

District I
PO Box 1980, Hobbs, NM 88241-1980

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 Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-101
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ 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 432/685-1761		² OGRID Number 020451
		³ API Number 30 - 0 25-36534
⁴ Property Code 33269	⁵ Property Name Aztec	⁶ Well No. 1

⁷Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West Line	County
M	15	21S	35E		660	South	660	West	Lea

⁸Proposed 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
⁹ Proposed Pool 1 Osudo, S. Morrow (82200)					¹⁰ Proposed Pool 2				

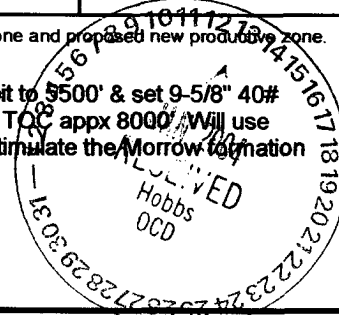
¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3585
¹⁶ Multiple No	¹⁷ Proposed Depth 12600	¹⁸ Formation Morrow	¹⁹ Contractor Patterson	²⁰ Spud Date 02-15-04

²¹Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17-1/2"	13-3/8"	54.5#	1450	900	Surf
12-1/4"	9-5/8"	40#	5500	1200	Surf
8-3/4"	5-1/2"	17#	12600	800	8000'

²²Describe 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.

Propose to drill 17-1/2" hole to 1450' & set 54.5# 13-3/8" csg & circ cmt to surf. Drill out w/12-1/4" bit to 5500' & set 9-5/8" 40# csg. Cmt to surf. Drill out w/8-3/4" bit to TD of 12,600'. Will set 5-1/2" 17# S-95 csg & cmt w/800 sx. TOC appx 8000'. Will use double ram 5000# WP BOP. No H2S is expected & no contingency plan is necessary. Will perf & stimulate the Morrow formation 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. Signature: <u>Bonnie Atwater</u> Printed name: Bonnie Atwater Title: Regulatory Tech	OIL CONSERVATION DIVISION Approved By: <u>[Signature]</u> Title: PETROLEUM ENGINEER Approval Date: 1/9/04 Expiration Date:
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Permit Expires 1 Year From Approval
Date Unless Drilling Underway

JAN 14 2004

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. Box 2088, Santa Fe, N.M. 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-36534	Pool Code 82200	Pool Name Osudo, S. Morrow
Property Code 33269	Property Name AZTEC	Well Number 1
OGRID No. 020451	Operator Name SDX RESOURCES, INC.	Elevation 3585'

