| WELL COM | orm 3160-4 UNITE STATES لی STATES DEPARTMENT OF THE INTE | | | | SUBMIT IN DUPLICA (See other in- structions on reverse side) | | | FORM APPROVED OMB NO. 1004-0137 Expires: February 28, 1995 5. LEASE DESIGNATION AND SERIAL NO. | | |
|--------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------|-------------------|--------------------------------------------------------------------------|-----------------------------------------------------------------------|------------------------|---------------------------------|---------------------------------------------------------------------------------------------------------|----------------|--|
| | BUREAU | EAU OF LAND MANAGEMENT | | | | LC-032511-E | | | | |
| | | | | | | | 6. IF INDIAN, ALL | OTTEE | R TRIBE NAME | |
| | PLETION OF | R RECOM | PLETION | REPOR | | LOG | | | | |
| a. THE OF WELL. | | | DRY _ | Other | | | 7. UNIT AGREEME | ENT NAM | AE . | |
| b. TYPE OF COMPLETIO | IN: | PLUG | | | | | | | | |
| | | BACK | | Other | | | 8. FARM OR LEASE NAME, WELL NO. | | | |
| NAME OF OPERATOR | | | | | | | Langlie . | Jal Fed | deral #2 | |
| SDX Resources, I | | | | | | | 9. API WELL NO. | | | |
| ADDRESS AND TELEP | | 915/685-176 | 31 | | | | | 25-34 | | |
| PO Box 5061, Mic | diand, 1X 79704 | | | (irements) | | | 10. FIELD AND PO | | | |
| At surface | Report location cleany | and in accordance | | | | | 11. SEC., T., R., M | , | T-Y-7R) | |
| 1930' FNL 188 | 0' FEL Unit G | | | | | | 11. SEC., 1., K., M. OR AREA | ., UK BL | UCK AND SURVI | |
| At top prod. interval re | eported below | | | | | | Sec 8 | T258 | s, R37E | |
| At total depth | | r | | | DATE ISSUE | | 12. COUNTY OR P | | | |
| Same | | | 14. PERMIT NO. | | DATE 1330E | | Lea | | NM | |
| | | | OMPL. (Ready to p | orod.) 1 | 8. ELEVATION | IS (DF, RKB, | RT, GE, ETC.)* 1 | 9. ELEV | . CASINGHEAD | |
| | 16. DATE T.D. REACH | 07/17/ | | | | 3157 | | | | |
| 06/14/99 | 06/17/99 | ACK T.D., MD & TV | | LE COMPL., | 23. | INTERVALS | ROTARY TOOLS | (| CABLE TOOLS | |
| 20. TOTAL DEPTH, MD & 3050 | 1 YU 21. PLUG, B | 3040 | HOW MAN | ľY* | | | 0-3050 | | | |
| 24. PRODUCING INTERV | AL(S). OF THIS COMP | | TOM, NAME (MD A | ND TVD)* | | | | | AS DIRECTIONAL | |
| 2847 - 2894 | | | | | | | | | Yes | |
| | | | | | | · | | 7 14/46 | WELL CORED | |
| 26. TYPE ELECTRIC AN | D OTHER LOGS RUN | | | | | | | 1. WAS | Yes | |
| LDT-NCL-GR | | | | | | | | | | |
| 28. | | CASIN | G RECORD (Rep | | is set in well | | ENERTING RECOR | | AMOUNT PULLE | |
| CASING SIZE/GRADE | WEIGHT, LB./FT. | DEPTH SET (| | ESIZE | | | EMENTING RECOR | | None | |
| 8-5/8" J55 | 24# | 628 | | 12-1/4 | | Class C Lite 200 sx | | : - | None | |
| 4-1/2" J55 | 10.5 | 3049 | | 7-7/8 | | | | • | | |
| | | | | | | | | | | |
| 29. | | NER RECORD | | | 30. | | TUBING RECOR | | | |
| | | | SACKS CEMENT* | SCREEN (| MD) | SIZE | DEPTH SET (MD) | | PACKER SET (M | |
| | | | | | 2- | 3/8" 2830 | | | | |
| | | | | | | | | | E ETC | |
| 31. PERFORATION REC | CORD (Interval, size a | nd number) | | 32. | | | TURE, CEMENT S | | EPIAL LISED | |
| | | | 0 0 | DEPTH INTERVAL (MD) AMOUNT AND KIND OF MATERIAL USED | | | | | | |
| 2847, 49, 58, 60, | 62, 68, 70, 88, 92 | 2, 94 (20 holes, | , 2 spt) | 2847-94 A: 3000 gal 15% NEFE F: 40000 gal Delta 20 + 110,000# 16/30 sd | | | | | | |
| | | | | | | F: 4 | tooto gai Della 20 | | | |
| | | | | | | | | | | |
| | | | PROD | | · | | | | | |
| 33. * | | CTION METHOD (F | | | nd type of pun | 1p | | | Producing or | |
| DATE FIRST PRODUCT | · _ · _ · | | | | | | shut-i | | Prod | |
| 07/17/99 | Flowin HOURS TESTED | CHOKE SIZE | PROD'N FOR | OIL—BB | L G | AS-MCF. | WATER-BBL. | G | AS-OIL RATIO | |
| DATE OF TEST | 24 | full | | | 1 | 410 | | លា កំចុះ | VITY-API (CORI | |
| DATE OF TEST | CASING PRESSURE | CALCULATED | OIL-BBL. | G | AS-MCF. | WATE | R—BBL. | | | |
| DATE OF TEST 08/02/99 FLOW. TUBING PRESS. | 20 | 24-HOUR RATE | | | 410 | - | TEST WITNESS | en øv | | |
| 08/02/99 | 1 | el, vented, etc.) | | | | | Chuck Morg | | | |
| 08/02/99 FLOW. TUBING PRESS. | GAS (Sold, used for fu | | | | | | | | | |
| 08/02/99 FLOW. TUBING PRESS. 20 | GAS (Sold, used for fu | | | | | | | | | |
| 08/02/99 FLOW. TUBING PRESS. 20 34. DISPOSITION OF C Sold 35. LIST OF ATTACHIN | IENTS | | | | | | | | | |
| 08/02/99 FLOW. TUBING PRESS. 20 34. DISPOSITION OF C Sold 35. LIST OF ATTACHN | IENTS Suprov. Core Ana | alysis | | arrant an dat- | rmined from a | ll available re | ecords | | | |
| 08/02/99 FLOW. TUBING PRESS. 20 34. DISPOSITION OF C Sold 35. LIST OF ATTACHIN | IENTS Suprov. Core Ana | alysis ttached information | | | | ll available re | ecords | - 00% | 1400 | |
| 08/02/99 FLOW. TUBING PRESS. 20 34. DISPOSITION OF C Sold 35. LIST OF ATTACHN Logs, Deviation 36. Thereby certify tha | IENTS Survey, Core Ana at the foregoing and at TYNNAL | alysis ttached information twotec Instructions | TITLE | Regulatory | y Tech | | DAT | E 09/0 |)1/99 | |

