Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR

N.M. Oll Cas. Division 811 S. 1st Street

FORM APPROVED Artesia, NM 88210-2832

Budget Bureau No. 1004-0135 Expires: March 31, 1993 ignation and Serial No.

BUREAU OF LAND MANAGEMENT

NM-97122 **SUNDRY NOTICES AND REPORTS ON WELLS** 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT-" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE 1. Type of Well ⊠ Oil Well Gas 8. Well Name and No. Other Chalk Federal #2 2. Name of Operator 9. API Well No. SDX Resources, Inc. 30-015-29706 3. Address and Telephone No. 10. Field and Pool, or Exploratory Area PO Box 5061, Midland, TX 79704 915/685-1761 Red Lake, QN-GB-SA 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FNL 2310' FWL 11. County or Parish, State Sec. 5, T18S, R27E, Unit F Eddy Co., NM CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF ACTION TYPE OF SUBMISSION Change of Plans Abandonment Notice of Intent New Construction Recompletion Subsequent Report Plugging Back Non-Routine Fracturing Water Shut-Off Casing Repair Conversion to Injection Altering Casing Final Abandonment Notice Other Spud & set csg Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) 13. Describe Proposed or Completed Operations (Clearly state all pertinet details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markders and zones pertinent to this work.)* Spud 12-1/4" hole 10/10/00. Drill to 1175'. Run 29 jts 8-5/8", J-55, 24# csg. Set @ 1168'. Cmt w/375 sx Lite + 200 sx Cl C. Circ 95 sx. Drill 7-7/8" hole to 3221' TD. Reached TD 10/16/00. Run 86 jts 5-1/2", 14#, K-55 csg. Set @ 3219'. Cmt w/250 sx 35/65 POZ + 300 sx Cl C. Circ 85 sx. ACCEPTED FOR RECORD Rig Released: 10/17/00. (ORIG. SGD.) GARY GOURLEY FEB 1.5 2001 BLM 14. I hereby pertify that the foregoing is thue and contect Date 01/31/01 Regulatory Tech (This space for Federal or State office use) Approved by ______ Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes 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.