Surface Location

UL or lot No. M	Section 15	Township 21-S	Range 35-E	Lot Idn	Feet from the 660	North/South line SOUTH	Feet from the 660	East/West line WEST	County LEA
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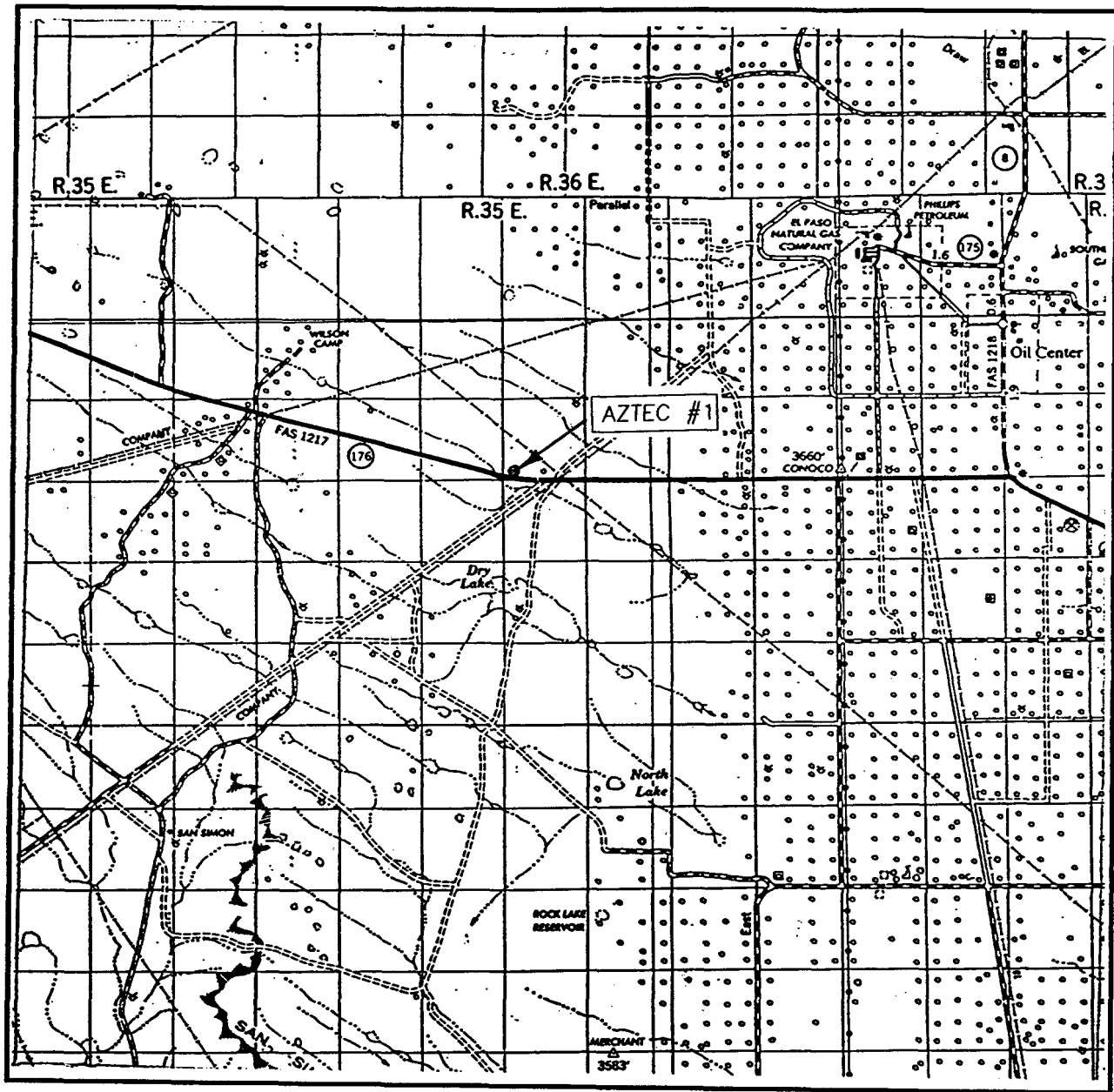
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320	Joint or Infill	Consolidation Code	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

660' 660'				GEODETIC COORDINATES NAD 1927 NME Y = 537317.2 N X = 799748.6 E LAT. - 32°28'24.40"N LONG. - 103°21'40.96"W				OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. <u>Bonnie Atwater</u> Signature Bonnie Atwater Printed Name Regulatory Tech Title 1/9/04 Date			
								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. DECEMBER 22, 2003 Date Surveyed Signature & Seal of Professional Surveyor GARY EIDSON 03.11.1378 Certificate No. GARY EIDSON 12641			

