

Oil Cons.  
N.M. DIV-Dist. 2  
1301 W. Grand Avenue  
Artesia, NM 88210

Form 3160-5  
(September 2001)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED  
OMB No. 1004-0135  
Expires January 31, 2004

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an  
abandoned well. Use Form 3160-3 (APD) for such proposals.*

MAR - 4 2004

OCD-ARTESIA

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

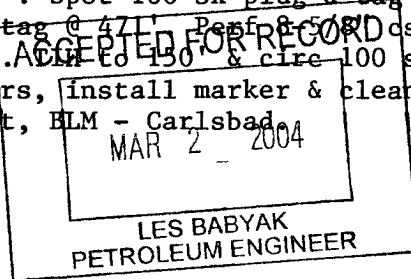
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. LC-029387 B
2. Name of Operator SDX Resources, Inc.		6. If Indian, Allottee or Tribe Name
3a. Address PQ Box 5061, Midland, TX 79704	3b. Phone No. (include area code) 432/685-1761	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2310' FSL 660' FEL Sec 30, T18S, R31E		8. Well Name and No. Shugart C #5
		9. API Well No. 30-015-10315
		10. Field and Pool, or Exploratory Area Shugart, Y-7R-QN-GB
		11. County or Parish, State Eddy Co., NM

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

MIRU plugging unit. RIH w/tbg & tag cmt on top of CICR @ 3300'. Circ hole w/MLF. Free point csg & cut @ 1000'. Csg not free. Cut & pull 5-1/2" csg from 814'. Unable to get back to 814'. Drill & wash to 834'. Unable to get below 834'. Rec verbal approval from BLM - Roswell to spot 100 sx plug from 834'. Spot 100 sx plug & tag @ 784'. Spot 50 sx plug & tag @ 777'. Spot 75 sx plug & tag @ 471'. Perf 8-5/8" csg @ 100' & attempt to circ. 8-5/8" circ from shallow holes. ACID to 150' & circ 100 sx cmt to surf inside & outside 8-5/8" csg. RDMO. Cut anchors, install marker & clean location & fence pit. Plugging witnessed by Clark Bennett, BLM - Carlsbad. Well P&A 2/26/04.



14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)  
Chuck Morgan

Title Engineer

Signature

Date 2/27/04

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)