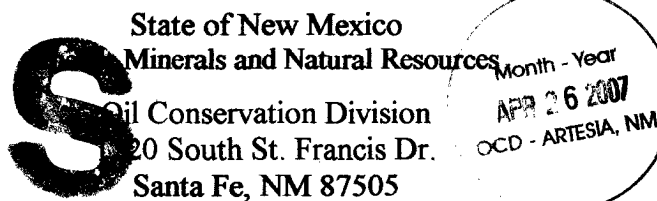


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505



Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

30-015-22878

Release Notification and Corrective Action

nLLB0631152144

OPERATOR

☐ Initial Report ☒ Final Report

Name of Company	SDX Resources, Inc.	Contact	Chuck Morgan
Address	PO Box 5061, Midland, TX 79704	Telephone No.	432-685-1761
Facility Name	AID 24 P Com State #1 30-015-22878	Facility Type	SWD

Surface Owner	State	Mineral Owner	State	Lease No.	LG6340
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
N	24	17S	28E	660	South	1980	West	Eddy

Latitude _____ Longitude _____

NATURE OF RELEASE

Type of Release	Tank Overflow	Volume of Release	6 bbls	Volume Recovered	5 bbls
Source of Release	Suction Tank Overflow	Date and Hour of Occurrence	11 am 1/25/06	Date and Hour of Discovery	11 am 1/25/06
Was Immediate Notice Given?	X Yes <input type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?	Jerry Guye		
By Whom?	Jerry Smith	Date and Hour	11:15 am 1/25/06		
Was a Watercourse Reached?	<input type="checkbox"/> Yes X No	If YES, Volume Impacting the Watercourse.	NA		

If a Watercourse was Impacted, Describe Fully.*

NA

Describe Cause of Problem and Remedial Action Taken.*

SWD pump was sent in for repairs. Brine tanks were overfilled while filling tanks to test run SWD pump upon its return from the shop.

Describe Area Affected and Cleanup Action Taken.*

Brine contacted small area around the base of tanks. Wells were shut down and a steam cleaning unit and a vacuum truck were called. Tanks were steamed off and the vacuum truck recovered 5 bbls of fluid. A backhoe removed contaminated soil.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Signature:			
Printed Name:	Chuck Morgan	Approved by District Supervisor: TIM GUM by MB	
Title:	Engineer	Approval Date:	4/26/07
E-mail Address:	cmorgan@sdresources.com	Expiration Date:	
Date:	4/23/07	Phone:	432-685-1761
		Conditions of Approval:	Attached <input type="checkbox"/>

* Attach Additional Sheets If Necessary