

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

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

Form C-103
Revised June 10, 2003

WELL API NO. 30-015-29413
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Marathon 26 State
8. Well Number 1
9. OGRID Number 020451
10. Pool name or Wildcat Red Lake, QN-GR-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.)
1. Type of Well: RECEIVED
Oil Well Gas Well Other

2. Name of Operator
SDX Resources, Inc.

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

4. Well Location
Unit Letter B : 990 feet from the North line and 2310 feet from the East line
Section 26 Township 17S Range 28E NMPM County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3681' GR

12. 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"/>	REMEDIAL WORK <input type="checkbox"/>
PLUG AND ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
CHANGE PLANS <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
MULTIPLE COMPLETION <input type="checkbox"/>	OTHER: Add perms <input checked="" type="checkbox"/>
OTHER: <input 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.

5/12/05 - MIRU. TOH w/rods & pump. TOH w/tbg. TIH w/RBP & set @ 2743'. Tie into CCL & perf: 2586', 87, 88, 89, 90, 91, 98, 2605, 15, 17, 40, 42, 44, 52, 59, 66 (1 spf, 4" select fire). Acidize w/3500 gal 15% NEFE. Frac down 5-1/2" csg w/30,000 gal Dynafrac 25 & 50,000# 16/30 & 30,000# 12/20 Brady. RD. Wash sd to RBP @ 2743' & pull RBP. TOH.

TIH w/2-7/8" tbg to 3222'. Set 2-1/2" x 1-1/2" x 12' RWAC pmp.

6/5/05 - 24 hr test: 12 BO, 50 MCF, 6 BW

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 7/20/05

Type or print name Bonnie Atwater E-mail address: batwater@sdxresources.com Telephone No. 432/685-1761

(This space for State use)

APPROVED BY _____ FOR RECORDS ONLY TITLE _____ DATE 26 2005

Conditions of approval, if any: