

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

| |
|---|
| 5. Lease Serial No. NMNM-048344 |
| 6. If Indian, Allottee or Tribe Name |
| 7. If Unit or CA/Agreement, Name and/or No. |
| 8. Well Name and No. Williams A Federal #3 |
| 9. API Well No. 30-015-34614 |
| 10. Field and Pool, or Exploratory Area Artesia, GL-YE 96830 |
| 11. County or Parish, State Eddy Co., NM |

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

| | |
|--|---|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | |
| 2. Name of Operator SDX Resources, Inc. | |
| 3a. Address PO Box 5061, Midland, TX 79704 | 3b. Phone No. (include area code) 432-685-1761 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1400' FSL 1150' FWL Sec 29, T17S, R28E, Unit L | |

APR 25 2006

OCD-ARTESIA

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|--|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other Spud & set csg |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Spud 12-1/4" hole on 4/5/06. Drill to 460'. RIH w/11 jts 8-5/8", K-55, 22# csg. Set @ 452'. Cmt w/375 sx Cl C cmt. Circ 87 sx per BLM Clark Bennet. WOC total of 22 hrs.

Start drlg 7-7/8" hole. Reached TD 3550' on 4/12/06. Run OH logs 3550' - 454'. Run 87 jts 5-1/2" J-55, 14# csg. Set @ 3547'. Cmt w/375 sx 35/65 POZ + 400 sx Cl C tail. Circ 91 sx.

Release rig 6:00 pm 4/13/06.

Currently WO Completion.

ACCEPTED FOR RECORD

APR 21 2006

GARY GOURLEY

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Bonnie Atwater

Title Regulatory Tech

Signature

Bonnie Atwater

Date

04/18/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Instructions on page 2)