

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.	30-015-27308
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	E-1051
7. Lease Name or Unit Agreement Name	State BN
8. Well No.	7
9. Pool name or Wildcat	E. Millman-Qn-GR-SA
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	GL 3410'

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"/>	2. Name of Operator SDX RESOURCES, INC.
3. Address of Operator P. O. BOX 5061 MIDLAND, TX	4. Well Location Unit Letter 0 1330 Feet From The East Line and 10 Feet From The South Line Section 11 Township 19S Range 28E NMPM Eddy County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) GL 3410'	

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: Comp. - E. Millman-Qn-GR-SA <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.

5/28/93 RU Real Well Service. Tagged PBD @ 2314;. NU BOP. SD for night.

5/29/93 Circulated hole w/2% KCl & pickled tubing w/100 gals. of acid. TOH & RU Schlumberger Well Service. Run CBL log & perforated 2036', 2052', 53', 66', 86', 88', 90', 2100' 2112', 22', 26', 32', 54', 64', 70', 72', 88', 94', 98', 2204', 14', 22', 47', and 49' (total 24 hole, 1 spf). TIH w/RTTS & spotted acid across perfs. Set packer and acidized perfs w/3000 gals. of 15% NEFE. SD for night.

5/30/93 Had 800' fluid entry overnight. Swabbed back acid & acid water. Well swabbed down in 3 runs. Continued swabbing every 30 min. for 2 hrs. Fluid entry 200' every 30 min. or approximately 2 BPH. Swabbing acid water and a 5% oil cut. SD for night.

Completion Information Continued on Attached Sheet.

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

SIGNATURE  TITLE VICE PRESIDENT

DATE 3/16/95

TYPE OR PRINT NAME JOHN POOL

TELEPHONE NO (915) 685-1761

(This space for State Use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY

MAR 30 1995

SDX RESOURCES, INC.

P.O. BOX 5061
MIDLAND, TEXAS 79704
(915) 685-1761

SDX Resources, Inc. - State BN Well No. 7 - Page 2 of Page 2
Completion Information - E. Millman-QN-GR-SA
Sec. 11, T19S, R238E, Eddy Co., NM

- 6/02/93 Opened well and made swab run, 400' of fluid with approximately 10% oil cut. Released RTTS and TOH. RU Halliburton to frac. Frac well with 40,000 gals X/L Borate gel with 100,000# 12/20 Brady sand with 2,000 gals pre-pad scale and paraffin treatment. Treated at 36 BPM at 1900 psi. ISIP 1387 psi, 5 min SIP 1233 psi, 10 min SIP 1188 psi, 15 min SIP 1161 psi. Begin flowing back frac.
- 6/03/95 Well dead and not flowing back. TIH, circulated 65' of sand to PBTD 2314'. TOH and picked up MA and perf sub. Run 73 jts 2-7/8" tubing and land off with SN @ 2255', MA @ 2289'. Run 12' x 2-1/2" x 2" BDH pump. Run 60 - 3/4" rods and 29 - 7/8" rods. Begin pumping back load.