

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

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO.	30-015-28958
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	

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 <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	7. Lease Name or Unit Agreement Name Arco 26 A State
2. Name of Operator SDX Resources, Inc.	8. Well No. 2
3. Address of Operator P. O. Box 5061, Midland, TX 79704	9. Pool name or Wildcat Artesia; QN-GR-SA
4. Well Location Unit Letter <u>E</u> : <u>2264'</u> Feet From The <u>North</u> Line and <u>330'</u> Feet From The <u>West</u> Line Section <u>26</u> Township <u>17S</u> Range <u>28E</u> NMPM Eddy County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3608' GR	

11. 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"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: SPUD AND SETTING 8-5/8" CASING <input checked="" type="checkbox"/>

12. 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.

5/28/96 MI & RU United Drlg Co's Rig #4. Spudded 12-1/4" hole @ 7:00 a.m. (MST), 5/28/96. Drilled to 525' and ran 12 jts 8-5/8" 24# J-55 casing (506'), land off @ 519' KB. RU Dowell and cemented w/375 sxs Class C cement w/ 2% CaCl₂. Circulated 50 sxs to surface. WOC 18 hrs. Circulated 50 sxs cement to surface.

5/29/96 Test casing and BOP's to 1000 psi for 30 minutes, OK. Prep to drill out shoe and drill ahead w/7-7/8" bit.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Janice Courtney TITLE Regulatory Tech DATE 6/4/96
TYPE OR PRINT NAME Janice Courtney TELEPHONE NO. 915/685-1761

(This space for State Use)

ORIGINAL SIGNED BY TIM W. GUM
DISTRICT II SUPERVISOR

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

JUN 6 1996