

State of New Mexico
Energy, Minerals and Natural ResourcesOIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.

30-015-34626

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Jeffers 36 State

8. Well Number 4

9. OGRID Number 020451

10. 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.)

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 B : 935 feet from the North line and 2260 feet from the East lineSection 36 Township 17S Range 27E NMPM Eddy County

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

3622' 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: Add Perfs ☒

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.

Existing:

8-5/8" 24# J-55 csg set @ 417'. Cmt w/325 sx.

5-1/2" 14-15.5# J-55 csg set @ 3534'. Cmt w/325 sx Lite & 450 sx C

Perfs: 2566' - 2868'

Proposal:

Set RBP @ 2500' and test. Perf 1 spf: 1886' - 2288' (22 holes by LDT-CNL-GR OH logs).

Acidize w/4500 gal 15% NEFE. Frac w/60,000 gal Viking frac w/95,000# 16/30 & 35,000# 12/20 Brady Sd.

Pull RBP & return to pumping from orig position.

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 4/2/07Type or print name Bonnie AtwaterE-mail address: batwater@sdresources.comTelephone No. 432-685-1761

For State Use Only

APPROVED BY: _____ TITLE _____ DATE 4/6/07

Accepted for record - NMOC