

0399  
E-04-41  
N.M. Oil Cons. DIV-Dist. 2  
UNITED STATES 1301 W. Grand Avenue  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
Artesia, NM 88210FORM APPROVED  
OMB NO. 1004-0136  
Expired: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN				
1a. TYPE OF WORK <b>DRILL</b> <input checked="" type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/>				
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>				
2. NAME OF OPERATOR SDX Resources, Inc. 20451				
3. ADDRESS AND TELEPHONE NO. PO Box 5061, Midland, TX 79704 432/685-1761				
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 3481' FNL 660' FWL At proposed prod. zone Same				
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 12 miles NW of Carlsbad, NM				
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drg. unit line, if any)		16. NO. OF ACRES IN LEASE		17. NO. OF ACRES ASSIGNED TO THIS WELL
660'		297.69		297.69
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		19. PROPOSED DEPTH		20. ROTARY OR CABLE TOOLS
NA		11,000'		Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3327' GR				22. APPROX. DATE WORK WILL START 04/01/04
23. PROPOSED CASING AND CEMENTING PROGRAM				
CARLSBAD CONTROLLED WATER BASIN				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
WITNESS 7-1/2"	13-3/8"	48#	350'	2124104 400 sx
WITNESS 12-1/4"	9-5/8"	36#	2700' 1510-1540'	1400 sx
8-3/4"	5-1/2" N-80	17#	11,000'	1200 sx

SDX plans to drill 17-1/2" hole & set 13-3/8" csg @ 350'. Circ cmt to surf. Drill a 12-1/4" hole & set 9-5/8" csg to 2700'. Circ cmt to surf. Drill 8-3/4" hole to TD of 11000'.  
Plan to run & set 11,000' of 5-1/2" csg as follows: 11,000' of 17# LT&C, N-80, 5-1/2" csg. Cmt in 2 stgs w/DV tool @ 7900'. Cmt 1st stg w/500 sx CI C 15/61/11 POZ + 1/4# Celo Flakes/sx + 4# LCM-1/sx. 2nd stage cmt w/300 sx of 35/65 POZ CI C 3# NaCl/sx + 5# LCM-1/sx + 6% Bentonite, tail in w/600 sx of 15/61/11 POZ CI C + 1/4# Celo Flakes/sx + .5% FL-52. Est top of cmt 2000' from surf.

Surface Use & Operations Plan  
Drilling Program  
H2S Operations Plan  
EXHIBIT #1A: BOP  
EXHIBIT #1B: Choke Manifold & Closing Unit  
EXHIBIT #2: Plat  
EXHIBIT #3A: Area Map  
EXHIBIT #3B: Topographic Map  
EXHIBIT #4: One Mile Radius Map  
EXHIBIT #5: Drillsite & Rig Layout Sketch  
Letter of Responsibility

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS  
AND SPECIAL STIPULATIONS  
ATTACHED

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 02/18/04

(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 /s/ Joe G. Lara TITLE FIELD MANAGER DATE 28 MAR 2004

\*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.

APPROVAL FOR 1 YEAR

SURFACE USE AND OPERATIONS PLAN  
SDX Resources, Inc.  
**Rocky Federal # 2**  
3481' FNL & 660' FWL  
Lot # 12, Sec. 3, T21S, R25E  
Eddy Co., NM

1. Existing Roads:

- A. The well site and elevation plat for the proposed well are shown in Exhibit #2. The well was staked by Dan Reddy of Carlsbad, N.M.
- B. All roads to the location are shown in Exhibit #3A. Approximately 1200' of new road will be needed with a locking gate installed in the ROW fence of CR 137. The existing roads are labeled and are adequate for travel during drilling and production operations. Upgrading of the road prior to drilling will be done where necessary as determined during the onsite inspection.
- C. Directions to location: From intersection of CR 137(Queen Road) and US 285, Turn W. on CR137 and go .5M, Turn turn right and follow road to location on the right.
- D. Routine grading and maintenance of existing roads will be conducted as necessary to maintain their condition as long as any operations continue on this lease.

2. Proposed Access Road:

Exhibit #3-A&B shows the existing roads .

Exhibits #3-A,B show the proposed access road.

3. Location of Existing Wells:

Exhibit #4 shows all existing wells within a one-mile radius of this well.

4. Location of Existing and/or Proposed Facilities and ROW's:

- A. If the well is productive:
  - 1. The well will be tested and if production is commercial a buried pipeline will be laid to the location by a gas purchaser.
  - 2. Any production facilities necessary will be located on the existing well pad.
- B. If the well is productive, rehabilitation plans are as follows:
  - 1. The reserve pit will be back-filled after the contents of the pit are dry (within 120 days after the well is completed).
  - 2. Topsoil removed from the drill site will be used to recontour the pit area to the original natural level, as nearly as possible, and reseeded as per BLM specifications.

5. Location and Type of Water Supply:

The well will be drilled with a combination brine and fresh water mud systems as outlined in the drilling program. The brine and fresh water will be obtained from commercial water stations in the area and hauled to location on roads shown in Exhibit #3. No water well will be drilled on the location.

6. Source of Construction Materials:

All caliche required for construction of the drill pad and any new access road will be obtained from the drilling pits and/or on site when possible. Any additional caliche will be obtained from approved caliche pits. All roads and pads will be constructed of 6" rolled and compacted caliche.

7. Methods of Handling Water Disposal:

- A. Drill cuttings not retained for evaluation purposes will be disposed into the reserve pit.
- B. Drilling fluids will be contained in steel pits. The reserve pit will contain any excess drilling fluid or flow from the well during drilling, cementing and completion operations. The reserve pit will be an earthen pit, approximately 165' x 120' x 6' deep, fenced, and plastic-lined (5-7 mil thickness).
- C. Water produced from the well during completion may be disposed into the reserve pit. After the well is permanently placed on production, produced water will be trucked or piped to approved commercial disposal facilities.
- D. Garbage and trash produced during drilling or completion operations will be collected in a trash trailer by a contractor. All water and fluids will be disposed of into the reserve pit. Salts and other chemicals produced during drilling or testing will be disposed into the reserve pit. No toxic waste or hazardous chemicals will be produced by this operation.
- E. After the rig is moved out and the well is either completed or abandoned, all waste materials will be cleaned-up within 90 days. No adverse materials will be left on the location. The reserve pit will be completely fenced and kept closed until it has dried. When the reserve pit is dry enough to breakout and fill and as weather permits the unused portion of the well site will be leveled and reseeded as per BLM specifications. Only that part of the pad required for production facilities will be kept in use.

8. Ancillary Facilities:

None

9. Well Site Layout:

- A. The drill pad layout is shown in Exhibit #5. Dimensions of the pad and pits and location of major rig components are shown. Top soil, if available, will be stockpiled per BLM specifications as determined at the on-site inspection. Because the pad is almost level no major cuts will be required.

