

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., 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

May 27, 2004

WELL API NO. 30-015-34994
5. Indicate Type of Lease STATE X FEE
6. State Oil & Gas Lease No.

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 X Gas Well Other
2. Name of Operator SDX Resources, Inc.
3. Address of Operator PO Box 5061, Midland, TX 79704
4. Well Location Unit Letter L : 1650 feet from the South line and 380 feet from the West line Section 28 Township 17S Range 28E NMPM Eddy County
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3664' GR
Pit or Below-grade Tank Application or Closure
Pit type Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water
Pit Liner Thickness: mil Below-Grade Tank: Volume bbls; Construction Material

7. Lease Name or Unit Agreement Name Tigner State
8. Well Number 2
9. OGRID Number 020451
10. Pool name or Wildcat Artesia, GL-YE

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK PLUG AND ABANDON TEMPORARILY ABANDON CHANGE PLANS PULL OR ALTER CASING MULTIPLE COMPL OTHER: H2S Plan X
SUBSEQUENT REPORT OF: REMEDIAL WORK ALTERING CASING COMMENCE DRILLING OPNS. P AND A CASING/CEMENT JOB OTHER:

13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Anticipated H2S levels are not expected to be high enough to require a H2S Contingency plan

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines X, a general permit or an (attached) alternative OCD-approved plan.

SIGNATURE Bonnie Atwater TITLE Regulatory Tech DATE 7/18/06

Type or print name Bonnie Atwater E-mail address: batwater@sdresources.com Telephone No. 432-685-1761

For State Use Only

APPROVED BY: FOR RECORDS ONLY TITLE DATE JUL 19 2006

Conditions of Approval (if any):