



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

October 16, 1995

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

Attention: John Pool, Vice President

Administrative Order NSL-3581

Dear Mr. Pool:

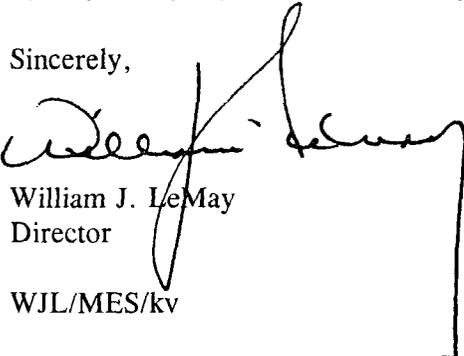
Reference is made to your applications dated August 31 and September 12, 1995, for three unorthodox oil well locations for the purpose of completing an efficient injection/production pattern within the Cone Jalmat Yates Pool Unit Waterflood Project Area, established by Division Order No. R-2495 dated June 11, 1963.

These three wells are to be located in Township 22 South, Range 35 East, NMPM, Jalmat Oil Pool, Cone Jalmat Yates Pool Unit Area, Lea County, New Mexico.

Well No.	Footage Location	Section	Unit	Dedicated 40-Acre Tract
37	2595' FSL - 1395' FEL	13	J	NW/4 SE/4
40	2630' FSL & 1330' FWL	13	K	NE/4 SW/4
42	10' FNL & 330' FEL	25	A	NE/4 NE/4

By the authority granted me under the provisions of General Rule 104 F.(1), the three above-described unorthodox oil well locations are hereby approved.

Sincerely,



William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
State Land Office - Santa Fe