- B. Exhibit #5 shows the planned orientation for the rig and associated drilling equipment, reserve pit, trash pit, pipe racks, turn-around, parking areas and access road. No permanent living facilities are planned but a temporary foreman/toolpusher's trailer will be on location during the drilling operations.
- C. The reserve pit will be lined with high-quality plastic sheeting (5-7 mil thickness).

10. Plan for Restoration of the Surface:

- A. Upon completion of the proposed operation, if the well is to be abandoned, the pit area, after allowing to dry, will be broken out and leveled. The original top soil will be returned to the entire location which will be leveled and contoured to as nearly the original topography as possible.

All trash and garbage will be hauled away in order to leave the location in an aesthetically pleasing condition. All pits will be filled and the location leveled within 120 days after abandonment.

- B. The disturbed area will be revegetated by reseeding during the proper growing season with a seed mixture of native grasses as recommended by the BLM.
- C. The reserve pit will be fenced prior to and during drilling operations. The fencing will remain in place until the pit area is cleaned-up and leveled. No oil will be left on the surface of the fluid in the pit.
- D. Upon completion of the proposed operations, if the well is completed, the reserve pit area will be treated as outlined above within the same prescribed time. The caliche from any area of the original drill site not needed for production operations or facilities will be removed and used for construction of thicker pads. Any additional caliche required for facilities will be obtained from an approved caliche pit. Topsoil removed from the drill site will be used to recontour the pit area and any unused portions of the drill pad to the original natural level and reseeded as per BLM specifications.

11. Surface Ownership:

BOR  
Brantley Project Area

Surface leasee has been notified and a copy of this APD should be forwarded to the appropriate office by the BLM.

12. Other Information:

- A. The area around the well site is grassland. The vegetation is native scrub grasses with some catclaw and mesquite.
- B. Brantley Lake lies within 1 mile of the proposed location. Old Topo shows a windmill within ½ mile to the S/SE.

- C. An archaeological survey has been performed by Boone Archaeological Services of Carlsbad, N.M. and will be forwarded to the BLM (copy attached).

13. Lessee's and Operator's Representative:

The SDX Resources, Inc. representative for assuring compliance with the surface use plan is as follows:

John Pool  
SDX Resources, Inc.  
PO Box 5061  
Midland, Texas 79704  
(432) 685-1761 Office  
or (800) 344-1761

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by SDX Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions which it is approved.

SDX Resources, Inc.



John Pool  
Vice- President

DRILLING PROGRAM  
SDX Resources, Inc.  
**Rocky Federal # 2**  
3481' FNL, 660' FWL  
Lot # 12, Sec. 3, T21S, R25E  
Eddy Co., NM

1. Geologic Name of Surface Formation:

Permian

2. Estimated Tops of Important Geologic Markers:

Queen	306'	Wolfcamp	7536'
San Andres	1480'	Canyon	8179'
Delaware	1880'	Atoka	9520'
Bone Springs	2592'	Morrow	10,000'

3. Estimated Depth of Anticipated Oil or Gas:

Cisco	8200'	Oil & Gas
Morrow	10000'	Gas

4. Casing Program:

<u>Hole Size</u>	<u>Interval</u>	<u>OC Csg</u>	<u>Weight Grade Jt Cond Type</u>
17-1/2"	0 - 350	13-3/8"	48# H-40 8 Rd. ST&C, Existing
11"	0 - 2700	9-5/8"	36# J-55 8 rd. ST&C, Existing
7-7/8"	0- 11000	5-1/2"	17#, N-80, 8-rd., LT&C, New

Cement Program:

13-3/8" Surface Casing: 350' cemented to surface W/ 400sxs. C. Circ.

9-5/8" Intermediate: 2700' cemented to surface with 1200 sxs Lite. and 200 sxs. "C" + 2% CaCL. Circulated.

5-1/2" Production Casing: 11000' cemented with a DV tool at ~7900'. 1st. stage with 500 sxs. "C" 15/61/11/ POZ + 1/4#/sx Cello flake + 4# LCM-1/sx. 2nd. Stage 300 sxs 35/65 POZ "C" 3# NACL/sx + 5#/sx LCM-1 + 6% Bentonite, and tail in with 600 sxs 15/61/11/ POZ "C" + 1/4#/ sx. Celo flake + .5% FL-25 + .5% FL-52.

5. Minimum Specifications for Pressure Control:

The blowout preventer equipment (BOP) are shown in Exhibit #1A&B. They will consist of an annular bag type preventer on top of a double ram 5000# WP BOP. Unit will be hydraulically operated. BOP will be nipped up on the 13-3/8" surface csg and used continuously until TD is reached. BOP and accessory equipment will be tested to API

specifications. BOP rams will be operated once every 24 HRS. and blind rams will be operated every time pipe is out of the hole. 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 and a stabbing valve.

6. Types and Characteristics of the Proposed Mud System:

The well will be drilled to TD with a 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	FW	8.4	28-36	NC	
350-2700'	FW	8.4	28-36	NC	
2700-TD	BW	9-12	32-50	6-15	Polymer, caustic

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location or available at the nearest stocking point.

7. Auxiliary Well Control and Monitoring Equipment:

- A. A kelly cock will be kept in the drill string at all times.
- B. A mud logging unit complete with H2S detector will be continuously monitoring drilling penetration rate and hydrocarbon shows from 2700' to TD.

8. Logging, Testing and Coring Program:

- A. Drillstem tests will be run on the basis of drilling shows.
- B. The electric logging program will consist of GR-Dual Laterolog and GR-Compensated Neutron-Density from TD to intermediate casing. Gr-CNL to surface.
- C. Side wall coring may be performed in select intervals if deemed necessary.
- D. Further testing procedures will be determined after the production casing has been cemented at TD based on drill shows and log evaluation.

9. Abnormal Conditions, Pressures, Temperatures, & Potential Hazards:

No abnormal pressure or temperatures are anticipated. The estimated bottom hole temperature (BHT) at TD is 190° and estimated maximum bottom-hole pressure (BHP) is 4900 psig. No abnormal concentrations of hydrogen sulfide or other hazardous gases or fluids have been encountered, reported or are known to exist at this depth in this area. All H2S operation precautions will be followed (see attached H2S drilling operations plans). No major loss circulation zones have been reported in offsetting wells.

10. Anticipated Starting Date and Duration of Operations:

Road and location work will not begin until approval has been received from the BLM. The anticipated spud date is April 1, 2004. Once commenced, the drilling operation should be finished in approximately 30 days. If the well is productive, an additional 30 days will be required for completion and testing before a decision is made to install permanent facilities.



