Submit 3 Copies to Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-89

DISTRICT I P.O. Box 1980, Hobbs, NM 88240 OIL CONSERVATION DIVISION

DISTRICT II

OTHER:

P.O. Drawer DD, Artesia, NM 88210

WELL API NO. 2040 Pacheco St. 30-025-33679 Santa Fe, NM 87505 sIndicate Type of Lease

STATE FFF DISTRICT III «State Oil & Gas Lease No. 1000 Rio Brazos Rd., Aztec, NM 87410 SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A Lease Name or Unit Agreement Name DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" Jalmat Field Yates Sand Unit (FORM C-101) FOR SUCH PROPOSALS.) Type of Well: WELL 🔀 OTHER ₅Well No. 2Name of Operator SDX Resources, Inc. 167 3Address of Operator Pool name or Wildcat P. O. Box 5061, Midalnd, TX 79704 Jalmat, Tan-Yates-7 Rvrs Well Location 990___ Feet From The _____ north Unit Letter Line and east Feet From The _ Section 11 **22S** 35E NMPM Lea Township Range County

11 Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PLUG AND ABANDON PERFORM REMEDIAL WORK REMEDIAL WORK ALTERING CASING **TEMPORARILY ABANDON CHANGE PLANS** COMMENCE DRILLING OPNS. PLUG AND ANBANDONMENT PULL OR ALTER CASING CASING TEST AND CEMENT JOB

OTHER:

10 Elevation (Show whether DF, RKB, RT, GR, etc.)

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.

7/29/97 MI & RU United Drilling Co.'s Rig #5.

CONDITIONS OF APPROVAL IF ANY

7/30/97 Spudded 12-1/4" hole @ 12:30 a.m., 7/30/97. Drilled to 498', RU csg crew & ran 10 jts 24# 8-5/8" casing, set @ 407'. Cemented w/325 sxs Class "C" w/2% CaCl. Circulated 73 sxs to surface. P. D. @ 10:45 a.m., 7/30/97. WOC 18 hrs. NU BOP & TIH & tested BOP to 1000 psi for 30 min., OK. Prep to drill ahead w/7-7/8" bit.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. DATE 08-01-97 SIGNATURE TITLE Regulatory Tech TYPE OR PRINT NAME Janice Courtney TELEPHONE NO. 915/685-1761 (This space for State Use) ORIGINAL SIGNED BY CHRIS WILLIAMS DISTRICT | SUPERVISOR AUG # 6 1997 APPROVED BY _ TITLE _