

COMMISSIONER'S OFFICE

Phone (505) 827-5760

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ADMINISTRATION

Phone (505) 827-5700

Fax (505) 827-5853

GENERAL COUNSEL

Phone (505) 827-5713

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PUBLIC AFFAIRS

Phone (505) 827-1245

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**New Mexico State Land Office
Commissioner of Public Lands
Ray Powell, M.S., D.V.M.**

COMMERCIAL RESOURCES

Phone (505) 827-5724

Fax (505) 827-6157

MINERAL RESOURCES

Phone (505) 827-5744

Fax (505) 827-4739

ROYALTY MANAGEMENT

Phone (505) 827-5772

Fax (505) 827-4739

SURFACE RESOURCES

Phone (505) 827-5793

Fax (505) 827-5711

October 10, 2001

SDX Resources, Inc.
P.O. Box 5061
Midland, Texas 79704

Attn: Mr. Chuck Morgan

Re: Application for Downhole Commingling
Tigner State Well No. 1
Unit Letter L, Section 28-17S-28E
Artesia Glorieta Yeso and Undesignated Artesia Queen-Grayburg-San Andres Pools
Eddy County, New Mexico

Dear Mr. Morgan:

The New Mexico Oil Conservation Division has advised this office that SDX Resources, Inc. has applied to downhole commingle the production from the Tigner State Well No. 1. SDX Resources, Inc. proposes to commingle the production from the Artesia Glorieta Yeso and Undesignated Artesia Queen-Grayburg-San Andres Pools.

Pursuant to State Land Office Rule No. 1.053, 1.054 and 1.055, please submit an application to this office for our approval together with the data recommended on the attached commingling pre-application form. The filing fee for a commingling application is \$30.00.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY:
JAMI BAILEY, Director
Oil/Gas and Minerals Division
(505) 827-5744

RP/JB/cpm
Enclosure
xc: Reader File

OCD--Attention: David Catanach

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OCT 12 2001
OIL CONSERVATION
DIVISION

DHC-2956