**HYDROGEN SULFIDE DRILLING OPERATIONS PLAN**  
**SDX Resources Inc.**  
**Rocky Federal #2**  
**3481' FNL, 660' FWL**  
**Sec. 3, T21S, R25E, Lot #12**  
**Eddy Co., NM**

**I. Hydrogen Sulfide Training**

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing drilling operations on this well:

1. The hazards and characteristics of hydrogen sulfide (H<sub>2</sub>S).
2. The proper use and maintenance of personal protective equipment and life support system.
3. The proper use of H<sub>2</sub>S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
4. The proper techniques for first aid and rescue procedures.

In addition, supervisory personnel will be trained in the following areas:

1. The effects of H<sub>2</sub>S on metal components. If high tensile tubulars are to be used, personnel will be trained in their special maintenance requirements.
2. Corrective action and shut-in procedures when drilling or reworking a well and blowout prevention and well control procedures.
3. The contents and requirements of the H<sub>2</sub>S Drilling Operations Plan and the H<sub>2</sub>S Contingency Plan (if applicable).
4. There will be an initial safety session just prior to commencing operations on the well. The initial session shall include a review of the site's specific H<sub>2</sub>S Drilling Operations plan. This plan shall be available at the well site. All personnel will be required to carry documentation that they have received the proper training.

**II. H<sub>2</sub>S SAFETY EQUIPEMNT AND SYSTEMS**

Note: All H<sub>2</sub>S safety equipment and systems will be installed, tested, and operational when drilling below the syrfase casing commences.

1. Well Control Equipment:
  - A. Annular Preventer to accommodate all pipe sizes and a double ram stack with a properly sized closing unit.
2. Protective Equipment for Essential Personnel:
  - A. Mark II Surviveair 30-minute units located on site.

3. H2S Detection and Monitoring Equipment:

- A. 1 – portable H2S monitor positioned on location for best coverage and response.
- B. Mud logging trailer shall have H2S monitoring equipment.

4. Visual Warning Systems:

- A. Guy lines will be flagged and a wind sock will be positioned on location.
- B. Caution/Danger signs shall be posted on roads providing direct access to location.

5. Mud Program:

The mud program has been designed to minimize the volume of H2S circulated to the surface. Proper mud weight, safe drilling practices, will minimize hazards when penetrating H2S bearing zones.

6. Metallurgy:

All drill strings, casings, tubing, wellhead, blowout preventers, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H2S service as necessary.

7. Communication:

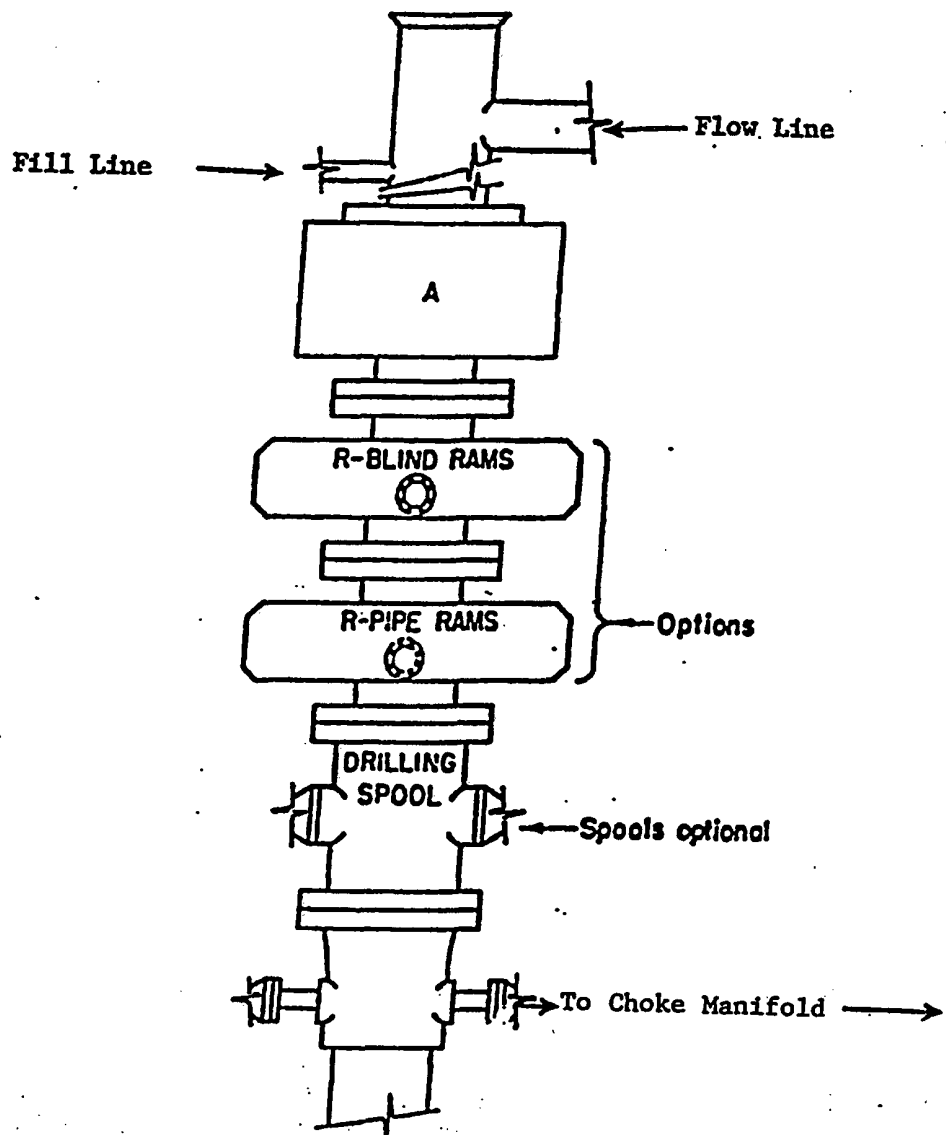
Radio communications in company vehicles including cellular telephones.

8. Well Testing:

A DST may be performed in the Morrow.

III. H2S Contingency Plan

- 1. No H2S concentrations in excess of 100 PPM are anticipated, therefore, a H2S contingency plan is not necessary.



