

PVZV2010850644

DISTRICT I
P.O. Box 1880, Hobbs, NM 88240

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

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

| |
|--|
| WELL API NO. 30-015-30749 |
| Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| State Oil & Gas Lease No. |

| | |
|---|---|
| SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) | |
| Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> | Lease Name or Unit Agreement Name NW State |
| Name of Operator SDX Resources, Inc. | |
| Address of Operator PO Box 5061, Midland, TX 79704 | Well No. 9 |
| Well Location Unit Letter I 2310 Feet From The South Line and 270 Feet From The East Line Section 31 Township 17S Range 28E NMPM Eddy County | Pool name or Wildcat Artesia (QN-GB-SA) |
| Elevation (Show whether DF, RKB, RT, GR, etc.) 3689 | |

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Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ANBANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: Spud & set csg ☒

Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Spud 12-1/4" hole @ 7:45 am 12/14/99. Drill to 525'. Ran 13 jts 8-5/8" J-55, 24# csg to 518' KB. RU Dowell & cmt w/350 sx Class C cmt. Circ 59 sx. WOC total of 18-1/4 hrs.

Drill 7-7/8" hole to 3195'. Reach TD 3:30 pm 12/19/99. Run LDT-CNL-GR & DLL-GR OH logs. Run 80 jts J-55, 14# - 15.5# 5-1/2" csg. Set @ 3186' KB. RU Dowell & cmt w/300 sx Lite & 300 sx Class C. Circ 94 sx.

Release Rig 5:30 am 12/20/99.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Bonnie Atwater TITLE Regulatory Tech. DATE 02-04-00

TYPE OR PRINT NAME Bonnie Atwater

TELEPHONE NO. 915/685-1761

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

Submit to Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 copies
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-105
Revised 1-1-89

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

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P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410

WELL API NO.
30-015-30849

5. Indicate Type of Lease

STATE ☒

FEE ☐

6. State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:

OIL WELL ☒

GAS WELL ☐

DRY ☐

OTHER ☐

b. Type of Completion:

NEW

WELL ☒

WORK

OVER ☐

DEEPEN ☐

PLUG

BACK ☐

DIFF

RESVR ☐

OTHER ☐

2. Name of Operator

SDX Resources, Inc.

3. Address of Operator

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

4. Well Location

Unit Letter I 2310 Feet From The South Line and 270 Feet From The East Line

Section

31

Township

17S

Range

28E

NMPM

Eddy

County

10. Date Spudded

12/14/99

11. Date T.D. Reached

12/19/99

12. Date Compl. (Ready to Prod.)

01/11/00

13. Elevations (DF & RKB, RT, GR, etc.)

3689

14. Elev. Casinghead

15. Total Depth

3195

16. Plug Back T.D.

3186

17. If Multiple Compl. How Many Zones?

18. Intervals Drilled By

Rotary Tools ☒

Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name

2444-2782

20. Was Directional Survey Made

Yes

21. Type Electric and Other Logs Run

LDT-CNL-GR & DLL-GR

22. Was Well Cored

No

CASING RECORD (Report all strings set in well)

| CASING SIZE | WEIGHT LB/FT. | DEPTH SET | HOLE SIZE | CEMENTING RECORD | AMOUNT PULLED |
|-------------|---------------|-----------|-----------|---------------------------|---------------|
| 8-5/8" | 24# | 518' KB | 12-1/4" | 350 sx Class C | None |
| 5-1/2" | 14# - 15.5# | 3186 | 7-7/8" | 300 sx Lite + 300 sx Cl C | None |
| | | | | | |
| | | | | | |
| | | | | | |

24. LINER RECORD

| SIZE | TOP | BOTTOM | SACKS CEMENT | SCREEN |
|------|-----|--------|--------------|--------|
| | | | | |
| | | | | |
| | | | | |

