

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: February 28, 1995

5. LEASE DESIGNATION AND SERIAL NO.
NMNM-56542

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.
Cutwin 35 Federal #3

9. API WELL NO.
30-015-33449 SI

10. FIELD AND POOL, OR WILDCAT
Shugart, YT-7R-QN-GB 56439

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
Sec 35, T18S, R30E, P

12. COUNTY OR PARISH
Eddy

13. STATE
NM

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL: OIL WELL GAS WELL DRY Other _____

b. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. RESVR. Other _____

2. NAME OF OPERATOR
SDX Resources, Inc.

3. ADDRESS AND TELEPHONE NO.
PO Box 5061, Midland, TX 79704 432/685-1761

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface
424' FSL, 848' FEL
At top prod. interval reported below

ACCEPTED FOR RECORD
OCT - 8 2004
ALEXIS C. SWOBODA
PETROLEUM ENGINEER

14. PERMIT NO. _____ DATE ISSUED
05/28/04

15. DATE SPUNDED 07/12/04 16. DATE T.D. REACHED 07/19/04 17. DATE COMPL. (Ready to prod.) 08/17/04 18. ELEVATIONS (DF, RKB, RT, GE, ETC.)* 3509' GR 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 3926' 21. PLUG, BACK T.D., MD & TVD 3847' 22. IF MULTIPLE COMPL., HOW MANY* _____ 23. INTERVALS DRILLED BY _____ ROTARY TOOLS Rotary CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION-TOP, BOTTOM, NAME (MD AND TVD)* 3186' - 3312' 25. WAS DIRECTIONAL SURVEY MADE Yes

26. TYPE ELECTRIC AND OTHER LOGS RUN LDT-CNL-GR, DLL-GR 27. WAS WELL CORED Yes

28. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
8-5/8"	32# K-55	669'	12-1/4"	400 sx CI C	-
5-1/2"	15.5#-17# J-55	3900'	7-7/8"	500 sx Lite + 375 sx CI C	-

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-7/8"	3381'	

31. PERFORATION RECORD (Interval, size and number)
3186' - 90, 3294-3300', 3308-12' (1 spf, 17 holes)

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
3186' - 3312'	3000 gal 15% NEFE
	30000 gal Viking 30 + 70000# 16/30 Ottawa
	+ 6000# 14/30 Flexsand

33. * PRODUCTION

DATE FIRST PRODUCTION 08/20/04 PRODUCTION METHOD (Flowing, gas lift, pumping-size and type of pump) 2-1/2" x 2" x 12' RWAC WELL STATUS (Producing or shut-in) SI

DATE OF TEST 08/21/04 HOURS TESTED 24 CHOKE SIZE _____ PROD'N FOR TEST PERIOD _____ OIL-BBL 16 GAS-MCF. 8 WATER-BBL. 66 GAS-OIL RATIO 500

FLOW. TUBING PRESS. _____ CASING PRESSURE _____ CALCULATED 24-HOUR RATE _____ OIL-BBL 16 GAS-MCF. 8 WATER-BBL. 66 OIL GRAVITY-API (CORR.) _____

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Sold TEST WITNESSED BY Chuck Morgan

35. LIST OF ATTACHMENTS
Deviation Survey, Logs

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED Bonnie C. Wheeler TITLE Regulatory Tech DATE 10/06/04

*(See Instructions and Spaces for Additional Data on Reverse Side)

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.

