

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. 30-015-29966
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 A 25 State
Well No. 11
Pool name or Wildcat Red Lake, QN-GB-SA (51300)

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.)

Type of Well:
OIL WELL GAS WELL OTHER

Name of Operator
SDX Resources, Inc.

Address of Operator
PO Box 5061, Midland, TX 79704

Well Location
Unit Letter D 740 Feet From The North Line and 330 Feet From The West Line
Section 25 Township 17S Range 28E NMPM Eddy County

Elevation (Show whether DF, RKB, RT, GR, etc.)
3685' GR

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

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

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.

Spudded 12-1/4" hole on 8/23/99 @ 1:30 pm. Drilled to 410'. Ran 10 jts 8-5/8" csg to 409'. Cmt w/300 sx Class C. Circ 100 sx. WOC total of 18 hrs.

Drill 7-7/8" hole to TD of 3490'. Ran 99 jts 5-1/2", J-55, 15.5# LT&C csg to 3484'. Cmt w/450 sx 35/65 POZ + 350 sx Class C cmt.

Release rig 4:30 pm 8/29/99.

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 10-06-99

TYPE OR PRINT NAME Bonnie Atwater TELEPHONE NO. 915/685-1761

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

Submit to Appropriate District Office
 State Lease - 6 copies
 Fee Lease - 5 copies
DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-105
 Revised 1-1-89

OIL CONSERVATION DIVISION

2040 Pacheco St.
 Santa Fe, NM 87505

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

DISTRICT III
 1000 Rio Brazos Rd, Aztec, NM 87410

WELL API NO.
 30-015-29966

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:
 OIL WELL GAS WELL DRY OTHER _____
 b. Type of Completion:
 NEW WELL WORK OVER DEEPEN PLUG BACK DIFF RESVR OTHER _____

7. Lease Name or Unit Agreement Name
 Marathon A 25 State

2. Name of Operator
 SDX Resources, Inc.

8. Well No.
 11

3. Address of Operator
 PO Box 5061, Midland, TX 79704

9. Pool name or Wildcat
 Red Lake (QN-GB-SA) (51300)

4. Well Location
 Unit Letter D 740 Feet From The North Line and 330 Feet From The West Line
 Section 25 Township 17S Range 28E NMPM Eddy County

10. Date Spudded 08/23/99 11. Date T.D. Reached 08/28/99 12. Date Compl. (Ready to Prod.) 09/17/99 13. Elevations (DF & RKB, RT, GR, etc.) 3685 14. Elev. Casinghead

15. Total Depth 3490 16. Plug Back T.D. 3390 17. If Multiple Compl. How Many Zones? _____ 18. Intervals Drilled By _____ Rotary Tools Cable Tools _____

19. Producing Interval(s), of this completion - Top, Bottom, Name 3036 - 3258 20. Was Directional Survey Made Yes

21. Type Electric and Other Logs Run CNL/GR/CCL 22. Was Well Cored No

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24#	409	12-1/4"	300 sx Class C	None
5-1/2"	15.5#	3484	7-7/8"	450 sx 35/65 POZ + 350 sx C	None

24. LINER RECORD **25. TUBING RECORD**

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-3/8"	3289'	

26. Perforation record (interval, size, and number)
 3036', 38, 42, 48, 50, 52, 64, 66, 80, 82, 3117, 19, 25, 42, 60, 74, 88, 90, 3211, 23, 36, 49, 54, 56, 58 (1 spf, 25 holes)

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.
 DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED
 3036 - 3258 A: 4500 gal 15% NEFE
 F: 38,600 gal Spectra 25 +
 52,000# 16/30 + 30,080# 12/20 Brady

28. PRODUCTION

Date First Production 09/22/99 Production Method (Flowing, gas lift, pumping - Size and type pump) Pump 2" x 1-1/2" x 12' RWAC Well Status (Prod. or Shut-in) Prod

Date of Test 09/27/99 Hours Tested 24 Choke Size _____ Prod'n For Test Period _____ Oil - Bbl. 63 Gas - MCF 40 Water - Bbl. 92 Gas - Oil Ratio 635

Flow Tubing Press. _____ Casing Pressure _____ Calculated 24-Hour Rate _____ Oil - Bbl. 63 Gas - MCF 40 Water - Bbl. 92 Oil Gravity - API - (Corr.) _____

29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold Test Witnessed By Chuck Morgan

30. List Attachments
 Deviation Survey, Log

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature Bonnie Atwater Printed Name Bonnie Atwater Title Regulatory Tech. Date 10/08/99

