

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
June 19, 2008

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.)		WELL API NO. 30-015-30888
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator SDX Resources, Inc.		6. State Oil & Gas Lease No.
3. Address of Operator PO Box 5061, Midland, TX 79704		7. Lease Name or Unit Agreement Name Kersey State
4. Well Location Unit Letter <u>I</u> : 2018 feet from the <u>South</u> line and <u>330</u> feet from the <u>East</u> line Section <u>32</u> Township <u>17S</u> Range <u>27E</u> NMPM <u>Eddy</u> County		8. Well Number <u>1</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3670' GR		9. OGRID Number <u>020451</u>
		10. Pool name or Wildcat <u>Artesia, GL-Ye</u>

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 ☐
 DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ P AND A ☐
 CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: Pull RBP

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.

6/1/08 -- TIH w/Baker. Wash up on top of RBP. Get on RBP. Jarr RBP loose & POH. TIH w/4-3/4" bit & scrapper to 3700'. TOH. TIH w/pmp & rods. 2-7/8" tbg set @ 3618'. 2-1/2" x 2" x 12' RWAC pmp.

Is now being commingled as of 6/1/08 from Artesia, GL-YE (96830) & Artesia, QN-GB-SA (03230).

Administrative Order: DHC-3690

ACCEPTED FOR RECORD

AUG 26 2008

Spud Date:

Rig Release Date

Gerry Guye, Deputy Field Inspector
NMOCD-District II ARTESIA

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

SIGNATURE Bonnie Atwater TITLE Agent DATE 8/19/08

Type or print name Bonnie Atwater E-mail address: batwater@freedom-resources.com PHONE: 432-967-8995
For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
Conditions of Approval (if any): _____