

Form 3160-5
(April 2004)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2007JUL 19 2007
OCD-ARTESIA

SUNDRY NOTICES AND REPORTS ON WELLS

*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE- Other instructions on reverse side.**1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator **SDX Resources, Inc.**3a. Address
PO Box 5061, Midland, TX 797043b. Phone No. (include area code)
432-685-1761

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

**2310' FNL 1650' FEL
Sec 26, T17S, R27E, Unit G**

5. Lease Serial No.

NMLC-064050

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Trigg Federal #2

9. API Well No.

30-015-31193

10. Field and Pool, or Exploratory Area

Red Lake, QN-GB- SA

11. County or Parish, State

Eddy Co., NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input checked="" type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleting horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Present:

8-5/8" 24# J55 csg @ 325'. Cmtd w/300 sx - Circ
 5-1/2" 14-15.5# J55 csg @ 3697'. Cmtd w/400 sx Lite & 400 sx C - Circ
 Perfs: 3204-3378 - Acidized & fracd
 CIBP @ 3000'
 Perfs 1667-1708' - Acidized & fracd

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

Propose to TA as follows pending evaluation of offset waterflood:

Need estimated date for return to beneficial use.

TOH w/2-7/8" tbg. Cap CIBP @ 3000' w/3sx cmt/ Set CIBP @ 1600' & cap w/3 sx cmt. TIH to 1550'. Circ hole clean w/2% KCL w/pkr fl. Test csg to 500# for 30 min. TOH & LD tbg. Leave 1 jt in head & stab a valve.

*35' of cement if bailed / 25 ss if dumped.**Approved for BLM witnessed MIT. Subsequent sundry to request TA.*

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

Name (Printed/Typed)

Bonnie AtwaterTitle **Regulatory Tech**

Signature

Bonnie Atwater

Date

06/26/2007**APPROVED**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice 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.

Title

19 2007
Office

Date

JUL 18 2007**WESLEY W. INGRAM****PETROLEUM ENGINEER**

Title 18 USC Section 1001 and Title 43 USC Section 1212, make 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.

(Instructions on page 2)

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
505-234-5972

Temporary Abandonment of Wells on Federal Lands
Conditions of Approval

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful mechanical or casing integrity test as follows:

1. A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
2. A description of the temporary abandonment procedure.
 - a. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging.
 - b. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes with a 10% allowable leakoff.
 - c. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
 - d. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
 - e. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County, 505-361-2822; Lea County 505-393-3612.
3. Provides justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned.

Wells that successfully pass the casing integrity test will be approved for Temporary Abandonment (TA) status for a 12 month period provided that the operator:

1. Submits a subsequent Sundry Notice (Form 3160-5) requesting TA approval.
2. Describes the temporary abandonment procedure.
3. Attaches a clear copy or the original of the pressure test chart.

The TA status could be extended for an additional 12 month period without another casing integrity test provided there was no leak-off during the test and the test was witnessed by a BLM representative. The operator must submit a sundry notice requesting an extension of TA status 30 days prior to expiration of the previous approval and appropriate justification for extending the TA status is included.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

1. A procedure to repair the casing so that a TA approval can be granted.
2. A procedure to plug and abandon the well.