
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	10	18S	28E		2310	SOUTH	2310	EAST	EDDY

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 40	13 Joint or Infill 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					17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature <u>Chuck Morgan</u> Printed Name <u>Chuck Morgan</u> Title <u>Engr.</u> Date <u>12/15/94</u>
					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. NOVEMBER 29, 1994 Date of Survey Signature and Seal of Professional Surveyor:  Certificate Number <u>5412</u> NM PERMS NO. <u>5412</u>

Cement Program:

8 5/8" surface casing: Cemented to surface with 250 sx of Class C with 2% CACL2 and 1/4 #/sx Flocele and 100 sx of Class "C" with 2% CACL2.

5 1/2" production casing: Cemented with 300 sx of 50/50 Class "C" POZ with 6# salt/sx and 3% Halad 322 and 400 sx of Lite "C" with 3# salt/sx and 1/4 #/sx Flocele. This should circulate cement to the surface.

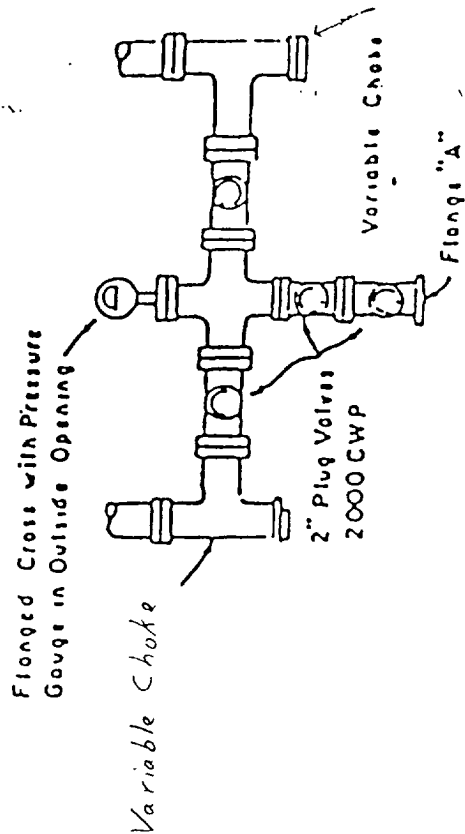
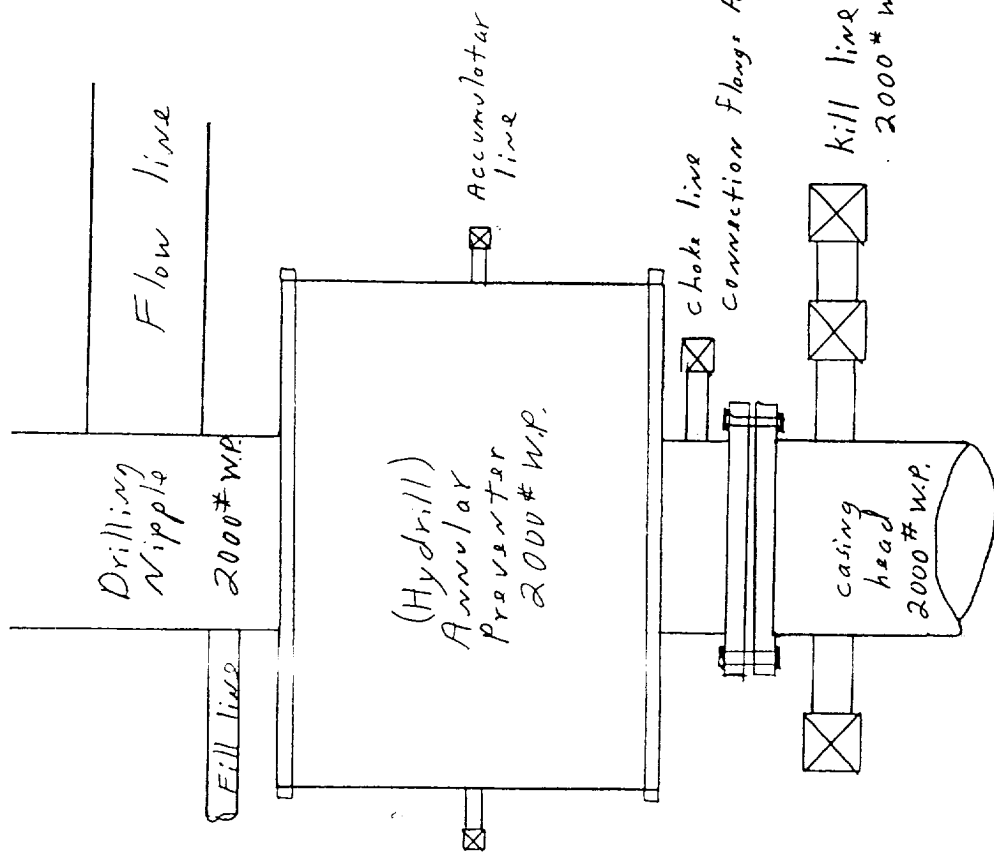
5. Minimum Specifications for Pressure Control:

The blowout preventer equipment (BOP) shown in Exhibit #1 will consist of a bag-type (hydril) preventer (2000 psi WP). Unit will be hydraulically operated. BOP will be nipped up on the 8 5/8" surface csg and used continuously until TD is reached. BOP and accessory equipment will be tested to 1000 psi before drilling out of surface casing. A 2" kill line and a 2" choke line will be included in the drilling spool. Other accessories to the BOP equipment will include a kelly cock.

6. Types and Characteristics of the Proposed Mud System:

The well will be drilled to TD with a combination of fresh water and brine water mud system. The applicable depth and properties of this system are as follows:

<u>Depth</u>	<u>Type</u>	<u>Weight (ppg)</u>	<u>Viscosity (sec)</u>	<u>Waterloss (cc)</u>
0-350	Fresh water (spud)	8.5	40-45	N/C
350-TD	Brine water, SWG, Starch	10.0	30	24



PLAN VIEW - CHOKE MANIFOLD

Exhibit #1