# **ARRANGEMENT SRRA**

1500 Series  
5000# Working Pressure

**EXHIBIT #1A**  
**BOP**  
**Rocky Federal #2**  
Eddy Co. Wyo

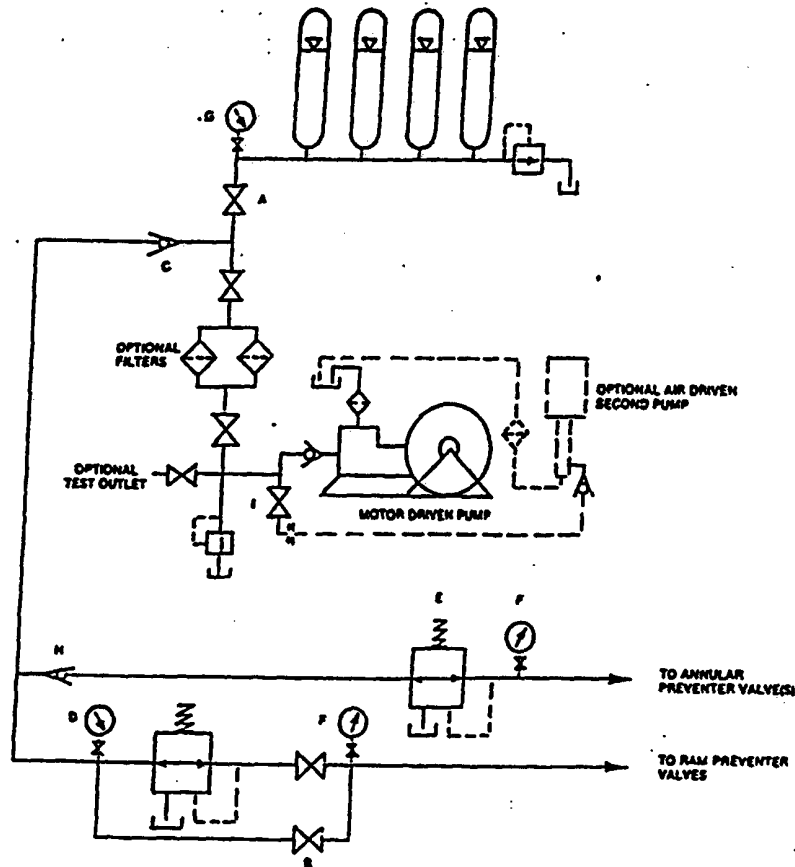


FIGURE K6-1. The schematic sketch of an accumulator system shows required and optional components.

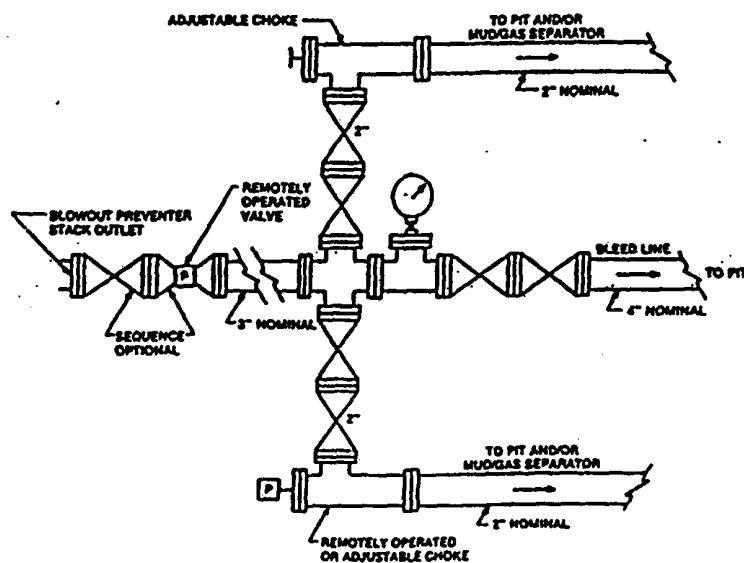


FIGURE K4-2. Typical choke manifold assembly for 5M rated working pressure service — surface installation.

**EXHIBIT #1B**  
**Choke manifold & Closing unit**  
**Rocky Federal #2**  
**Eddy Co., NM**

District I  
1625 N. French Dr. Hobbs, NM 88240

District II  
811 South First, Artesia, NM 88210

District III  
1000 Rio Brazos Rd., Aztec NM 87410

District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources

OIL CONSERVATION DIVISION

2040 South Pacheco

Santa Fe, N M 87505

Form C-102

Revised March 17, 1999

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	Pool Code 85635	Pool Name Springs Morrow Gas
Property Code	Property Name <b>ROCKY FEDERAL</b>	Well Number 2
OGRID No. 020451	Operation Name <b>SDX RESOURCES, INC.</b>	Elevation 3327

Surface Location

UL or Lot No. 12	Section 3	Township 21-S	Range 25-E	Lot Idn.	Feet from the 3481	North/South line NORTH	Feet from the 660	East/West line WEST	County EDDY
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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
Dedicated Acres 2.298	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTEREST HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

4	3	2	1
5	6	7	8
12	11	10	9
13	14	15	16

3481'

660'

SEC. 3

OPERATOR CERTIFICATION

I HEREBY CERTIFY THAT THE INFORMATION HEREIN IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Signature *Bonnie Atwater*

Printed Name Bonnie Atwater

Title Regulatory Tech

Date 2/18/04

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 KNOWLEDGE AND BELIEF.