VICINITY MAP



SCALE: 1" = 2 MILES

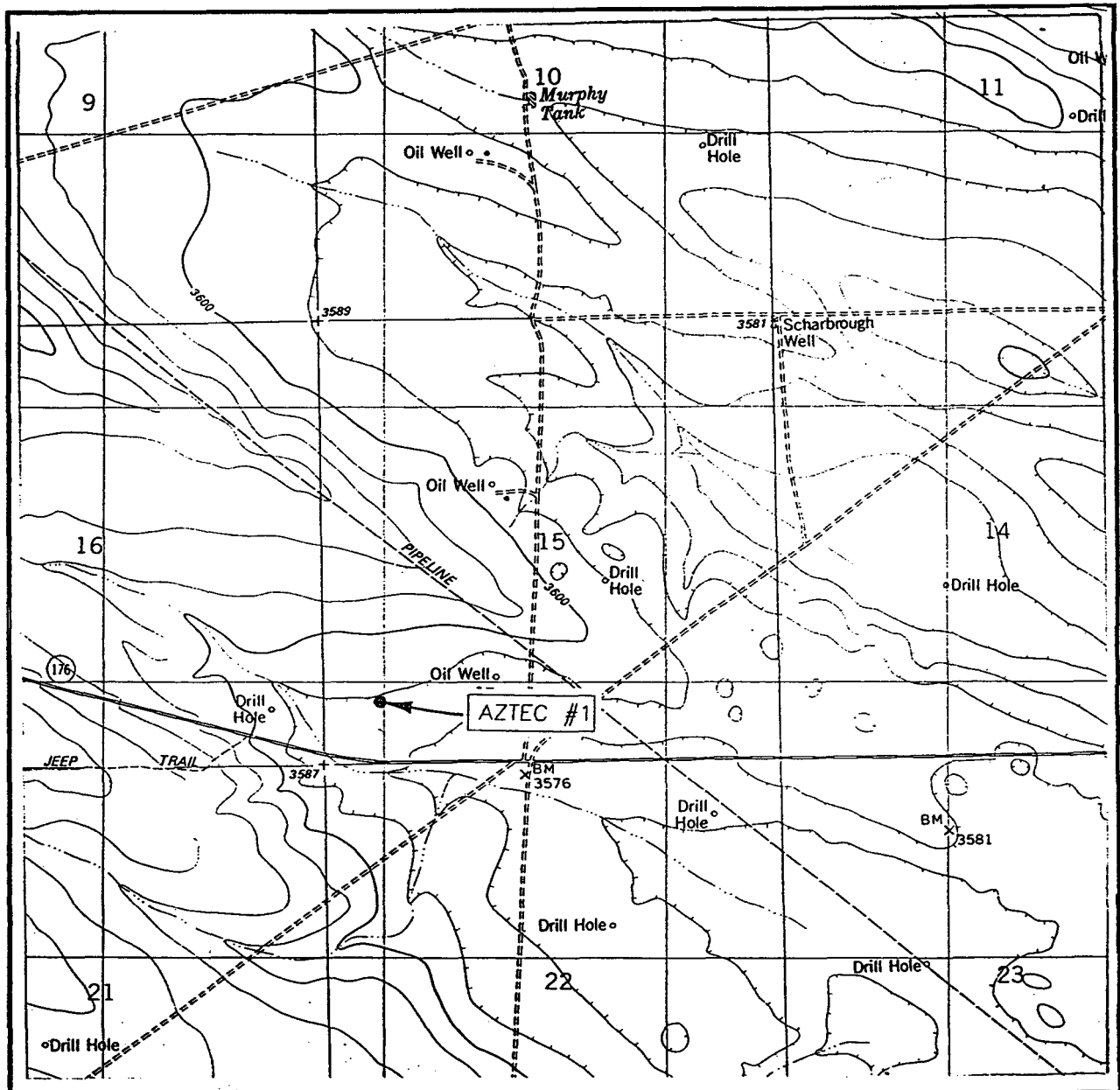
SEC. 15 TWP. 21-S RGE. 35-E
 SURVEY N.M.P.M.
 COUNTY LEA
 DESCRIPTION 660' FSL & 660' FWL
 ELEVATION 3585'
 OPERATOR SDX RESOURCES, INC.
 LEASE AZTEC

JOHN WEST SURVEYING
 HOBBS, NEW MEXICO
 (505) 393-3117

DRIVING DIRECTIONS:

FROM THE INTERSECTION OF STATE HWY. #8 AND STATE HWY. #176, GO WEST ALONG STATE HWY. #176 APPROX. 5.81 MILES (APPROX. 300' WEST OF BEND IN ROAD). THE LOCATION IS LOCATED APPROX. 600' NORTH.

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 10'
OIL CENTER, N.M.

