

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. 30-015-30888
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 Kersey State
8. Well Number 1
9. OGRID Number 020451
10. Pool name or Wildcat Artesia, QN-GB-SA 03230 / Artesia - GL-YE 96830

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: 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 I: 2018        feet from the South line and 330 feet from the East line  
Section 32 Township 17S Range 27E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3670' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

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 ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: Remove RBP ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: ☐

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.

Administrative Order DHC-3690

Existing:

8-5/8" 24# J-55 csg set @ 529'. Cmtd w/350 sx.

5-1/2" 15.5# K-55 csg set @ 4047'. Cmtd w/400 sx Lite & 500 sx C.

Perfs: 3556' - 3601' Treated w/3500 gal 15% NEFE & gelled acid w/10,000 gal 15% heated acid, 10,000 gal 20# gel, 4000 gal 15% acid & 6000 gal gel.

5-1/2" Lockset @ 2884'

Perfs: 2330' - 2608'

Proposal:

TOH w/2-7/8" tbg. Circ top of RBP clean w/2% KCL. Release tool & TOH.

Return well to pumping from original depth of PBTD 4045'.

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 NMOC guidelines X, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Bonnie Atwater TITLE Regulatory Tech DATE 4/2/07

Type or print name Bonnie Atwater

E-mail address: batwater@sdresources.com

Telephone No. 432-685-1761

For State Use Only

Accepted for record - NMOC

APPROVED BY:        TITLE        DATE 4/6/07

Conditions of Approval (if any):