

Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505	State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	Form C-105 Revised June 10, 2003 WELL API NO. 30-015-34086 5. Indicate Type of Lease STATE ☒ FEE ☐ State Oil & Gas Lease No.
WELL COMPLETION OR RECOMPLETION REPORT AND LOG		
1a. Type of Well: OIL WELL ☒ GAS WELL ☐ DRY ☐ OTHER _____ b. Type of Completion: NEW ☒ WORK ☐ DEEPEN ☐ PLUG ☐ DIFF. WELL OVER BACK RESVR. ☐ OTHER		7. Lease Name or Unit Agreement Name Staley State RECEIVED
2. Name of Operator SDX Resources, Inc. 3. Address of Operator PO Box 5061, Midland, TX 79704 432/685-1761		8. Well No. AUG 15 2005 3 9. Pool name or Wildcat Red Lake, GL-YE (96836)
4. Well Location Unit Letter <u>I</u> : <u>2310</u> Feet From The <u>South</u> Line and <u>330</u> Feet From The <u>East</u> Line Section <u>30</u> Township <u>17S</u> Range <u>28E</u> NMPM <u>Eddy</u> County		
10. Date Spudded 6/22/05	11. Date T.D. Reached 6/30/05	12. Date Compl. (Ready to Prod.) 7/25/05
13. Elevations (DF& RKB, RT, GR, etc.) 3601 GR		14. Elev. Casinghead
15. Total Depth 3994	16. Plug Back T.D. 3924	17. If Multiple Compl. How Many Zones?
18. Intervals Drilled By		Rotary Tools Yes
19. Producing Interval(s), of this completion - Top, Bottom, Name 3306' - 78'		20. Was Directional Survey Made Yes
21. Type Electric and Other Logs Run CBL-GR-CCL, LDT-CNL-GR		22. Was Well Cored Yes
23. CASING RECORD (Report all strings set in well)		
CASING SIZE	WEIGHT LB./FT.	DEPTH SET
8-5/8"	24#	406'
5-1/2"	15.5# - 17#	3984'
24. LINER RECORD		
SIZE	TOP	BOTTOM
25. TUBING RECORD		
SIZE	DEPTH SET	PACKER SET
2-7/8"	3191'	
26. Perforation record (interval, size, and number) 3306' - 10, 12-16, 24-30, 48-50, 53-55, 72-78 (30 shots, 1 spf)		
27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.		
DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	
3306' - 78	3000 gal 15% NEFE	
	20000 gal htd 20% HCL + 30000 gal htd gel +	
	5000 gal 15% HCL cool dn	
28. PRODUCTION		
Date First Production 7/26/05	Production Method (Flowing, gas lift, pumping - Size and type pump) 2-1/2" x 2" x 16' RWAC	
Well Status (Prod. or Shut-in) Prod		
Date of Test 7/29/05	Hours Tested 24	Choke Size
Prod'n For Test Period	Oil - Bbl 63	Gas - MCF 212
Water - Bbl. 243	Gas - Oil Ratio 3365	
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate
Oil - Bbl 63	Gas - MCF 212	Water - Bbl. 243
Oil Gravity - API - (Corr.)		
29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold		Test Witnessed By Chuck Morgan
30. List Attachments Logs, Deviation Survey		
31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief		
Signature <u>Bonnie Atwater</u> Printed Name <u>Bonnie Atwater</u> Title <u>Regulatory Tech</u> Date <u>8/12/05</u> E-mail Address <u>batwater@sdxresources.com</u>		

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn. "B"
T. Salt	T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	T. Atoka	T. Pictured Cliffs	T. Penn. "D"
T. Yates 504	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers 808	T. Devonian	T. Menefee	T. Madison
T. Queen 1108	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg 1492	T. Montoya	T. Mancos	T. McCracken
T. San Andres 1796	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta 3170	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Blinbry	T. Gr. Wash	T. Morrison	T.
T. Tubb	T. Delaware Sand	T. Todilto	T.
T. Drinkard	T. Bone Springs	T. Entrada	T.
T. Abo	T.	T. Wingate	T.
T. Wolfcamp	T.	T. Chinle	T.
T. Penn	T.	T. Permian	T.
T. Cisco (Bough C)	T.	T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....
 No. 2, from.....to.....
 No. 3, from.....to.....
 No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....
 No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology	From	To	Thickness In Feet	Lithology
504	808	304	Anhy, Dolomite				
808	1108	300	Anhy, Dolomite				
1108	1492	384	Dolomite, Sand, Anhy				
1492	1796	304	Dolomite & Dolomitic Sand				
1796	3176	1374	Dolomite				
3170	3256	86	Sand				
3256	3990	734	Dolomite				