

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

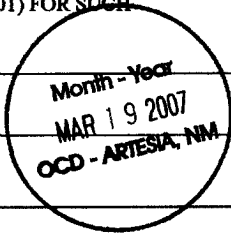
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-103
May 27, 2004

WELL API NO. 30-015-34110
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Sedona
8. Well Number 2
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

2. Name of Operator
SDX Resources, Inc. 020451

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

4. Well Location
Unit Letter P : 604 feet from the South line and 990 feet from the East line
Section 21 Township 17S Range 28E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3622' 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:		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"/>	
OTHER: <input type="checkbox"/>		OTHER: Add perms <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.

- 1/22/07 - POH w/ rods & tbg. TIH w/ 3-1/8" slick gun. Perf 1931' - 1937' & 2007' - 2013' (2 spf). Set RBP @ 2253'. Test RBP 1000# - ok. Acidize w/3500 gal 15% NEFE acid. Frac w/55,000 gal Lightning 25 & 100,500# 16/30 Brady. Leave RBP @ 2253'.
- 1/30/07 - Set 2-1/2" x 2" x 16' RWAC pmp. 2-7/8" tbg @ 2124'.
- 2/2/07 - First prod.
- 2/25/07 - 28 BO, 16 MCF, 38 BW

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 NMOCD guidelines X, a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Bonnie Atwater TITLE Regulatory Tech DATE 3-13-07

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

APPROVED BY: _____ Accepted for record - NMOCD TITLE _____ DATE 3/21/07
Conditions of Approval (if any): _____