| FORMATION | | | |
|-----------|----------------|---------------------|--------------------------------------|
| ites | TOP | BOTTOM | DESCRIPTION, CONTENTS, ETC. |
| | 2846 | 3036 | Dolomite & Sand |
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| GEOL | OGICAL MARKERS | 5 | 38. GEOLOGICAL MARKERS |
| NAME | Т | OP | TOP |
| | MEAS. DEPTH | TRUE VERT. DEPTH | NAME TRUE MEAS. DEPTH VERT. DEPTH |
| | 1078 | | VERI. DEPTH |
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SDX Resources, Inc. P.O. Box 5061 Midland, Texas 79704

Langlie Jal Fed # 2 Lea county, New Mexico

| 445 632 1132 1632 2131 2474 2725 2847 | 4.45 1.87 5.00 5.00 4.99 3.43 2.51 1.22 | 3/4 1 1/2 1 3/4 2 1/2 1 1/2 1 1/2 1 2/4 | 1.31 1.75 0.88 1.75 1.31 4.38 2.63 2.63 2.63 | 5.84 3.27 4.38 8.75 6.55 15.01 6.59 3.20 | 5.84 9.11 13.49 22.24 28.79 43.79 50.38 53.59 |
|------------------------------------------------------------|--------------------------------------------------------------|-----------------------------------------------------------------|----------------------------------------------------------------------|---------------------------------------------------------------|--------------------------------------------------------------------|
| 2847 3050 | 2.03 | 1 1/2 1 3/4 | 2.63 3.06 | 6.22 | 55.59 59.80 |
| | | | | | |

ifan

Yes - 1995

Michael Roghair - Drilling Superintendent

The attached instrument was acknowledged before me on the 3.2 day of 40.0, 1999 by Michael Roghair - Drilling Superintendent, GapStar Grilling.



iblic Notary Public



Discussion of Laboratory Procedures and Results

On June 21st, 1999 Precision Core Analysis, Inc. received 15 rotary-drilled sidewall cores from SDX Resources Inc. obtained from the Langlie Jal Federal #2 well in Lea County, New Mexico. The analyses of these core samples were discussed with Mr. Mark Longman and Mr. Mark Palmer. Enclosed are the results of these analyses.

