

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
June 19, 2008

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

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.)		WELL API NO. 30-015-30888
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator SDX Resources, Inc.		6. State Oil & Gas Lease No.
3. Address of Operator PO Box 5061, Midland, TX 79704		7. Lease Name or Unit Agreement Name Kersey State
4. Well Location Unit Letter <u>I</u> : 2018 feet from the <u>South</u> line and <u>330</u> feet from the <u>East</u> line Section <u>32</u> Township <u>17S</u> Range <u>27E</u> NMPM <u>Eddy</u> County		8. Well Number <u>1</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3670' GR		9. OGRID Number <u>020451</u>
		10. Pool name or Wildcat <u>Act RLB-Gr & Act QGS</u>

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
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 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"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: Pull RBP <input checked="" type="checkbox"/>	X

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.

6/1/08 - TIH w/Baker. Wash up on top of RBP. Get on RBP. Jarr RBP loose & POH. TIH w/4-3/4" bit & scrapper to 3700'. TOH. TIH w/pmp & rods. 2-7/8" tbg set @ 3618'. 2-1/2" x 2" x 12' RWAC pmp.

Is now being commingled as of 6/1/08 from Artesia. GL-YE (96830) & Artesia. QN-GB-SA (03230).

Administrative Order: DHC-3690

ACCEPTED FOR RECORD

AUG 26 2008

Gerry Guye, Deputy Field Inspector
NMOCD-District II ARTESIA

Spud Date:

Rig Release Date

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Bonnie Atwater TITLE Agent DATE 8/19/08

Type or print name Bonnie Atwater E-mail address: batwater@freedom-resources.com PHONE: 432-967-8995
For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):