SEC. 15 TWP. 21-S RGE. 35-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 660' FSL & 660' FWL

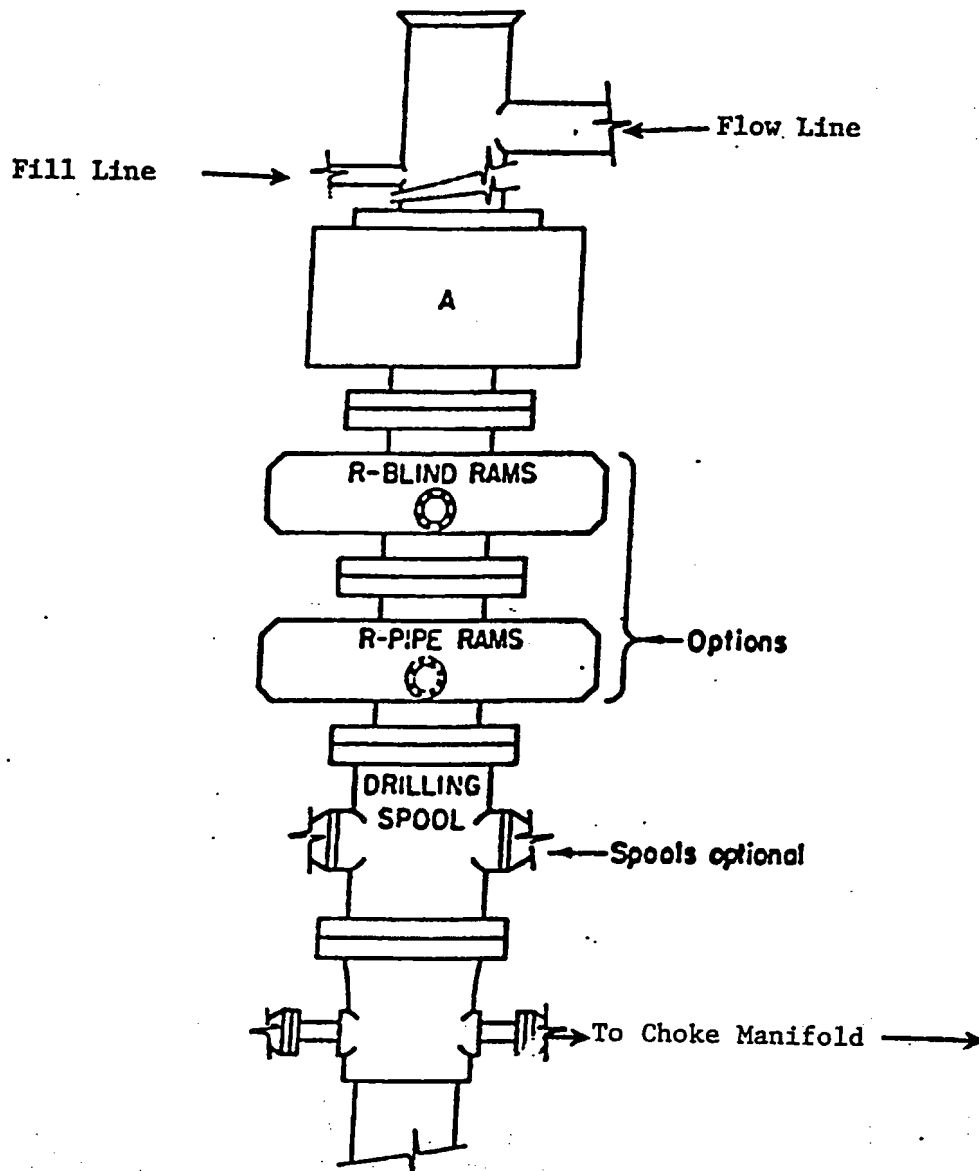
ELEVATION 3585'

OPERATOR SDX RESOURCES, INC.

LEASE AZTEC

U.S.G.S. TOPOGRAPHIC MAP
OIL CENTER, N.M.