When the plug samples were received the ends were trimmed to right cylinders utilizing a diamond-tipped trim saw and water as the blade coolant. The trimmed samples were placed into a CO_2 -Toluene core cleaner and flushed with solvent for a total of twelve hours. Following the cleaning process the samples were placed into a convection oven and dried for four hours at 180° F. The samples were then removed from the oven and allowed to cool within a sealed glass desicator until reaching room temperature.

The cleaned and dried core plugs were individually placed into a Coberly-Stevens Boyle's Law porosimeter and injected with helium. The grain volume was calculated using the results of these measurements. Finally grain density and porosity were determined for each sample, the results of which are presented in tabular format on the next page. Each sample was next placed into Hassler-Sleeve core holder and nitrogen gas was forced through the sample. Permeability to nitrogen was calculated and is reported in tabular format on the next page.

It was noted that several of the samples had lower than expected grain density values. After discussing this with Mr. Longman it was decided to select several of these samples, continue the cleaning procedure for a longer duration (additional 12 hours) and remeasure the rock properties. These results are presented at the bottom of the tabular data. In each case the grain density and porosity values increased by some degree. Through discussions with Mr. Longman it was determined that the toluene was removing an amount of in-situ solid hydrocarbon (bitumen), thus raising the grain density values while simultaneously increasing the calculated porosity and permeability determinations.

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SDX Resources Inc. Langlie Jal Fed. #2 Sec. 8 T25S R37E Lea County, New Mexico

Sample Helium Grain Permeability Reference Depth Description Number Air Klink Porosity Density (md) (md)(g/cc) (ft) (%) Rotary-Drilled Sidewall Cores Sst vf-f gr pyr qtz ovrgths 1 2976.0 2.36 1.83 12.8 2.61 Sst vf gr pyr qtz ovrgths cl lams 0.493 11.2 2 0.668 2.61 2955.0 103. 22.7 2.57 Sst f gr pyr gd srtg qtz ovrgths 117. 3 2937.0 Sst vf-f gr tr pyr qtz ovrgths glau 2.62 16.2 12.8 20.9 4 2934.0 14.3 2.61 Sst vf-f gr pr srtg qtz ovrgths 2925.0 2.13 1.58 5 3.22 2.44 14.3 2.57 Sst vf-f gr pr srtg cl frag m-frac 6 2908.0 5.97 Sst vf-f gr pr srtg qtz ovrgths 2893.0 4.64 20.7 2.61 7 Ls sity wkst pr srtg cl lam Ir pyr 3.2 2.76 8 2882.0 0.324 0.217 Clst cl-vf gr cl lam pyr mic 0.043 0.021 6.4 2.65 9 2870.0 Sst vf-f gr pr srtg cl lam m-frac pyr 0.302 12.7 2.63 10 2862.0 0.436 Sst vf gr cl lam qtz ovrgths 1.04 0.727 18.2 2.60 2858.0 11 Dol-Ls sdy pkst tr pyr pr srtg 13 2800.0 0.262 0.170 11.5 2.83 10.8 2.81 Dol-Ls pkst pr srtg 0.022 0.009 14 2786.0 1.1 2.79 Dol-Ls pkst pr srtg tr cl lam 0.002 < 0.001 15 2776.0 0.006 0.002 8.3 2.76 Dol-Ls pkst pr srtg vug 2738.0 16 Samples Re-tested after additional cleaning. Sst vf-f gr pyr qtz ovrgths 1 2976.0 3.72 2.87 14.2 2.64 Sst f gr pyr gd srtg qtz ovrgths 106. 23.0 2.58 3 2937.0 120. Sst vf-f gr pr srtg qtz ovrgths 15.5 2.63 5 2925.0 2.57 1.94 Sst vf-f gr pr srtg qtz ovrgths 7 21.1 2.62 6.19 4.83 2893.0 Clst cl-vf gr cl lam pyr mic 2870.0 0.079 0.043 8.5 2.70 9 0.788 18.5 2.60 Sst vf gr cl lam gtz ovrgths 2858.0 1.10 11

Job: Date: 99019 28-Jun-99

