

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

OIL CONSERVATION DIVISION
2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO. 30-015-24522
Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
State Oil & Gas Lease No.
Lease Name or Unit Agreement Name Marathon 25 State
Well No. 7
Pool name or Wildcat Red Lake, QN-GB-SA

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER	RECEIVED OCD - ARTESIA SEP 2003
2. Name of Operator SDX Resources, Inc.	
3. Address of Operator PO Box 5061, Midland, TX 79704	
4. Well Location Unit Letter A : 330 Feet From The North Line and 330 Feet From The East Line Section 25 Township 17S Range 28E NMPM Eddy County	
5. Elevation (Show whether DF, RKB, RT, GR, etc.) 3663' GR	

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Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐
OTHER: Plug Back ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ANBANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: ☐

6. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

EXISTING:

Perfs: 7052-7114 & 3918-82
P&A in 1984: CRT @ 3840'. Plugs @: 1026-825' & surf.
Re-entered 1998: PBTD 3678'. Perfs: 2868-3320 (29 holes).

PROPOSE:

TIH & set CIBP @ 2800'. Circ w/2% KCL & tst csg, CIBP & BOP to 1000#.
Perf: 2 spf: 2238, 40, 44, 46, 48, 54, 56, 62, 64 (18 holes, CBL depths).
Pull up to ~ 2150' & set tool. Acidize w/2500 gal 15% NEFE.
Flow back acid & swab test zone. Depending on results will either pump test zone or frac zone.
Frac w/40,000 gal X/L borate 30# gell @ 25 bpm w/65,000# 16/30 & 25,000# 12/20 Brady sd. SION.
Flow back frac. Circ to CIBP w/2% KCL.
Pump back load & pump test well.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Bonnie Atwater TITLE Regulatory Tech DATE 09-10-03

TYPE OR PRINT NAME Bonnie Atwater TELEPHONE NO. 432/685-1761

(This space for State Use)

APPROVED BY [Signature] **ORIGINAL SIGNED BY TIM W. GUM**
DISTRICT II SUPERVISOR

TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

SEP 17 2003