

Submit 3 Copies To Appropriate District  
Office  
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

Form C-103  
May 27, 2004

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO. 30-015-34626
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Jeffers 36 State
8. Well Number 4
9. OGRID Number 020451
10. Pool name or Wildcat Red Lake, QN-GB-SA 51300

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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"/>	RECEIVED
2. Name of Operator SDX Resources, Inc.	JUL 24 2006
3. Address of Operator PO Box 5061, Midland, TX 79704	U.S. ARMY
4. Well Location Unit Letter <u>B</u> : <u>935</u> feet from the <u>North</u> line and <u>2260</u> feet from the <u>East</u> line Section <u>36</u> Township <u>17S</u> Range <u>27E</u> NMPM <u>Eddy</u> County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3622' GR	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____	
Pit Liner Thickness: _____ mfl Below-Grade Tank: Volume _____ bbls; Construction Material _____	

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

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input checked="" type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

Spud 12-1/4" hole 5/30/06. Drill to 425'. Run 10 jts 8-5/8" J-55 28# csg. Set @ 417'. Cmt w/325 sx Cl C. Circ 128 sx. WOC total of 18 hrs.

Drill 7-7/8" hole. Reached TD 3524' on 6/7/06. Run OH logs (LDT-CNL-GR & DLL-GR). Run 89 jts 5-1/2" 14-15# J-55 csg. Set @ 3524'. Cmt w/325 sx 35/65 lead & 450 sx Cl C tail. Circ 126 sx.

Release Rig 7:00 pm 6/8/06.

Currently WO completion.

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 7/21/06

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

APPROVED BY: District II Supervisor TITLE District II Supervisor DATE 8/2/06