District I PO Box 1980, Hobbs, NM 88241-1980

District II 811 South First, Artesia, NM 88210

District III 1000 Rio Brazos Rd., Aztec, NM 87410

District IV 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

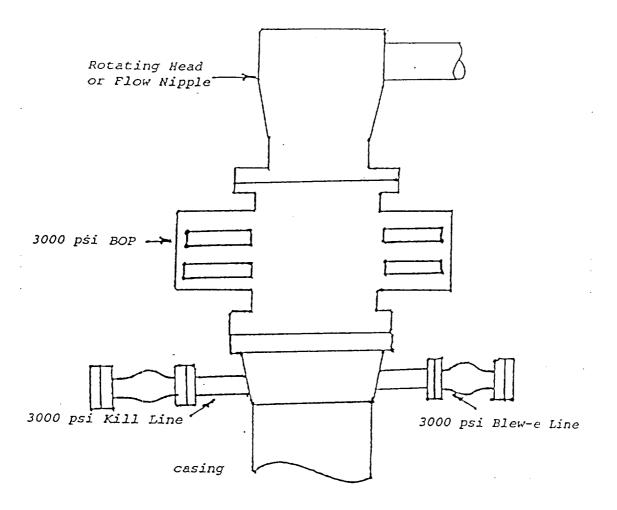
OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

Form C-101 levised October 18, 1994 Instructions on back Submit to Appropriate District Office State Lease - 6 Copies Fee Lease - 5 Copies

AMENDED REPORT

APPLICA	TION	OR F	ERMIT	TO DRI	LL, RE-EI	NTER, DE	EPE	N, PLUGB	ACK,	OR AD	D A ZONE	
SDX Resource PO Box 5061 Midland, TX	Operator Name and Address				4				2OGRID Number 020451 3API Number			
915/685-1761					REO. 1999			30-015-30682				
4Property Code			Marathon A	erty Name UCD ARTESIA				₅Well No. 12				
Surface Location Surface Location												
UL or lot no. Section 1 G 25		Townsh 17S	Township Range Lot Idn 17S 28E		Feet from the 1650			Feet from the East/West 1650 East		_	County Eddy	
Proposed Bottom Hole Location If Different From Surface												
UL or lot no. Section		Townsh	Township Range Lot Idn		Feet from the	North/South I	North/South line		East/West Line		County	
Red Lake, Q		₁₀Proposed Pool 2										
11Work Typ N		12Well Type	Code	₁₃Cable/Rotary		14Lease Type Code		e	₁₅Ground Level Elevation			
			<u> </u>		R		S		3693			
₁₃Multiple No			₁₁Propose 350	•	₁₅Formation GR/SA		₁₃Contractor Capstar		₂₀ Spud Date 07-15-99			
Minimum WOC time/ Reposed Casing and Cement Program												
Hole Size		Casi	Casing Size		Casing weight/foot		Setting Depth		Sacks of Cement		Estimated TOC	
12-1/4"			8-5/8"		24#		400		300 sx		Surf	
7-7/8"			5-1/2"	15,5#		45	4500		575 sx		Surf	
												
Plan to drill a 12-1/4" hole to appx 400' & set 8-5/8" surf csg to 400'. Circ Class C cmt. Drill 7-7/8" hole to TD (4500'). Run OH logs. Run 5-1/2" csg & circ50/50 POZ Class C cmt. Perf the GB/SA zone & stimulate as necessary for optimum production. MUD PROGRAM: Fresh Water Mud 0' - 400' Salt Water Mud 400' - TD Plan to drill a 12-1/4" hole to appx 400' & set 8-5/8" surf csg to 400'. Circ Class C cmt. Drill 7-7/8" hole to TD (4500'). Run OH logs. Run 5-1/2" csg & circ50/50 POZ Class C cmt. Perf the GB/SA zone & stimulate as necessary for optimum production. Post 7-2-99 ### ### ###########################												
best of my knowledge and belief. Signature:						Approved By: ORIGINAL SIGNED BY TIM W. GUM BGX						
Printed name: Bonnie Atwater						Title: DISTRICT II SUPERVISOR						
Title: Regulat		Approval Date:	5-7	29-99	Expirat	ion Date:	~79-0C					

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SDX RESOURCES, INC.

LEASE: Mathen a 25 WELL #: 12