

OPER. OGRID NO. 20451  
PROPERTY NO. 20477  
POOL CODE 33820  
EFF. DATE 3/3/97  
API NO. 30-025-33860

TRIPPLICATE\*  
Instructions on reverse side

FORM APPROVED  
OMB NO. 1004-0136  
Expires: February 28, 1995

DEPART  
BURE

APPLICATION F

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL  
WELL ☒

GAS  
WELL ☐

OTHER

SINGLE  
ZONE ☐

MULTIPLE  
ZONE ☐

2. NAME OF OPERATOR

SDX Resources, Inc.

3. ADDRESS AND TELEPHONE NO.

PO Box 5061, Midland, TX 79704

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
At surface

2310' FSL 990' FWL

At proposed prod. zone

Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

5 miles NW from Jal, NM

15. DISTANCE FROM PROPOSED\*  
LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

330'

330'

16. NO. OF ACRES IN LEASE

160

18. DISTANCE FROM PROPOSED LOCATION\*  
TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

1400'

19. PROPOSED DEPTH

4000'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3349' Gr

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8" J-55	24#	350'	350 sx C1 "C"
7-7/8"	5-1/2" J-55	14#	4000'	350 sx POZ, 400 sx Lite

Plan to drill 12-1/4" hole to approximately 350'; set R-F 10' Class "C" cmt. Drill 7-7/8" hole to 4000'. Run open h Set 5-1/2" csg & circ cmt. Perforate the Yates/Seven necessary for optimum production.

Specific programs as per Onshore Oil & Gas Order #1 at attachments: Drilling Program:

Surface Use & Operating Plan

EXHIBIT #1 - Location & Elevation Plan

EXHIBIT #2 - BOP Equipment

EXHIBIT #3 - Planned Access Roads

EXHIBIT #4 - One Mile Radius Map

EXHIBIT #5 - Planned Production Facilities

EXHIBIT #6 - Drilling Rig Layout

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout

24.

SIGNED

Bonnie Atwater

TITLE

Regulatory Asst.

DATE 1-13-97

(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:

APPROVED BY

(ORIG. SIG.) ARMANDO A. LOPEZ

TITLE

Acting

ADM, MINERALS

DATE

2-20-97

\*See Instructions On Reverse Side