

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. 30-025-22004 |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. OG-534 |
| 7. Lease Name or Unit Agreement Name State WE K |
| 8. Well Number 1 |
| 9. OGRID Number 020451 |
| 10. Pool name or Wildcat Osudo, Morrow, S. (020451) Osudo, Wolfcamp, S. (82280) |

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.

3. Address of Operator
P. O. Box 5061, Midland, TX 79704

4. Well Location
Unit Letter F : 1980 feet from the North line and 1980 feet from the West line
Section 15 Township 21S Range 35E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3599' 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 _____

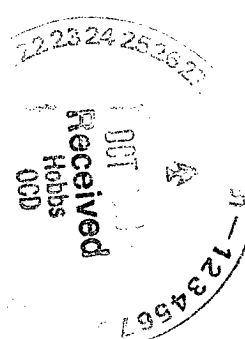
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

| 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 checked="" 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: <input type="checkbox"/> | |

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.

Change of Plans to TA Morrow and Wolfcamp.

1. Blow down tbg & csg string 1 day prior to rig up. Load tbg strings w/FW.
2. MIRU Pulling Unit. If necessary, kill both strings w/FW, NDWH, NUBOP.
3. Locate & identify short string (Wolfcamp).
4. Pull tbg from packer & TOOHH laying down tbg.
5. Latch on to long string & release pkr.
6. TOOHH w/ pkr & tbg laying dn tbg.
7. RIH w/sand line and set plug in model D pkr.
8. RU Wireline, TIH & dump 35' cmt on Model D. pkr @ 11,740'.
9. RIH w/7" CIBP & set @ 10,800' ±, Dump 35' cmt on CIBP.
10. Pressure test plug to 500 psi.
11. ND BOP, Install blank flange on wellhead.
12. Notify NMOC D & record csg test for TA status.



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 NMOC D guidelines ☐, a general permit ☐ or an (attached) alternative OC D-approved plan ☐.

SIGNATURE Nick Hood TITLE Engineer DATE 10/26/06
Nick Hood, XOG Operating, LLC, Agent for SDX Resources, Inc.

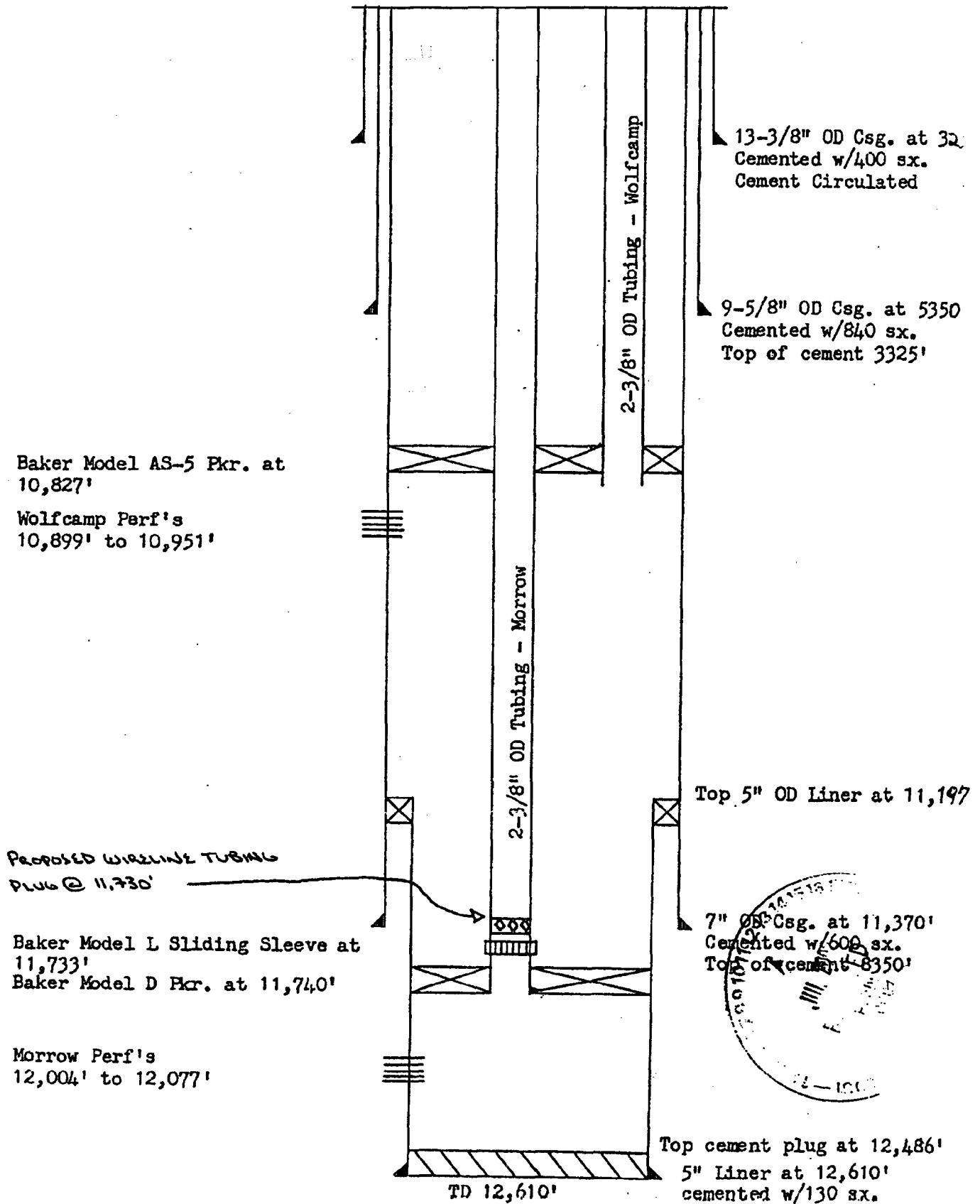
Type or print name _____ E-mail address: nhood@xogoperating.com Telephone No. _____

For State Use Only

APPROVED BY: Larry W. Wink DATE OCT 31 2006
Conditions of Approval (if any): _____

STATE WE "K" NO. 1

Unit "F", Sec. 15, T-21S, R-35E
LEA COUNTY, NEW MEXICO



Angie Crawford

From: "Angie Crawford" <acrawford@xericoil.com>
To: "Gary Wink" <gary.wink@state.nm.us>
Cc: <batwater@sdxresources.com>
Sent: Thursday, October 26, 2006 3:06 PM
Attach: 2006.10.26 C-103 Int TA-WE K #1.pdf; 2006.06.22 WBD-SDX State WE K.pdf
Subject: SDX WE K Well, API #30-025-22004

Dear Gary,

Attached is an intent to Temporarily Abandon the Morrow and Wolfcamp for the referenced well. We are filing this as agent for SDX. Note that the plans have changed to TA the Morrow and the Wolfcamp.

We are planning to have a pulling unit on location next week. If we could get a verbal or email approval, it will be appreciated. We are sending the hard copy by mail today for your regular processing.

Please call Nick Hood at XOG Operating, LLC if you have any questions or discussion. He will be available on his cell telephone tomorrow, 432-664-9048, and will be back in the office Monday, 432-683-3171.

Angie Crawford
XOG OPERATING, LLC
P. O. Box 352
Midland, TX 79702

Phone 432-683-3171
Fax 432-683-6348