

Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies <u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> 1301 W. Grand Avenue, Artesia, NM 88210 <u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505	State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	Form C-105 Revised June 10, 2003 WELL API NO. 30-015-20586 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> State Oil & Gas Lease No.
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WELL COMPLETION OR RECOMPLETION REPORT AND LOG					
1a. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER _____			7. Lease Name or Unit Agreement Name Welch RL State		
b. Type of Completion: NEW <input type="checkbox"/> WORK <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input type="checkbox"/> DIFF. WELL OVER BACK RESVR. <input type="checkbox"/> OTHER			<div style="border: 1px solid black; padding: 5px; display: inline-block;"> RECEIVED JUN 10 2004 SDP-ARTESIA </div>		
2. Name of Operator SDX Resources, Inc.			8. Well No. 10		
3. Address of Operator PO Box 5061, Midland, TX 79704			9. Pool name or Wildcat Red Lake, San Andres		
4. Well Location Unit Letter <u>E</u> : <u>1810</u> Feet From The <u>North</u> Line and <u>790</u> Feet From The <u>West</u> Line Section <u>28</u> Township <u>17S</u> Range <u>28E</u> NMPM <u>Eddy</u> County					
10. Date Spudded 4/23/04	11. Date T.D. Reached 4/29/04	12. Date Compl. (Ready to Prod.) 4/29/04	13. Elevations (DF& RKB, RT, GR, etc.) 3641' GR	14. Elev. Casinghead	
15. Total Depth 10,324'	16. Plug Back T.D. 3129'	17. If Multiple Compl. How Many Zones?	18. Intervals Drilled By	Rotary Tools	Cable Tools
19. Producing Interval(s), of this completion - Top, Bottom, Name 2339' - 2659'					20. Was Directional Survey Made
21. Type Electric and Other Logs Run On File				22. Was Well Cored	

23. CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
*11-3/4"	47#	349'	15"	300 sx - Circ	
*8-5/8"	24#	2106'	11"	725 sx - Circ	
*EXISTING					
5-1/2"	14#	3226'	7-7/8"	250 35/65+6 sx Lite + 350 sx C - Circ	

24. LINER RECORD					25. TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-7/8"	2685'	

26. Perforation record (interval, size, and number) CIBP @ 9950' Capped w/35' cmt. (Existing) 2339', 46, 56, 65, 83, 86, 2410, 24, 31, 45, 59, 61, 79, 88, 95, 2511, 22, 28, 44, 59, 68, 84, 90, 2612, 17, 31, 34, 44, 52, 59 (1 spf, 30 holes)	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th style="padding: 2px;">DEPTH INTERVAL</th> <th style="padding: 2px;">AMOUNT AND KIND MATERIAL USED</th> </tr> <tr> <td style="padding: 2px;">2339' - 2659'</td> <td style="padding: 2px;">3500 gal 15% NEFE</td> </tr> <tr> <td style="padding: 2px;"></td> <td style="padding: 2px;">40000 gal Viking 25 + 60000# 16/30 +</td> </tr> <tr> <td style="padding: 2px;"></td> <td style="padding: 2px;">40000# 12/20 Brady Sd</td> </tr> </table>	DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	2339' - 2659'	3500 gal 15% NEFE		40000 gal Viking 25 + 60000# 16/30 +		40000# 12/20 Brady Sd
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28. PRODUCTION							
Date First Production 4/22/04		Production Method (Flowing, gas lift, pumping - Size and type pump) 2" x 2-1/2" x 12' THD Pmp			Well Status (Prod. or Shut-in) Prod		
Date of Test 4/27/04	Hours Tested 24	Choke Size	Prod'n For Test Period	Oil - Bbl 45	Gas - MCF 90	Water - Bbl. 142	Gas - Oil Ratio 2000
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl. 45	Gas - MCF 90	Water - Bbl. 142	Oil Gravity - API - (Corr.)	
29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold						Test Witnessed By Chuck Morgan	
30. List Attachments NA							
31 I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief							

Signature <u>Bonnie Atwater</u>	Printed Name Bonnie Atwater, Regulatory Tech	Date 6/8/04
E-mail Address <u>batwater@sdxresources.com</u>		

432/685-1761