

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

| |
|---|
| WELL API NO. 30-025-33058 |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. E-396 |
| 7. Lease Name or Unit Agreement Name Cone Jalmat Yates Pool Unit |
| 8. Well No #38 |
| 9. Pool name or Wildcat Jalmat-Tansill-Yates-7 Rivers |
| 10. Elevation (Show whether DF, RKB, RT, GR, etc.) GR 3576' |

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 <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> | 2. Name of Operator SDX RESOURCES, INC. |
| 3. Address of Operator P. O. BOX 5061 MIDLAND, TX 79704 | 4. Well Location Unit Letter I : 2575 Feet From The South Line and 1310 Feet From The East Line Section 24 Township 22S Range 35E NMPM Lea County |

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

NOTICE OF INTENTION TO:

| | |
|--|---|
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | OTHER: <input type="checkbox"/> |

SUBSEQUENT REPORT OF:

| | |
|---|--|
| REMEDIAL WORK <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| COMMENCE DRILLING OPNS <input type="checkbox"/> | PLUG AND ABANDONMENT <input type="checkbox"/> |
| CASING TEST AND CEMENT JOB <input type="checkbox"/> | OTHER: Running 5-1/2" casing & cmt job <input checked="" type="checkbox"/> |

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.

2/26/96 3915, total depth, reached on 2/26/96 @ 10:00 P.M.
RU casing crew and ran 110 jts 5-1/2" J-55 casing, land off @ 3914' (KB),
used 6 centralizers. RU Dowell & cemented w/300 sxs Lite and tailed
with 250 sxs Class C. Plug down @ 10:00 p.m., 2/26/96. Released rig
@ 11:00 P.M. WOC.

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

SIGNATURE Janice Courtney TITLE Regulatory Tech
TYPE OR PRINT NAME Janice Courtney

DATE 3/01/96

TELEPHONE NO. (915) 685-1761

(This space for State Use)

APPROVED BY _____ TITLE _____
CONDITIONS OF APPROVAL, IF ANY _____

DATE **MAR 05 1996**