

Submit 3 Copies To Appropriate District Office
District I
 1625 N. French Dr., Hobbs, NM 88240
District II
 1301 W. Grand Ave., Artesia, NM 88210
District III
 1000 Rio Brazos Rd., Aztec, NM 87410
District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 May 27, 2004

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-015-31541
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.

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.)		7. Lease Name or Unit Agreement Name Jeffers 36 State (27122)
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	2. Name of Operator SDX Resources, Inc.	8. Well Number 3
3. Address of Operator P.O. Box 5061 Midland, TX 79704	AUG 13 2008 OCD-ARTESIA	9. OGRID Number 020451
4. Well Location Unit Letter <u>B</u> : <u>460</u> feet from the <u>North</u> line and <u>1650</u> feet from the <u>East</u> line Section <u>36</u> Township <u>17S</u> Range <u>27E</u> NMPM Eddy County	10. Pool name or Wildcat Red Lake, G-Y. NE & Red Lake, Q-G-S	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3616' GR		
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____		
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

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

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: Commingle <input checked="" type="checkbox"/>	

13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

This well is now being commingled: Red Lake, GL-YE, NE (96836) & Red Lake, QN-GB-SA (51300) as of 6/1/08.

Administrative Order: DHC-4054

ACCEPTED FOR RECORD

AUG 12 2008

Gerry Guye, Deputy Field Inspector
 NMOCD-District II ARTESIA

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines X, a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Bonnie Atwater TITLE Agent DATE 8/13/08
 Bonnie Atwater batwater@sdxresources.com 432-685-1761
 Type or print name E-mail address: Telephone No.
For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
 Conditions of Approval (if any):