

Form 3160-3
(July 1992)

OIL CONSERVATION DIV
811 S. 1st ST.
ARTEES NM 88210-2834

SUBMIT IN _____ LICATE*
(Other instructions on
reverse side)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER ☐

RECEIVED
SINGLE ZONE ☒ MULTIPLE ZONE ☐

2. NAME OF OPERATOR

SDX Resources, Inc.

20451 MAR 25 1996

3. ADDRESS AND TELEPHONE NO.

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

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

At surface 1650' FNL & 330' FEL, Unit H, Sec. 31 DIST. 2

At proposed prod. zone Same

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

9 miles S.E. of Loco Hills, NM

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

16. NO. OF ACRES IN LEASE
160

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, 990'
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH
4000'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
GR 3547'

22. APPROX. DATE WORK WILL START*
April 1, 1996

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#	750'	350 sxs C1. CIRCULATE
7-7/8"	5-1/2" J-55	14#	4000'	350 sxs Poz + 400 sxs Lite TIE BACK

Plan to drill a 12-1/4" hole to approximately 750', set 8-5/8" surface casing. Circulate C1 "C" cement. Drill 7-7/8" hole to T.D. Run open hole logs (LDT-CNL & DLL). Run 5-1/2" casing and circulate cement. Perforate the 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 - Location and Elevation Plat

#2 - Blowout Preventer Equipment

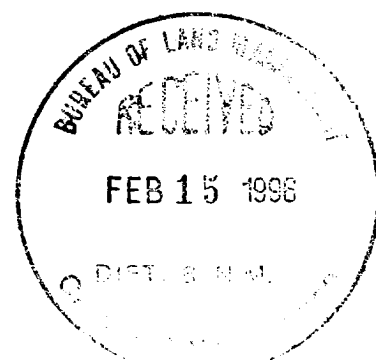
#3 - Planned Access Roads

#4 - One Mile Radius Map

#5 - Planned Production Facilities and Access

#6 - Drilling Rig Layout

Post ID-1
4-5-96
New Loc &
API



IN ABOVE SPACE DESCRIBE PROPOSED 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

Amie Courtney

TITLE

Regulatory Tech.

DATE 2/13/96

(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 be required for operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

ADDITIONAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

APPROVED BY

John Yehuda Vora

TITLE

ASSISTANT AREA

DATE

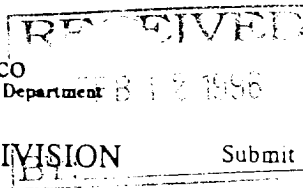
3-25-96

*See Instructions On Reverse Side

District I
PO Box 1980, Hobbs, NM 88241-1980
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

API Number 30-015-28896		Pool Code 56439	Pool Name SHUGART-YATES SEVEN RIVERS-QUEEN-GRAYBURG <i>See Andres</i>
Property Code 009822	Property Name FEDERAL "F"		Well Number 4
OGRID No. 020451	Operator Name SDX RESOURCES, INC.		Elevation 3547.

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
H	31	18-S	31-E		1650	NORTH	330	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface

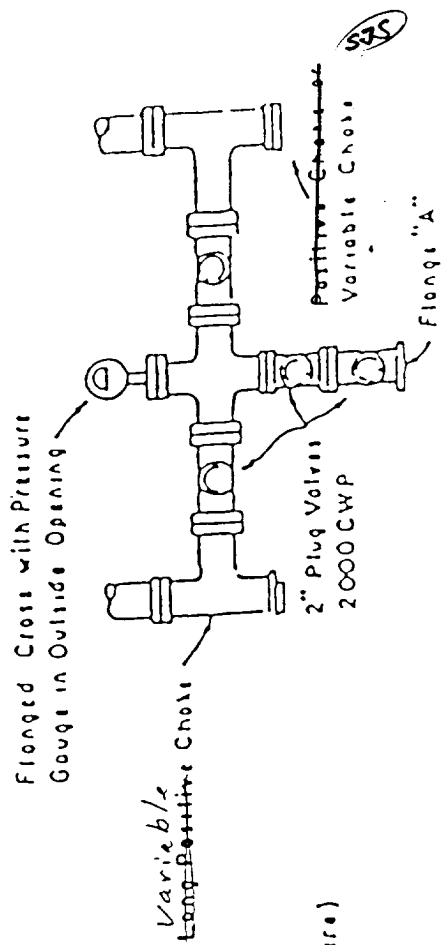
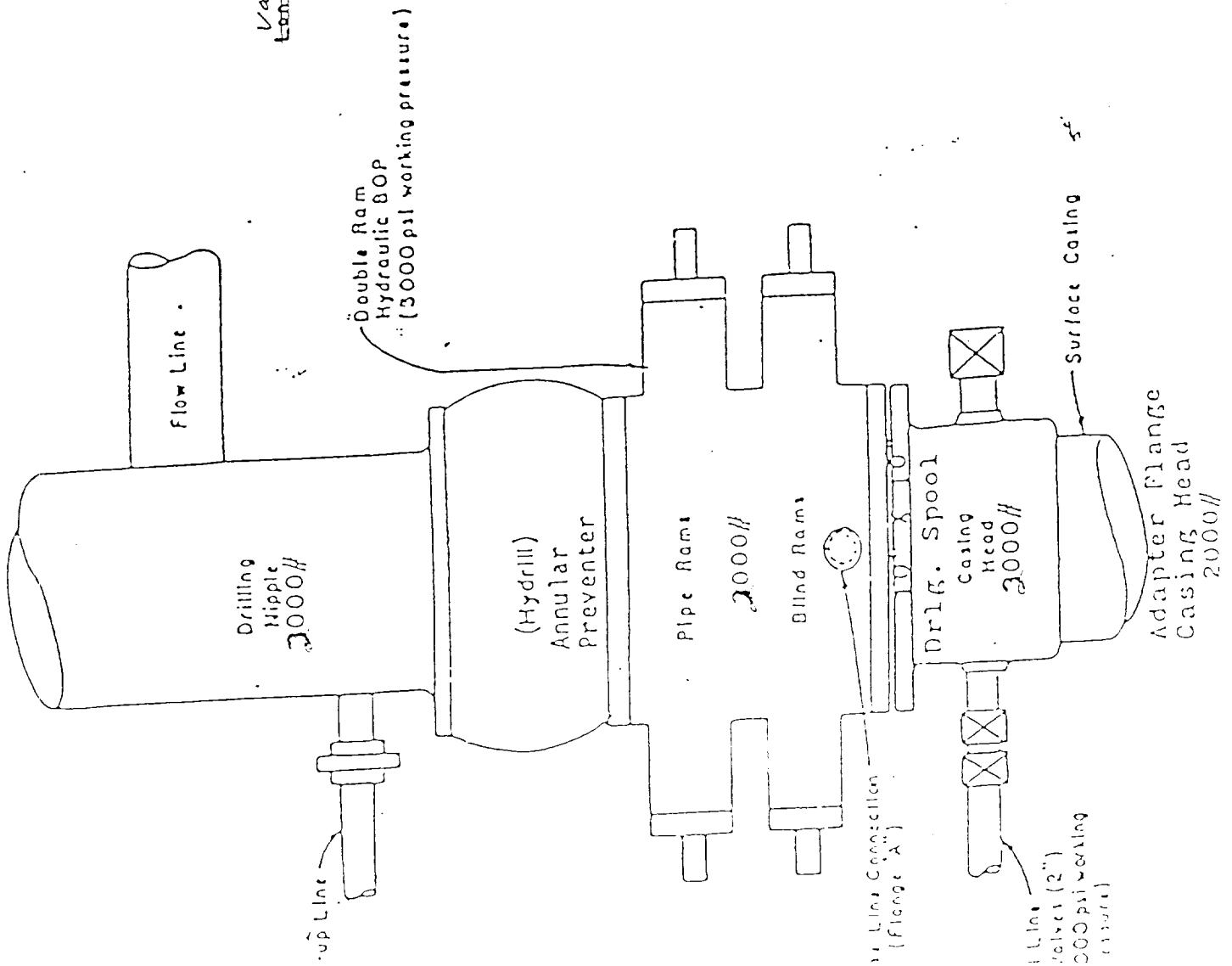
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<div style="position: relative; height: 400px;"> <div style="position: absolute; right: 0; top: 0;">1650'</div> <div style="position: absolute; right: 0; bottom: 0;">330'</div> </div>	<h4>¹⁷ OPERATOR CERTIFICATION</h4> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p><i>Janice Courtney</i> Signature Janice Courtney Printed Name REGULATORY TECH Title 2/13/96 Date</p>	
	<h4>¹⁸ SURVEYOR CERTIFICATION</h4> <p>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.</p> <p>FEBRUARY 5, 1996 Date of Survey R. REDDY Signature and Seal of Professional Surveyor: </p>	

EXHIBIT 2
BLOWOUT PREVENTER
DIAGRAM
FEDERAL F #4



PLAN VIEW - CHOKE MANIFOLD