

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTSUBMIT IN TRIPLICATE
(Other instructions on
reverse side)FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☒GAS
WELL ☐

OTHER

SINGLE
ZONE ☐MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

SDX Resources, Inc.

20451

SECRETARY'S POTASH

3. ADDRESS AND TELEPHONE NO.

PO Box 5061, Midland, TX 79704 915/685-1761

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

At surface 1040' FSL 330' FEL UNORTHODOX LOCATION
At proposed prod. zone Same Unit PSUBJECT TO
LIKE APPROVAL
BY STATE

5. LEASE DESIGNATION AND SERIAL NO.

NM-56542

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.

Culwin 35 Federal #4 19238

9. API WELL NO.

30-015-30361

10. FIELD AND POOL, OR WILDCAT

Shugart (Y, SR, QN-GB) 56439

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA

35, 18S, 30E, P

12. COUNTY OR PARISH

Eddy

13. STATE

NM

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

12 miles SE of Loco Hills, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drip, unit line, if any)

330'

280'

16. NO. OF ACRES IN LEASE

80

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

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

870'

19. PROPOSED DEPTH

4000'

20. ROTARY OR CABLE TOOLS

Rotary

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

3509' GR

22. APPROX. DATE WORK WILL START*

06/01/98

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 <i>STC</i>	24#	500'	400 sx Class C
7-7/8"	5-1/2" J-55 or	9.5# - 17#	4000'	350 sx 50/50 POZ
	4-1/2" J-55 <i>STC</i>			400 sx 35/65 POZ

CANTAN CONTROLLED WATER BASIN

Plan to drill a 12-1/4" hole to appx 500'. Set 8-5/8" surface csg & circ C cmt to surface. Drill 7-7/8" hole to TD. Run open hole logs (LDT-CNL-GR & DLL). Run 4-1/2" or 5-1/2" csg & circ cmt to surface. Will perf & stimulate as necessary for optimum production.

Specific programs as per Onshore Oil & Gas Order #1 are outlined in the following attachments:

Drilling Program

Surface Use & Operating Plan

H2S Plan

Exhibit 1: BOP

2: Plat

3: Planned ROW's (access roads & flowlines & high lines)

4: One Mile Radius Map

5: Drilling Rig Layout

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHEDPost FD-1
7-21-98
API & LOC

IN ABOVE SPACE DESCRIBE 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

Bonnie Osterwater

TITLE Regulatory Tech.

DATE 04/13/98

(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 entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

Acting

APPROVED BY

Frank Splendore

TITLE

STATE DIRECTOR

DATE

7-21-98

*See Instructions On Reverse Side

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.

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

APR 13 1998

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

API Number		Pool Code	Pool Name	
		56439	Shugart (Y, SR, QN, GB)	
Property Code	Property Name		Well Number	
019238	Culwin 35 Federal		4	
OGRID No.	Operator Name		Elevation	
020451	SDX RESOURCES INC.		3509	

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	35	18 S	30 E		1040	SOUTH	330	EAST	EDDY

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

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

		<p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p><u>Bonnie Atwater</u> Signature</p> <p><u>Bonnie Atwater</u> Printed Name</p> <p><u>Regulatory Tech.</u> Title</p> <p><u>April 13, 1998</u> Date</p>
	<p>3509.9' — 3513.3'</p> <p>○</p> <p>3504.0' — 3512.9'</p> <p><u>DETAIL</u></p> <p>SEE DETAIL</p> <p>1040'</p> <p>330'</p>	<p>SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>APRIL 8, 1998</p> <p>Date Surveyed _____ DMCC</p> <p>Signature _____ Seal _____</p> <p>Professional Surveyor _____</p> <p>RONALD EIDSON NEW MEXICO 3239 96-11-0542 4-09-98</p> <p>Certificate No. JOHN W. WEST 676 EIDSON 3239 EIDSON 12641</p>

