

Submit to Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 copies
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

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

WELL API NO.
30-015-31917

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 ☐

2. Name of Operator
SDX Resources, Inc.

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

4. Well Location
Unit Letter F 2310 Feet From The North Line and 1650 Feet From The West Line

Section 28 Township 17S Range 28E NMPM Eddy County

10. Date Spudded 11/11/02 11. Date T.D. Reached 11/19/02 12. Date Compl. (Ready to Prod.) 01/08/03 13. Elevations (DF & RKB, RT, GR, etc.) 3332' GR 14. Elev. Casinghead

15. Total Depth 3535 16. Plug Back T.D. 3477 17. If Multiple Compl. How Many Zones? 1 18. Intervals Drilled By Rotary Tools ☒ Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name 3422 - 3454 20. Was Directional Survey Made Yes

21. Type Electric and Other Logs Run LDT-CNL-GR, DLL-GR 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#	304'	12-1/4"	325 sx Cl C - Circ	-
5-1/2"	14#	3526'	7-7/8"	375 sx 35/65 C POZ + 375 sx C	-

24. LINER RECORD				25. TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET
					2-7/8"	3406'

26. Perforation record (interval, size, and number)
3422 - 28, 38-44, 52-54
(2 spf, 32 holes, 4" select fire)

27. **ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.**

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
3422 - 54	3000 gal 15% NEFE
	11000 gal 20% heated HCL + 15600 gal htd 40# linear gel
	+ 5000 gal 15% HCL cool dwn

28. **PRODUCTION**

Date First Production 12/23/02 Production Method (Flowing, gas lift, pumping - Size and type pump) Pmp 2-1/2" x 2" x 12' RWAC Well Status (Prod. or Shut-in) Prod

Date of Test 01/08/03 Hours Tested 24 Choke Size 22 Prod'n For Test Period 22 Oil - BbL. 33 Gas - MCF 68 Water - BbL. 1500 Gas - Oil Ratio

Flow Tubing Press. 22 Casing Pressure 33 Calculated 24-Hour Rate 68 Oil - BbL. 68 Gas - MCF 68 Water - BbL. 68 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, Logs

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 01/20/03

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 _____	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen _____ 1434.0	T. Silurian _____	T. Point Lookout _____	T. Elbert _____
T. Grayburg _____ 1628.0	T. Montoya _____	T. Mancos _____	T. McCracken _____
T. San Andres _____ 1916.0	T. Simpson _____	T. Gallup _____	T. Ignacio Otzte _____
T. Glorieta _____ 3304.0	T. McKee _____	Base Greenhorn _____	T. Granite _____
T. Paddock _____ 3410.0	T. Ellenburger _____	T. Dakota _____	T. _____
T. Blinbry _____	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	150.0	150.0	Redbed/Gravel/Cal				
150.0	200.0	50.0	Sd				
200.0	450.0	250.0	Anhy				
450.0	1434.0	984.0	Anhy/Dolo				
1434.0	1916.0	482.0	Anhy/Dolo/Sd				
1916.0	3304.0	1388.0	Dolo				
3304.0	3410.0	106.0	Sd/Dolo				
3410.0	3535.0	125.0	Dolo				

WELL NAME AND NUMBER Welch "RL" State #2
LOCATION 2310' FNL, 1650' FWL, Section 28, T17S, R28E, Eddy Co.
OPERATOR SDX Resources, Inc.
DRILLING CONTRACTOR United Drilling, Inc.

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above described well and had conducted deviation tests and obtained the following results:

<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>
<u>1° @ 517'</u>	<u> </u>	<u> </u>
<u>1° @ 1002'</u>	<u> </u>	<u> </u>
<u>1° @ 1518'</u>	<u> </u>	<u> </u>
<u>3/4° @ 2001'</u>	<u> </u>	<u> </u>
<u>1° @ 2484'</u>	<u> </u>	<u> </u>
<u>3/4° @ 2972'</u>	<u> </u>	<u> </u>
<u>1/4° @ 3535'</u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>



Drilling Contractor United Drilling, Inc.

By: George Aho

Title: Business Manager

Subscribed and sworn to before me this 22 day of November,
2002.

Carlene Martin
Notary Public

My Commission Expires: 10-04-04

Chaves NM
County State