FEBRUARY 6, 2004

Date of Survey

Signature and Seal of Professional Surveyor

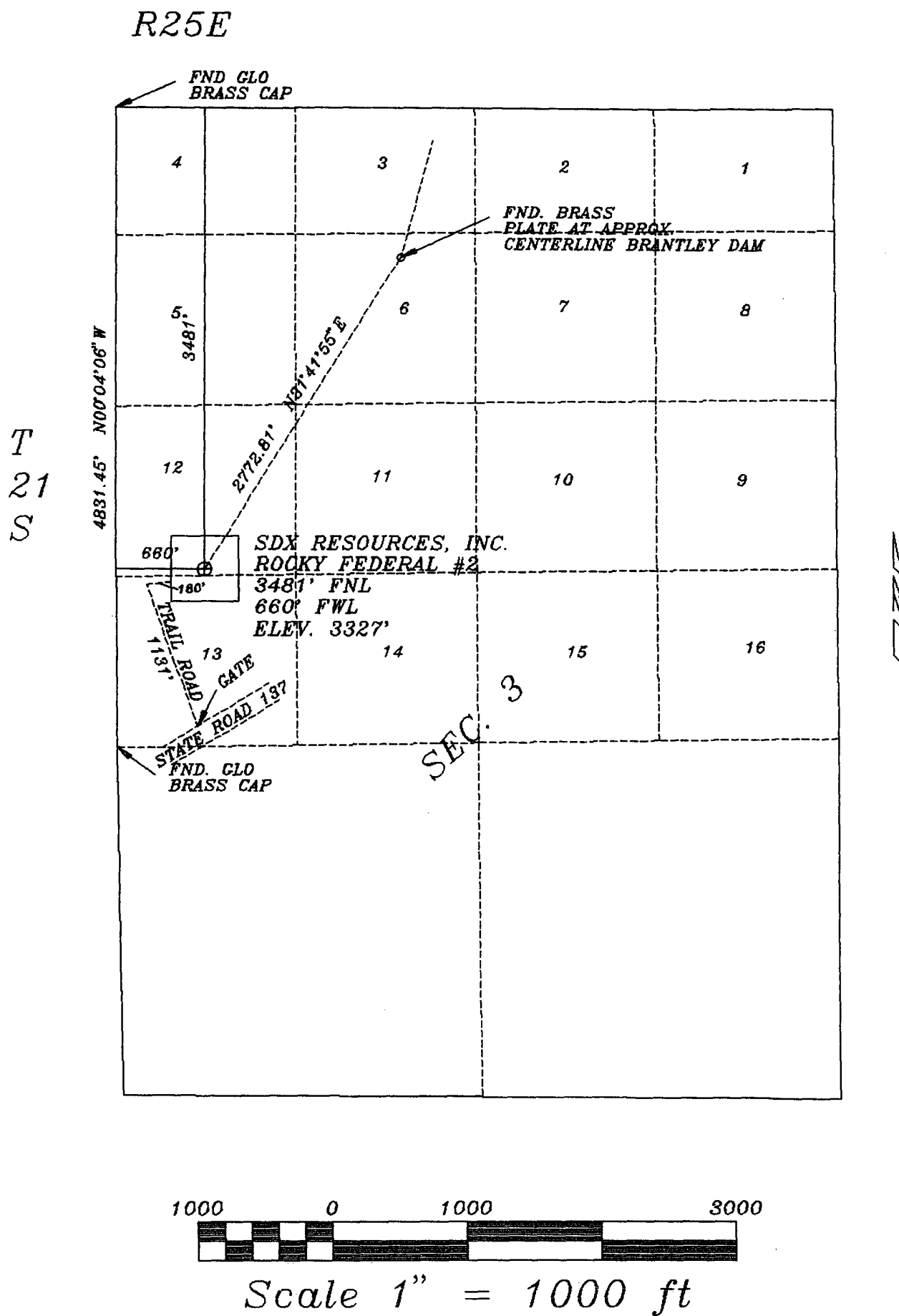
*Dan R. Reddy*

NM PE&PS #5412

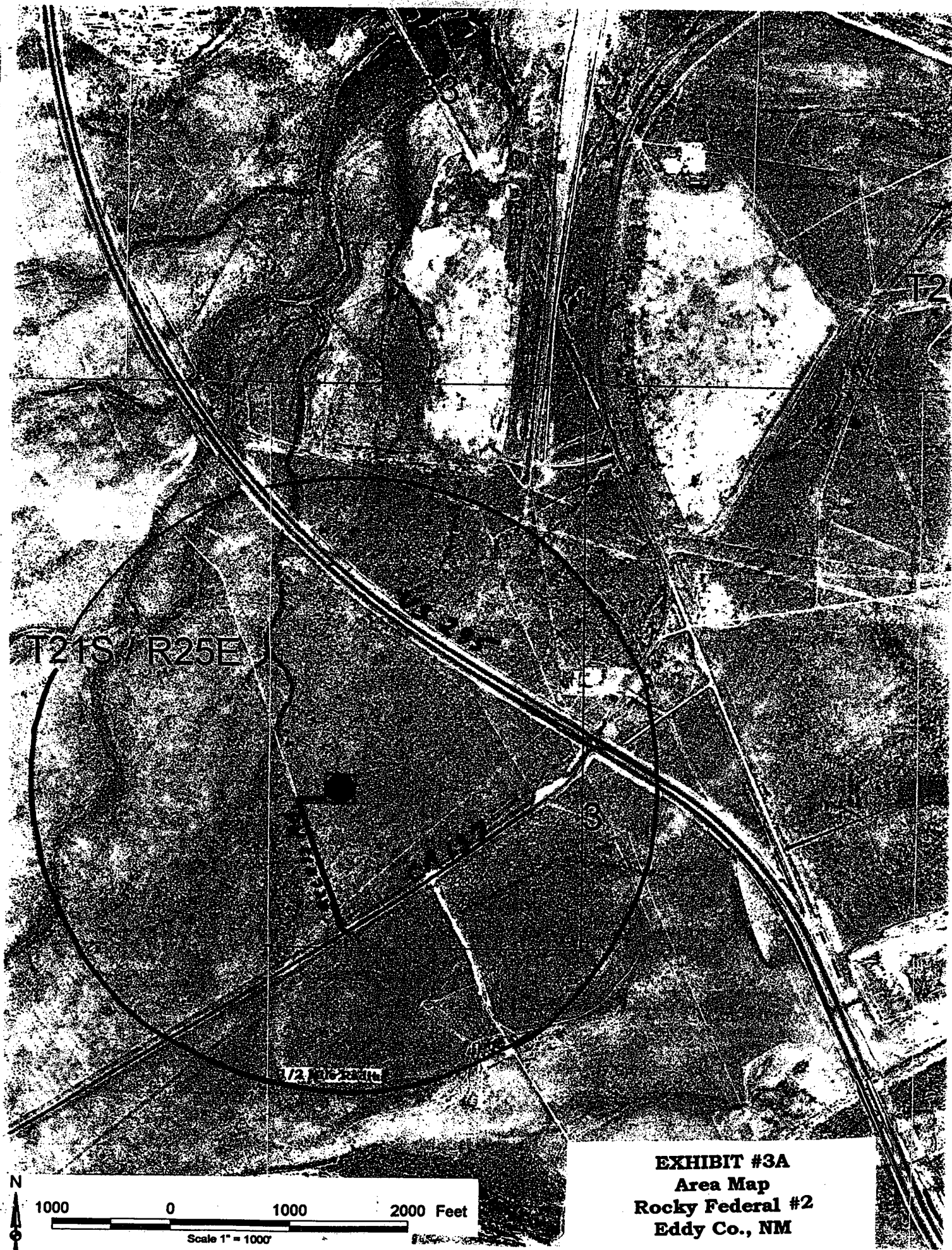
Certificate Number

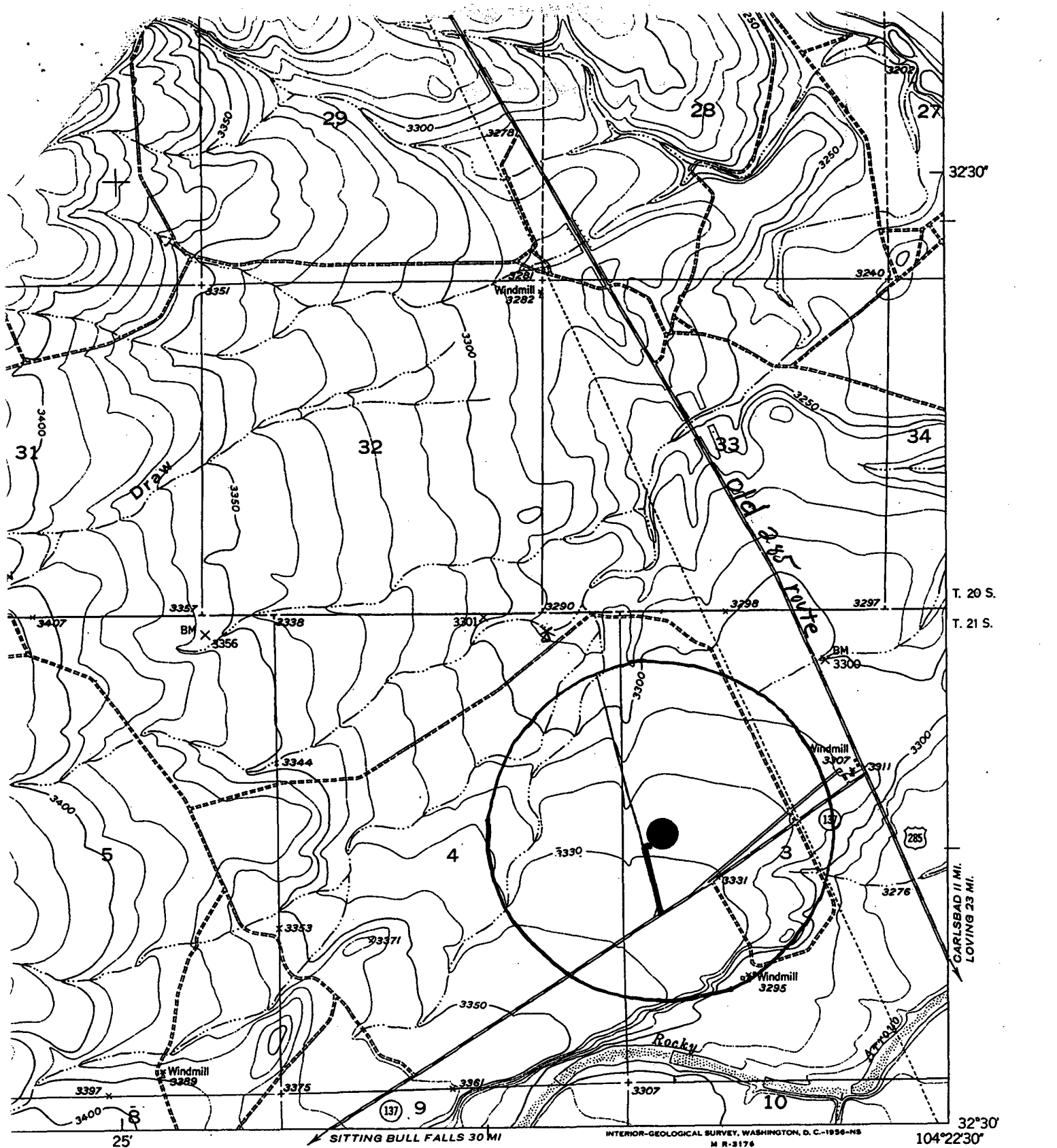


# SKETCH SHOWING PROPOSED ACCESS ROAD



PREPARED BY: DAN R. REDDY NM PE&PS #5412  
PREPARED FOR: SDX RESOURCES, INC.  
FEB9, 2004





**Exhibit #3B**  
**Topographic Map**  
**Rocky Federal #2**  
**Eddy Co., NM**

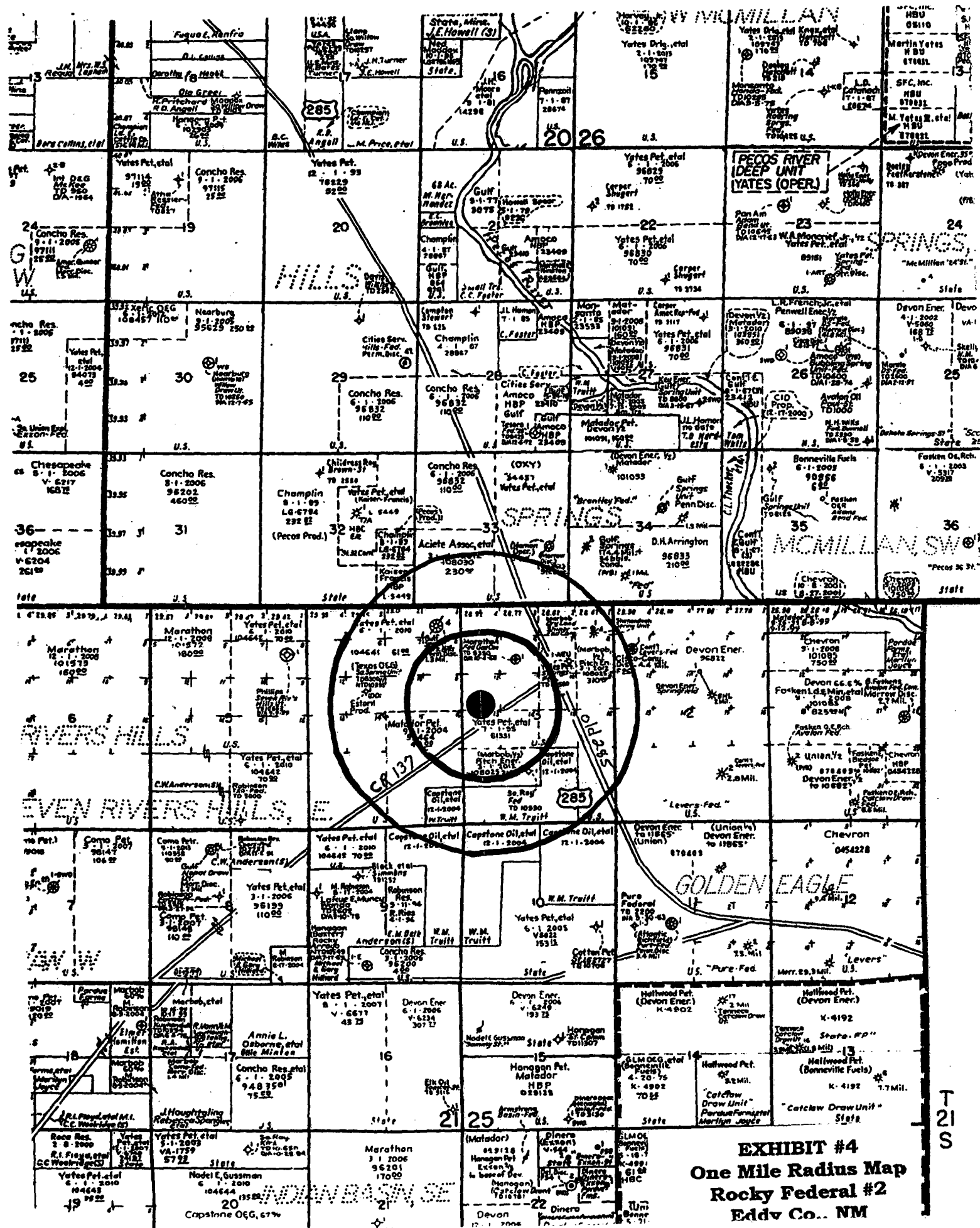
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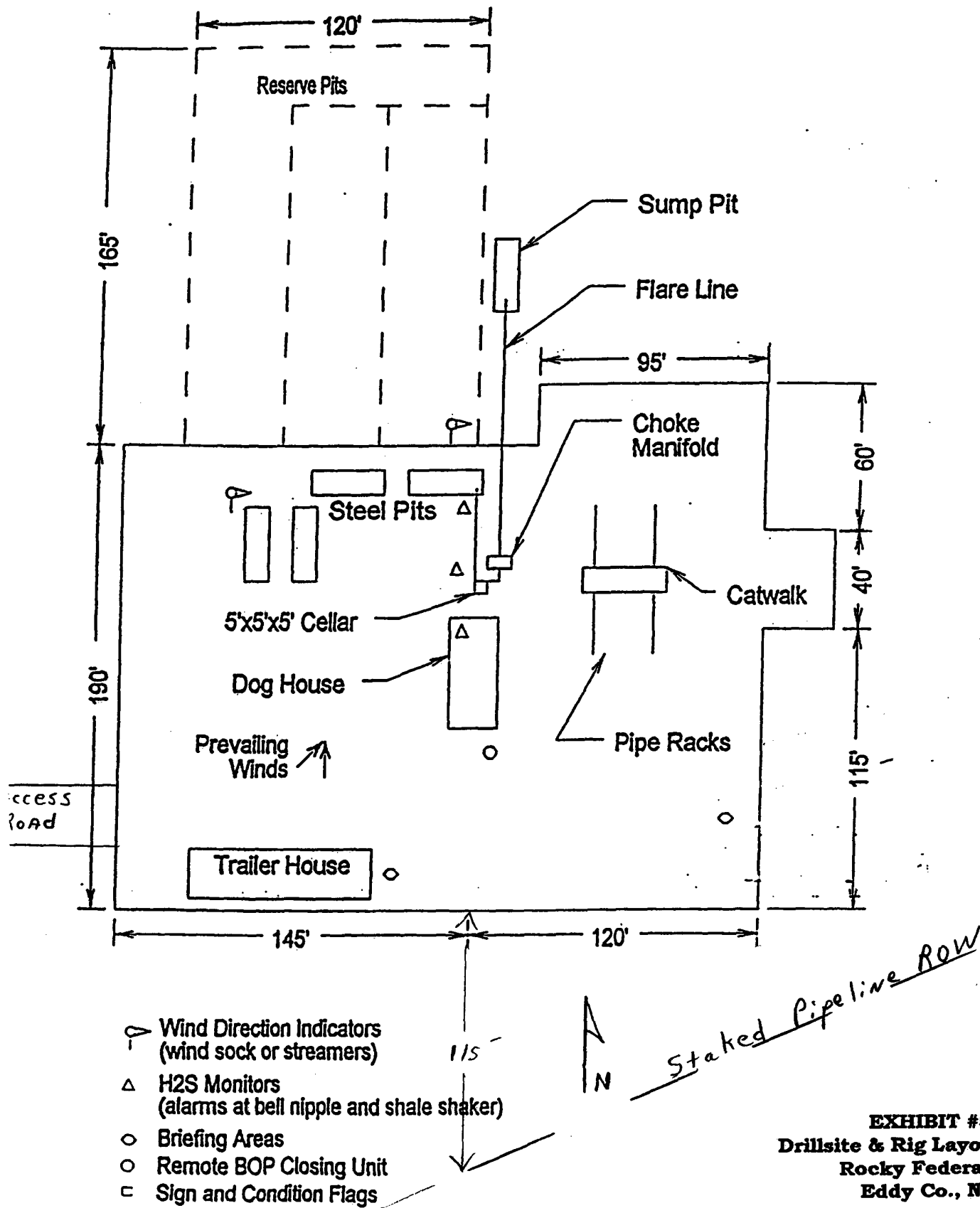
**ROAD CLASSIFICATION**

Heavy-duty \_\_\_\_\_ Light-duty \_\_\_\_\_  
 Medium-duty \_\_\_\_\_ Unimproved dirt \_\_\_\_\_  
 U. S. Route State Route

SEVEN RIVERS, N MEX.







**EXHIBIT #5**  
**Drillsite & Rig Layout Sketch**  
**Rocky Federal #2**  
**Eddy Co., NM**

**STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS**

SDX Resources Inc.  
PO Box 5061  
Midland, TX 79704  
432/685-1761

February 18, 2004

The undersigned accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the leased land or portion thereof, as described below:

Lease No.:	NMNM-111406
Lease Name:	Rocky Federal #2
Legal Description of Land:	Unit F, 3481' FNL 660' FWL Sec. 3, T21S, R25E Eddy Co., NM
Formation (s):	Springs Morrow Gas
Bond Coverage:	Statewide Bond – State of New Mexico
BLM Bond File No.:	NM2307

Authorized Signature:



John Pool  
Vice-President

**TITLE PAGE/ABSTRACT/  
NEGATIVE SITE REPORT  
CFO/RFO**

1/03

1. BLM Report No.		2. Reviewer's Initials/Date _____ ACCEPTED ( ) REJECTED ( )		3. NMCRIS No.: 87069	
4. Type of Report:                      Negative(X)                      Positive ( )					
5. Title of Report: Class III archaeological survey of a pad and access road for the Rocky Federal well No.2. Author(s): Ann Boone				6. Fieldwork Date(s) from 11 Feb. 2004 to	
				7. Report Date: 11 Feb. 2004	
8. Consultant Name & Address: Boone Archaeological Services 2030 North Canal Carlsbad, NM 88220 Direct Charge: Danny Boone Field Personnel Names: Danny Boone Phone: (505) 885-1352				9. Cultural Resource Permit No.: 190-2920-03-E	
				10. Consultant Report No.: BAS 02-04-09	
