

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
Revised June 10, 2003

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

WELL API NO.
30-015-00692

5. Indicate Type of Lease
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

StateB

8. Well Number

1

9. OGRID Number
020451

10. Pool name or Wildcat
Red Lake, QN-GB-SA

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.)

1. Type of Well:

Oil Well ☐ Gas Well ☐ Other ☒

RECEIVED

2. Name of Operator
SDX Resources, Inc.

JUN 07 2004

3. Address of Operator
PO Box 5061, Midland, TX 79704

000-ARTESIA

4. Well Location

Unit Letter B: 980 feet from the North line and 2300 feet from the East line

Section 36

Township 17S

Range 27E

NMPM Eddy

County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☒

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

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.

8" mudded to 875' (pulled)
7" csg @ 1415' w/50 sx
OH 1415' - 1744'

4/25/04: P&A Procedure: Set CIBP @ 1370'. Circ hole w/mud laden fluid & spot 10 sx plug on CIBP. Perf csg @ 600', 400' & 60'.

TIH w/pkr & pump 60 sx plug in & out of 7" csg 500' - 600'. TOH. WOC

TIH w/pkr & pump 80 sx plug in & out of 7" csg 300' - 400'. TOH. WOC. Tag plug 126'. Pump 40 sx plug 60' to surf.
WOC 24 hrs. TOC @ surf.

RDMO.

Verbal approval & witnessed by Phil Hawkin, NMOCD - Artesia.

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

SIGNATURE Bonnie Atwater TITLE Regulatory Tech DATE 6/3/04

Type or print name Bonnie Atwater E-mail address: batwater@sdxresources.com Telephone No. 432/685-1761

(This space for State use)

APPROVED BY [Signature] TITLE Field Rep ID DATE JUL 19 2004

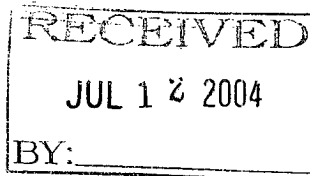
Conditions of approval if any:



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division



RECEIVED

JUL 1 6 2004

OCD-ARTESIA

8 July 2004

SDX Resources, Inc.
PO Box 5061
Midland, TX 79704

Form C-103 Report of Plugging for your State B #1
B-36-17-27 API 30-015-00692

Cannot be approved until an NMOCD representative has made an inspection of the location and found it to be cleared to comply with OCD rules and regulations. Please check each item in the space provided to indicate that the work has been accomplished and the location is ready for final inspection.

- ☒ 1. All pits have been filled and leveled.
- ☒ 2. Rat hole and cellar have been filled and leveled.
- ☒ 3. A steel marker 4" in diameter and approximately 4' above mean ground level has been set in concrete to mark the exact location of the plugged well. (Marker must have operator name, lease name, well number and location including quarter/quarter section or unit letter, section, township, range and API well ID number permanently welded, stamped or otherwise engraved into the metal marker.)
- ☒ 4. The location has been leveled as nearly as possible to original top ground contour and has been cleared of all junk and equipment.
- ☒ 5. The dead men and tie downs have been cut and removed.
- ☒ 6. If a one well lease or last remaining well on lease, the battery and burn pit locations have been leveled and cleared of all junk & equipment.
- ☒ 7. All environmental concerns have been addressed as per OCD guidelines.

The above are minimum requirements and no plugging bond will be cancelled until all locations for plugged and abandoned wells have been inspected and Form C-103 approved.

When all of the work outlined above has been done, please notify this office by completing, signing and returning this letter to us so that our representative will not have to make more than one trip to the location.

I certify that the above work has been done and the above-mentioned lease is ready for OCD inspection and approval.

Chuck Mays
Name
Engineer
Title

Phil Hawkins
Phil Hawkins
Field Inspector

P/A
OK To Release
7/19/04
[Signature]