Submit 3 Copies to Appropriate District Office

APPROVED BY-

CONDITIONS OF APPROVAL, IF ANY:

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103

Revised 1.1.89 OIL CONSERVATION DIVISION DISTRICT WELL API NO. P.O. Box 1980, Hobbs, NM 88240 P.O. Box 2088 30-025-32524 Santa Fe, New Mexico 87504-2088 P.O. Drawer DD, Artesia, NM 88210 5. Indicate Type of Lease STATE FEE | 1000 Rio Brazos Rd., Aztec, NM 87410 6. State Oil & Gas Lease No. E-396 SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A 7. Lease Name or Unit Agreement Name DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) Cone Jalmat Yates Pool Unit Type of Well: WELL K 2. Name of Operator 8. Well No. 34 SDX Resources, Inc. 3. Address of Operator 9. Pool name or Wildcat P. O. Box 5061, Midland, TX. Jalmat Tansill Yates-7 Rivers 79704 4. Well Location Unit Letter P : 1310 Feet From The North _____ Line and ____1310 Feet From The East Line 24 Section Township 22S Range NMPM Lea County 10. Elevation (Show whether DF, RKB, RT, GR, etc.) GR 3578 Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK ALTERING CASING TEMPORARILY ABANDON **CHANGE PLANS** COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT **PULL OR ALTER CASING** CASING TEST AND CEMENT JOB THER: Adding additional perfs in Yates zone (3746'-3798') (3621'-3726') OTHER: 12. 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. 6/20/95 RU DA&S unit. NU BOP. RU Schlumberger & set CIBP @ 3845'. Circ hole w/2% KCl & perf as follows: 3746', 47', 48', 52', 56', 58', 60', 62', 64', 70', 80', 81', 82', 94', 96', and 3798 (1 spf, 16 holes). Dowell spotted acid across perforations (3746' - 3798')and acidized with 2500 gals 15% MSR acid. Flowed well down. 6/21/95- Swabbing well down. RU Schlumberger & perf as follows: 3621', 29', 34', 46', 48', 59' 6/24/95 64', 48', 59', 64', 75', 76', 84', 3718', 23', and 3726' (1 spf, 13 holes). Acidized w/2500 gals 15% MSR acid, balled out w/65 ball sealers. RU Dowell and fraced with 35,235 gals get, 75 tons CO_2 , 100,000 # 12/20 Brady sand. Frac @ 35 BPM, ATP 2000 psi. SI for 4 hrs, started flowing back on 13/34" ck. TIH, land off open ended w/SN @ 3592', 112 jts 2-7/8" tbg. TIH w/2-1/2" x 1-1/2" 6/27/95 x 20' TB pump on tapered rod string. Started well to pumping and flowing back load. Recovered load and presently pumping 21 BO, 108 BW, and 30 MCF. I hereby certify that the information above is true and complete to the best of my knowledge and belief Regulatory Tech anul 6/28/95 SIGNATURE . Janice Courtney TYPE OR PRINT NAME TELEPHONE NO. 915/685-1761(This space for State Use), JUL 17 1995 1.09/000