

strict I

1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Avenue, Artesia, NM 88210
 District III
 1000 Rio Brazos Road, Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy Minerals and Natural Resources

Form C-101
 May 27, 2004

Oil Conservation Division
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address SDX Resources, Inc. PO Box 5061 Midland, TX 79704		² OGRID Number 020451	
³ Property Code 27122		⁴ Property Name Jeffers 36 State	
⁵ Proposed Pool 1 Red Lake ON-GB-SA		⁶ Proposed Pool 2	
⁷ Surface Location		⁸ Well No. 4	

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	36	17S	27E		985	North	2310	East	Eddy

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

Additional Well Information

¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary Rotary	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3624' GR
¹⁶ Multiple N	¹⁷ Proposed Depth 3500	¹⁸ Formation ON-GB-SA	¹⁹ Contractor United	²⁰ Spud Date 3/1/06
Depth to Groundwater > 50 <100'		Distance from nearest fresh water well >1000		Distance from nearest surface water >1000
Pit: Liner: Synthetic X 12_mils thick Clay <input type="checkbox"/> Pit Volume: 8000_bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine X Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4"	8-5/8"	24#	400	350	Surf
7-7/8"	5-1/2"	14#	3500	300 C Lite	Surf
				+ 300 C	

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Plan to drill a 12-1/4" hole to appx 400'. Set 8-5/8" surf csg. Circ Cl C cmt to surf. Drill 7-7/8" hole to TD. Run OH logs (LDT-CNL-GR & DLL). Run 5-1/2" csg & circ 50/50 POZ Cl C cmt. Perf the QN-GB-SA and stimulate as necessary for optimum production.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines X, a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
Printed name: Bonnie Atwater		Approved by: <i>Jim W. Green</i>	
Title: Regulatory Tech		Title: <i>District II Supervisor</i>	
E-mail Address: batwater@sdresources.com		Approval Date: FEB 02 2006 Expiration Date: FEB 02 2007	
Date: 1/30/06	Phone: 432/685-1761	Conditions of Approval	

If earthen pits are used in association with the drilling of the well, an OCD pit permit must be obtained prior to pit construction

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 51300	³ Pool Name Red Lake, QN-GB-SA
⁴ Property Code 25196	⁵ Property Name JEFFERS 36 STATE	⁶ Well Number 4
⁷ OGRID No. 020451	⁸ Operator Name SDX RESOURCES, INC.	⁹ Elevation 3624

¹⁰ Surface Location

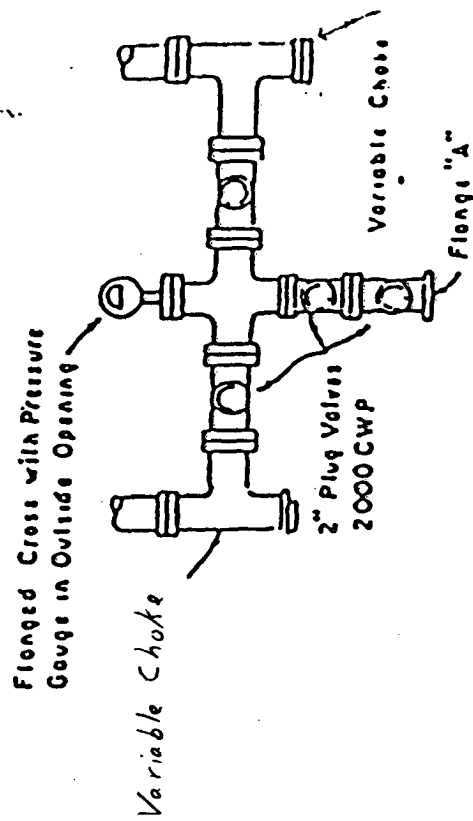
UL or lot no. B	Section 36	Township 17-S	Range 27-E	Lot Idn	Feet from the 985	North/South line NORTH	Feet from the 2310	East/West line EAST	County EDDY
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acre 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

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.

¹⁶ 	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature: <u>Bonnie Atwater</u> Date: <u>1/30/06</u> Printed Name: <u>Bonnie Atwater</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. JANUARY 17, 2006 Date of Survey: _____ Signature and Seal of Professional Surveyor:	
	RECEIVED JAN 31 2006 JCU-ANTHONY	



PLAN VIEW-CHOKE-MANIFOLD