



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

November 8, 1999

**SDX Resources, Inc.
P. O. Box 5061
Midland, Texas 79704
Attention: Chuck Morgan**

Corrected Administrative Order NSL-4375

Dear Mr. Morgan:

Reference is made to the following: (i) your application dated October 25, 1999; and (ii) the New Mexico Oil Conservation Division's ("Division") records in Santa Fe: all concerning SDX Resources, Inc.'s ("SDX") request for an unorthodox oil well location within a standard 40-acre oil spacing and proration unit comprising the SE/4 SW/4 (Unit N) of Section 32, Township 17 South, Range 28 East, NMPM, Artesia-Queen-Grayburg-San Andres Pool, Eddy County, New Mexico.

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

By the authority granted me under the provisions of Division Rule 104.F(2), the following described well to be drilled at an unorthodox oil well location within the SE/4 SW/4 (Unit N) of Section 32 is hereby approved:

**NW State Well No. 8
1090' FSL & 2126' FWL.**

Sincerely,


Lori Wrotenberg
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Artesia
New Mexico Oil Conservation Division - Santa Fe