25. TUBING RECORD

| SIZE | DEPTH SET | PACKER SET |
|--------|-----------|------------|
| 2-3/8" | 2817 | |
| | | |
| | | |

26. Perforation record (interval, size, and number)

2444', 56, 70, 75, 83, 2514, 31, 36, 46, 69, 97, 2600, 05, 10, 25, 32, 42, 50, 56, 58, 69, 85, 2708, 10, 18, 29, 38, 68, 75, 82 (1 spf, 20 holes, 4" select fire)

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

| DEPTH INTERVAL | AMOUNT AND KIND MATERIAL USED |
|----------------|---|
| 2444-2782 | A: 1560 gal 15% NEFE |
| | F: 60,000 gal Delta 20 + 95,000# 16/30 + 35,000# 12/20 Brady Sd |
| | |

28. PRODUCTION

| | | | | | | | | |
|-----------------------------------|--------------------|---|---------------------------|------------------|--------------------|-----------------------------|--|--|
| Date First Production 01/22/00 | | Production Method (Flowing, gas lift, pumping - Size and type pump) Pmp 2" x 1-1/2" x 12' RWAC | | | | | Well Status (Prod. or Shut-in) Prod | |
| Date of Test 01/31/00 | Hours Tested 24 | Choke Size | Prod'n For Test Period | Oil - Bbl. 40 | Gas - MCF 50 | Water - Bbl. 91 | Gas - Oil Ratio 1250 | |
| Flow Tubing Press. | Casing Pressure | Calculated 24- Hour Rate | Oil - Bbl. 40 | Gas - MCF 50 | Water - Bbl. 91 | Oil Gravity - API - (Corr.) | | |

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

Sold

Test Witnessed By

Chuck Morgan

30. List Attachments

Logs, Deviation Survey

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature

Bonnie Atwater

Printed Name

Bonnie Atwater

Title

Regulatory Tech

Date

02/04/00

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all specific tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

T. Anhy _____ 200.0
T. Salt _____
B. Salt _____
T. Yates _____ 570.0
T. 7 Rivers _____ 920.0
T. Queen _____ 1374.0
T. Grayburg _____ 1614.0
T. San Andres _____ 1935.0
T. Glorieta _____
T. Paddock _____
T. Blinebry _____
T. Tubb _____
T. Drinkard _____
T. Abo _____
T. Wolfcamp _____
T. Penn _____
T. Cisco (Bough C) _____

T. Canyon _____
T. Strawn _____
T. Atoka _____
T. Miss _____
T. Devonian _____
T. Silurian _____
T. Montoya _____
T. Simpson _____
T. McKee _____
T. Ellenburger _____
T. Gr. Wash _____
T. Delaware Sand _____
T. Bone Springs _____
T. _____
T. _____
T. _____
T. _____

Northwestern New Mexico

T. Ojo Alamo _____
T. Kirtland-Fruitland _____
T. Pictured Cliffs _____
T. Cliff House _____
T. Menefee _____
T. Point Lookout _____
T. Mancos _____
T. Gallup _____
Base Greenhorn _____
T. Dakota _____
T. Morrison _____
T. Todilto _____
T. Entrada _____
T. Wingate _____
T. Chinle _____
T. Permian _____
T. Penn. "A" _____

T. Penn. "B" _____
T. Penn. "C" _____
T. Penn. "D" _____
T. Leadville _____
T. Madison _____
T. Elbert _____
T. McCracken _____
T. Ignacio Otzte _____
T. Granite _____
T. _____
T. _____
T. _____
T. _____
T. _____
T. _____
T. _____

OIL OR GAS SANDS OR ZONES

No. 1, from _____ to _____
No. 2, from _____ to _____
No. 3, from _____ to _____
No. 4, from _____ to _____

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from _____ to _____ feet
No. 2, from _____ to _____ feet
No. 3, from _____ to _____ feet

