

SDX RESOURCES, INC.

P.O. BOX 5061
MIDLAND, TEXAS 79704
(915) 685-1761

OCD
811 S. First Street
Artesia, N.M. 88210

3/2/2001

Attention: Jerry Guy

RE: Shugart Fed. # 1
Sec. 30 T18S R31E
API # 30-015-05645
Eddy County, New Mexico

Dear Mr. Guy,

The Shugart D #1 well referenced in the attached letter from your office has been plugged and abandoned. Also attached are copies of the approved final P&A notice from the BLM and a copy of their final inspection notice. I have also attached a C-103 for your well files.

Sincerely,



Chuck Morgan

RECEIVED
OCD ARTESIA