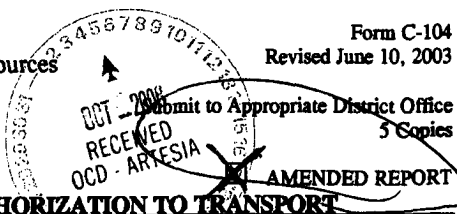


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-104
Revised June 10, 2003



I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

1 Operator name and Address SDX Resources, Inc. PO Box 5061 Midland, TX 79704		2 OGRID Number 020451
4 API Number 30 - 015 - 32456		3 Reason for Filling Code/ Effective Date New Pool
5 Pool Name Artesia, Gloriosa - Gese	6 Pool Code 96830	
7 Property Code 28535	8 Property Name Welch RL State	9 Well Number 6

II. Surface Location

Ul or lot no. C	Section 28	Township 17S	Range 28E	Lot Idn	Feet from the 990	North/South Lin North	Feet from the 1650	East/West line West	County Eddy
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Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
13 Lse Code S	14 Producing Method Code Pmp	15 Gas Connection Date 9-5-06	16 C-129 Permit Number	17 C-129 Effective Date	18 C-129 Expiration Date				

III. Oil and Gas Transporters

19 Transporter OGRID	20 Transporter Name and Address	21 POD	22 O/G	23 POD ULSTR Location and Description
34019	ConocoPhillips	2831706	O	
36785	Duke Energy	2831707	G	

IV. Produced Water

24 POD 2831708	25 POD ULSTR Location and Description
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V. Well Completion Data

26 Spud Date 9-5-06	27 Ready Date 9-5-06	28 TD 3520	29 PSTD 3468	30 Perforations 3411 - 3450	31 DHC, MC
32 Hole Size *12-1/4"	33 Casing & Tubing Size 8-5/8" 24#	34 Depth Set 428	35 Sacks Cement 400 sx CI C		
*7-7/8"	5-1/2" 14#	3514	400 35/65 POZ C +400 CI C		
*EXISTING					
	2-7/8" Tbg	3395'			

VI. Well Test Data

36 Date New Oil 9-5-06	37 Gas Delivery Date 9-5-06	38 Test Date 9-21-06	39 Test Length 24	40 Tbg. Pressure	41 Csg. Pressure
42 Choke Size	43 Oil 21	44 Water 182	45 Gas 30	46 AOF	47 Test Method Pmp

"I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Bonnie Atwater*

Printed name:
Bonnie Atwater

Title:

Regulatory Tech

E-mail Address:
batwater@sdresources.com

Date:
10-3-06

Phone:
432/685-1761

Approved by:

OIL CONSERVATION DIVISION

BRYAN G. ARRANT
DISTRICT II GEOLOGIST

Title:

Approval Date:

OCT 05 2006