

Oil Cons.
N.M. DIV-Dist. 2
1201 W. Grand Avenue
Alamogordo, NM 88210
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No.
LC-058181

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Enron Federal #3

9. API Well No.

30-015-32163

10. Field and Pool, or Exploratory Area

Red Lake, QN-GB-SA

11. County or Parish, State

Eddy Co., NM

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

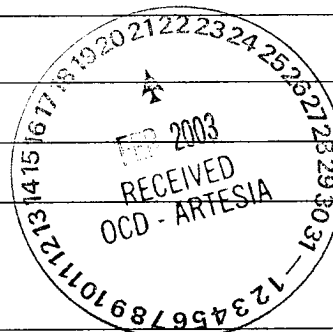
SDX Resources, Inc.

3. Address and Telephone No.

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

990' FSL 1650' FEL
Unit O, Sec 25, T17S, R27E



12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other _____
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☒ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

The Enron Federal #5 is currently producing appx 60 BWPD from the San Andres formation. Water is stored at the Enron Federal Battery (located on Enron Federal #3 location) in a 300 bbl fiberglass brine tank.

Produced water will be transferred via a 3" poly flowline to SDX's Resler State SWD system for use in SDX's NorthWest Aresia Unit waterflood consisting of approved injection wells NWAU #3, #6 & #15 (R# 4727) located in Units B, H & P of Sec. 32, T17S, R28E.

Water Analysis Attached.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS ATTACHED

14. I hereby certify that the foregoing is true and correct

Signed

Bonnie C. Swohoda

Title Regulatory Tech

Date 02/17/03

(This space for Federal or State office use)

Approved by

(ORIG. SGD.) ALEXIS C. SWOHODA

Title

PETROLEUM ENGINEER

Date

FEB 20 2003

Conditions of approval, if any:

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.

*See Instruction on Reverse Side

North Permian Basin Region
P.O. Box 740
Sundown, TX 79372-0740
(806) 229-8121
Lab Team Leader - Sheila Hernandez
(915) 495-7240

Water Analysis Report by Baker Petrolite

Company:	S D X RESOURCES INC	Sales RDT:	33512
Region:	PERMIAN BASIN	Account Manager:	WAYNE PETERSON (505) 910-9389
Area:	ARTESIA, NM	Sample #:	29897
Lease/Platform:	ENRON FEDERAL	Analysis ID #:	31612
Entity (or well #):	3	Analysis Cost:	\$7.00
Formation:	UNKNOWN		
Sample Point:	WELLHEAD		

Summary		Analysis of Sample 29897 @ 75 °F					
Sampling Date:	2/11/03	Anions	mg/l	meq/l	Cations	mg/l	meq/l
Analysis Date:	2/11/03	Chloride:	125372.0	3536.29	Sodium:	80227.9	3489.72
Analyst:	WAYNE PETERSON	Bicarbonate:	331.8	5.44	Magnesium:	802.0	65.98
TDS (mg/l or g/m3):	213044.2	Carbonate:	0.0	0.	Calcium:	1660.0	82.83
Density (g/cm3, tonne/m3):	1.142	Sulfate:	4650.0	96.81	Strontium:		
Anion/Cation Ratio:	1	Phosphate:			Barium:		
		Borate:			Iron:	0.5	0.02
		Silicate:			Potassium:		
Carbon Dioxide:	310 PPM	Hydrogen Sulfide:		36 PPM	Aluminum:		
Oxygen:		pH at time of sampling:		7.2	Chromium:		
Comments:		pH at time of analysis:			Copper:		
		pH used in Calculation:		7.2	Lead:		
					Manganese:		
					Nickel:		

Conditions		Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl										
Temp	Gauge Press.	Calcite CaCO ₃		Gypsum CaSO ₄ ·2H ₂ O		Anhydrite CaSO ₄		Celestite SrSO ₄		Barite BaSO ₄		CO ₂ Press
°F	psi	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	psi
80	0	0.76	17.11	-0.15	0.00	-0.12	0.00	0.00	0.00	0.00	0.00	0.17
100	0	0.73	19.67	-0.24	0.00	-0.14	0.00	0.00	0.00	0.00	0.00	0.25
120	0	0.71	21.95	-0.31	0.00	-0.13	0.00	0.00	0.00	0.00	0.00	0.37
140	0	0.69	24.81	-0.38	0.00	-0.11	0.00	0.00	0.00	0.00	0.00	0.52

Note 1: When assessing the severity of the scale problem, both the saturation index (SI) and amount of scale must be considered.

Note 2: Precipitation of each scale is considered separately. Total scale will be less than the sum of the amounts of the five scales.

Note 3: The reported CO₂ pressure is actually the calculated CO₂ fugacity. It is usually nearly the same as the CO₂ partial pressure.