

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

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

WELL API NO. 30-015-34111
5. Indicate Type of Lease STATE X FEE
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Wylie
8. Well Number 2
9. OGRID Number 020451
10. Pool name or Wildcat Red Lake, QN-GB-SA (51300)

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 X Gas Well Other
RECEIVED JUN 05 2006

2. Name of Operator SDX Resources, Inc.

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

4. Well Location Unit Letter A : 990 feet from the North line and 990 feet from the East line Section 28 Township 17S Range 28E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3641' GR

Pit or Below-grade Tank Application or Closure
Pit type Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water
Pit Liner Thickness: mil Below-Grade Tank: Volume bbls; Construction Material

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 COMPL OTHER
SUBSEQUENT REPORT OF: REMEDIAL WORK ALTERING CASING COMMENCE DRILLING OPNS. X P AND A CASING/CEMENT JOB X 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.

5/17/06 - Spud 12-1/4" hole. Drill to 370'. Run 9 jts 8-5/8" J-55 28# csg. Set @ 3568'. Cmt w/325 sx Cl C + CaCl2 + 1/2# LCM. PD 2:15 pm 5/18/06. Float held. Circ 85 sx. WOC total of 18 hrs.

Drill 7-7/8" hole. Reached TD 3575' 5/24/06. Run OH logs. Cut 23 cores. Run 84 jts J-55 14-17# csg. Set @ 3571'. Cmt w/400 sx Cl C tail & 325 sx 35/65 POZ lead. Circ.

RR 12:00 midnight 5/26/06.

Presently WO Completion.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCDD guidelines, a general permit or an (attached) alternative OCD-approved plan.

SIGNATURE Bonnie Stewart TITLE Regulatory Tech DATE 6/2/06

Type or print name For State Use Only E-mail address: Telephone No.

FOR RECORDS ONLY

APPROVED BY: TITLE DATE JUN 07 2006