LITHOLOGY RECORD (Attach additional sheet if necessary)

| From | To | Thickness in Feet | Lithology | From | To | Thickness in Feet | Lithology |
|--------|--------|----------------------|---------------------|------|----|----------------------|-----------|
| 0.0 | 150.0 | 150.0 | Caliche/Gravel/Rdbd | | | | |
| 150.0 | 200.0 | 50.0 | Sand | | | | |
| 200.0 | 570.0 | 370.0 | Anhy | | | | |
| 570.0 | 1370.0 | 800.0 | Dolo/Anhy | | | | |
| 1370.0 | 1935.0 | 565.0 | Dolo/Anhy/Sd | | | | |
| 1935.0 | 3195.0 | 1260.0 | Dolo | | | | |

JAN 11 2000

WELL NAME AND NUMBER NW State No. 9
LOCATION 2310' FSL & 270' FEL, Section 31, T17S, R28E, Eddy County NM
OPERATOR SDX Resources, Inc.
DRILLING CONTRACTOR United Drilling, Inc.

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above described well and had conducted deviation tests and obtained the following results:

| <u>Degrees @ Depth</u> | <u>Degrees @ Depth</u> | <u>Degrees @ Depth</u> |
|-----------------------------|-----------------------------|-----------------------------|
| <u>1/2° 525'</u> | <u> </u> | <u> </u> |
| <u>1/2° 984'</u> | <u> </u> | <u> </u> |
| <u>1/2° 1599'</u> | <u> </u> | <u> </u> |
| <u>1/4° 2060'</u> | <u> </u> | <u> </u> |
| <u>3/4° 3195'</u> | <u> </u> | <u> </u> |
| <u> </u> | <u> </u> | <u> </u> |
| <u> </u> | <u> </u> | <u> </u> |
| <u> </u> | <u> </u> | <u> </u> |

Drilling Contractor United Drilling, Inc.

By: *Doug A. also*

Title: Business Manager

Subscribed and sworn to before me this 4th day of January,
2000

Barbara J. Anderson
Notary Public

My Commission Expires: 9-25-2003

Chaves *NM*
County State

| PROPERTY | PROPERTY NAME | EFFECTIVE | | OWNER | OWNER NAME | D.D.I. | PREPAYMENT | | COST | AFIL |
|-----------------------------|---------------|-----------|----------|----------------|-------------------------------|------------|------------|------|------|------|
| | | DECK | DATE | | | | LEASE | WELL | | |
| 022800-09 | NW STATE #09 | A | **BASE** | 0321200 | ERAM ALI | 0.02000000 | 022800-09 | | 0 | N |
| Deck Header for 022800-09-A | | | | 0352380 | ALPINE RESOURCES, LLC | 0.12500000 | 022800-09 | | 0 | N |
| | | | | 2535380 | ETKIND OIL, LLP | 0.06250000 | 022800-09 | | 0 | N |
| | | | | 5790910 | WILLIAM S. MONTGOMERY, JR. | 0.05000000 | 022800-09 | | 0 | N |
| | | | | 7332200 | WM. SCOTT RAMSEY | 0.02000000 | 022800-09 | | 0 | N |
| | | | | 8031380 | SOG INVESTORS, LLC | 0.06250000 | 022800-09 | | 0 | N |
| | | | | 8096200 | ST.ANSELN EXPLORATION COMPANY | 0.25000000 | 022800-09 | | 0 | N |
| | | | | 9999802 | STEPHEN G. SELL | 0.18000000 | 022800-09 | | 0 | Y |
| | | | | 9999803 | JOHN D. POOL | 0.18000000 | 000099- | | 0 | Y |
| | | | | 9999812 | FRED C. COREY | 0.02500000 | 022800-09 | | 0 | Y |
| | | | | 9999814 | CHARLES M. MORGAN | 0.02500000 | 022800-09 | | 0 | Y |
| | | | | *** DECK TOTAL | 11 OWNERS | 1.00000000 | | | | |