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117



ARRANGEMENT SRRA

1500 Series

5000# Working Pressure

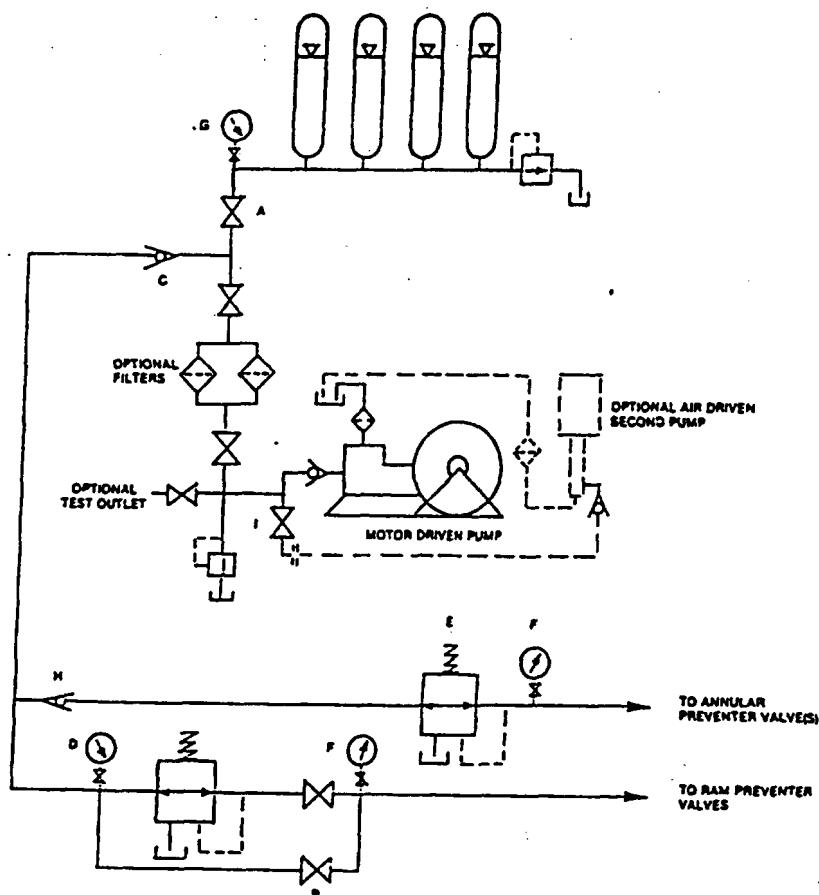


FIGURE K6-1. The schematic sketch of an accumulator system shows required and optional components.

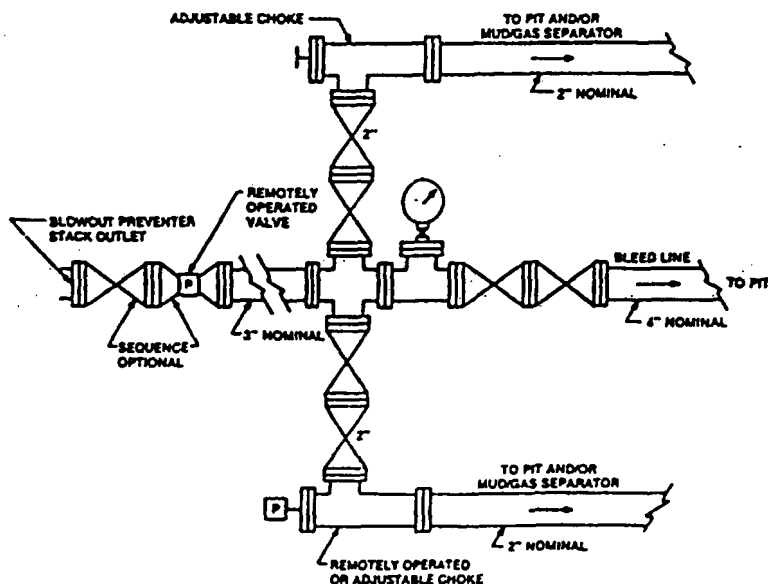


FIGURE K4-2. Typical choke manifold assembly for 3M rated working pressure service — surface installation.