11. Customer Name: SDX Resources, Inc. Responsible Individual: Chuck Morgan Address: P.O. box 5061 Midland, Texas 79704 Phone: (432) 685-1761				12. Customer Project No.:	
13. Land Status	BLM	STATE	PRIVATE	OTHER	TOTAL
a. Area Surveyed (acres)	0	0	0	BOR 11.0 (+/-)	11.0 (+/-)
b. Area of Effect (acres)	0	0	0	BOR 6.8 (-/+)	6.8 (+/-)
14. a. Linear: Length; 1,375'    Width; 100' b. Block: 600' x 600'					
15. Location: (Maps Attached if Negative Survey) a. State: New Mexico b. County: Eddy c. BLM Office: Carlsbad d. Nearest City or Town: Carlsbad, NM e. Legal Location: T 21S, R 25E, Sec. 3 (Oblong shape from the NW corner), Pad NW SW; Access Road, NW SW, SW SW; f. Well Pad Footages: 3,481' FNL, 660' FEL g. USGS 7.5 Map Name(s) and Code Number(s): SEVEN RIVERS, NM (1954) 32104-E4					

## 16. Project Data:

- a. Records Search: Date(s) of BLM File Review: 11 Feb. 2004  
Date(s) of ARMS Data Review: 11 Feb. 2004

Name of Reviewer (s): Danny Boone  
Name of Reviewer (s): Ann Boone

Findings (see Field Office requirements to determine area to be reviewed during records search):

LA139065 is within 0.25 mile.

