Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR

Julius Ja. Division 11 S. 1st Str 3

FORM APPROVED

Artesia, NM 2 0-2834 Budget Bureau No. 1004-0135 Expires: March 31, 1993 BUREAU OF LAND MANAGEMENT 5. Lease Designation and Serial No. nm-56542 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 X Oil Well Gas 8. Well Name and No. Well Culwin 35 Federal #2 2. Name of Operator SDX Resources, Inc 9. API Well No. 30-015-30360 3. Address and Telephone No. 10. Field and Pool, or Exploratory Area PO Box 5061, Midland, TX 79704 Shugart (Y, SR, QN, GB) 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2160' FSL 990' FEL, Unit I 11. County or Parish, State Eddy, NM 35-18-30 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 Non-Routine Fracturing Subsequent Report □ Plugging Back Water Shut-Off Casing Repair Conversion to Injection Altering Casing Final Abandonment Notice Dispose Water Other (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.)* Amend casing program to run 800' of 8-5/8" surface casing. Received verbal from Peter Chester. ACCEPTED FOR RECORD AUG 1 3 1998 BLM 08/06/98 Regulatory Tech. (This space for Federal or State office use)

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.