SDX Resources, Inc.
P.O. Box 5061
Midland, Texas 79704

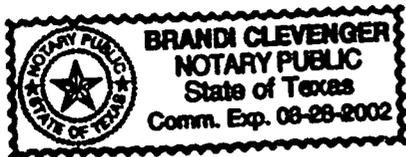
98-10-1999

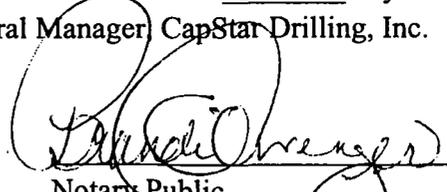
Marathon A-25 State #11
Eddy County, New Mexico

410	4.10	1/2	0.88	3.59	3.59
900	4.90	3/4	1.31	6.43	10.02
1409	5.09	1/2	0.88	4.45	14.47
1909	5.00	1 1/4	2.19	10.94	25.41
2405	4.96	1 1/2	2.63	13.02	38.43
2838	4.33	1 3/4	3.06	13.26	51.69
3490	6.52	2	3.50	22.82	74.51


Michael Roghair - General Manager

The attached instrument was acknowledged before me on the 30 day of August, 1999 by Michael Roghair - General Manager, CapStar Drilling, Inc.




Notary Public

PROPERTY	PROPERTY NAME	EFFECTIVE				D.D.I.	PREPAYMENT LEASE WELL	COST CTR.	AFIL CODE
		DECK	DATE	OWNER	OWNER NAME				
021100-11	MARATHON 25 STATE "A" #11	B	**BASE**	0239765	AILSA "II"	0.80000000	021100-11	0	N
WELL COSTS AFTER HIBERNIA FARMOUT - TARA				9999802	STEPHEN G. SELL	0.12600000	021100-11	0	Y
				9999803	JOHN D. POOL	0.05400000	021100-11	0	Y
				9999812	FRED C. COREY	0.01333333	021100-11	0	Y
				9999814	CHARLES M. MORGAN	0.00666667	021100-11	0	Y
				*** DECK TOTAL	5 OWNERS	1.00000000			

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all specific tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

Northwestern New Mexico

T. Anhy _____	T. Canyon _____	T. Ojo Alamo _____	T. Penn. "B" _____
T. Salt _____	T. Strawn _____	T. Kirtland-Fruitland _____	T. Penn. "C" _____
B. Salt _____	T. Atoka _____	T. Pictured Cliffs _____	T. Penn. "D" _____
T. Yates _____	T. Miss _____	T. Cliff House _____	T. Leadville _____
T. 7 Rivers _____ 840.0	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen _____ 1500.0	T. Silurian _____	T. Point Lookout _____	T. Elbert _____
T. Grayburg _____ 1866.0	T. Montoya _____	T. Mancos _____	T. McCracken _____
T. San Andres _____ 2130.0	T. Simpson _____	T. Gallup _____	T. Ignacio Otzte _____
T. Glorieta _____	T. McKee _____	Base Greenhorn _____	T. Granite _____
T. Paddock _____	T. Ellenburger _____	T. Dakota _____	T. _____
T. Blinebry _____	T. Gr. Wash _____	T. Morrison _____	T. _____
T. Tubb _____	T. Delaware Sand _____	T. Todilto _____	T. _____
T. Drinkard _____	T. Bone Springs _____	T. Entrada _____	T. _____
T. Abo _____	T. _____	T. Wingate _____	T. _____
T. Wolfcamp _____	T. _____	T. Chinle _____	T. _____
T. Penn _____	T. _____	T. Permian _____	T. _____
T. Cisco (Bough C) _____	T. _____	T. Penn. "A" _____	T. _____

OIL OR GAS SANDS OR ZONES

No. 1, from _____ to _____ No. 3, from _____ to _____
 No. 2, from _____ to _____ No. 4, from _____ to _____

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from _____ to _____ feet _____
 No. 2, from _____ to _____ feet _____
 No. 3, from _____ to _____ feet _____

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology	From	To	Thickness in Feet	Lithology
0.0	100.0	100.0	Caliche/Redbed				
100.0	150.0	50.0	Sand				
150.0	840.0	690.0	Anhy/Dolo				
840.0	1490.0	650.0	Anhy/Dolo				
1490.0	2130.0	640.0	Sand/Anhy/Dolo				
2130.0	3490.0	1360.0	Dolo				