## b. Description of Undertaking:

This project is located on Federal Lands administrated by The Bureau Of Reclamation. The access road begins approximately 150' inside of the southwest portion of the pad survey area and trends west to an existing northwest to southeast trending graded road (Old) that will be upgraded. This existing road junctions with State Highway 137 and survey was terminated at the ROW barb wire fence. Location, footage and acres for the access road are estimations based on a hand held GPS Unit.

## c. Environmental Setting (NRCS soil designation; vegetative community; etc.):

Topography: Flat featureless sheetwash plain with large amounts of caliche rock that contain significant amounts of chert pebbles visible on the surface.

Vegetation: Overall groundcover is approximately 10% , creosote, mesquite, littleleaf horsebrush, broom snakeweed, catclaw, prickly pear cactus and assorted grasses.

NRCS: Reagan-Upton association: Loamy, deep soils and soils that are shallow to caliche; from old alluvium

## d. Field Methods: (transect intervals; crew size; time in field, etc.):

Transects: A grid of parallel transects spaced 15 meters or less apart for the pad and one parallel zig-zag spaced up to 15 meters on each side of staked centerline for the road.

Crew Size: One

Time in Field: 3.0 hours

## e. Artifacts Collected (?): None

## 17. Cultural Resource Findings:

a. Identification and description: None

b. Evaluation of significance of Each Resource:

## 18. Management Summary (Recommendations):

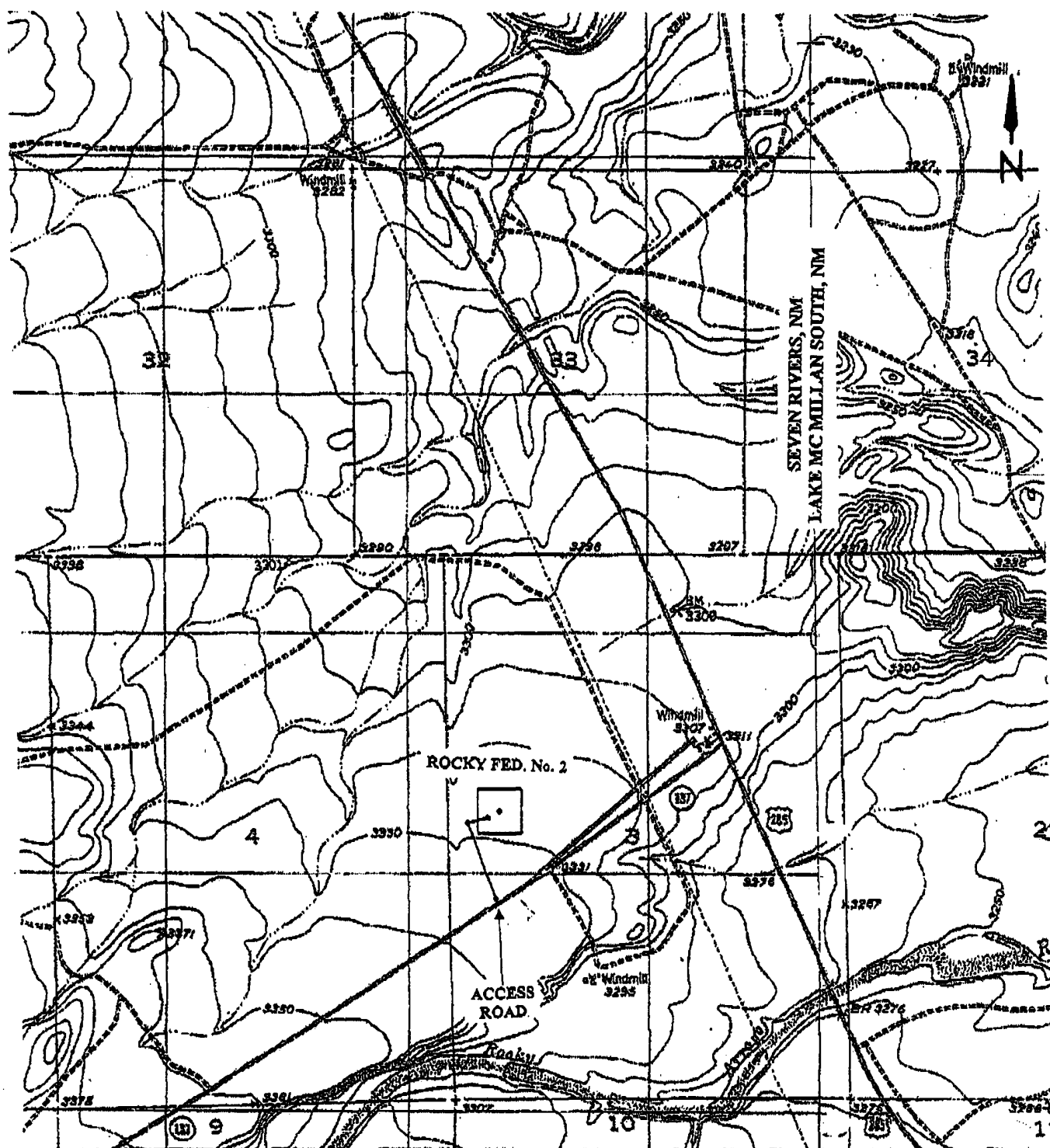
Archaeological clearance of a pad and access road for the Rocky Federal well No.2 for SDX Resources, Inc. as presently flagged is recommended. If cultural resources are encountered at any time all activity should cease and the BLM Archaeologist notified immediately.

19. I certify that the information provided above is correct and accurate and meets all appreciable BLM standards.

Responsible Archaeologist

Signature

Date



Location Map of a pad and access road for the Rocky Federal well No. 2 for SDX Resources, Inc. in Section 3, T 21S, R 25E, NMPM, Eddy County, New Mexico.

Map Reference USGS 7.5' Series; SEVEN RIVERS, NM (1954) 32104-B4

