



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

February 3, 1993

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

Attention: Chuck Morgan

Administrative Order NSL-3219

Dear Mr. Morgan:

Reference is made to your applications filed with the Division on January 26, 28 and February 1, 1993 for fourteen unorthodox oil well locations for the purpose of completing an efficient injection/production pattern within the East Millman Queen-Grayburg Waterflood Project Area, Eddy County, New Mexico. Said secondary recovery project was originally approved by **Division Order No. R-2405**, issued in Case No. 2656 and dated December 31, 1962, as the East Millman Queen-Grayburg Pressure Maintenance Project in the East Millman Queen-Grayburg Pool and comprised the following described area in Eddy County, New Mexico:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM

Section 14: SW/4 NE/4, W/2, and W/2 SE/4

Section 15: E/2 NE/4, SE/4 SW/4, and SE/4

Section 22: NE/4

Section 23: N/2 NW/4 and SW/4 NW/4.

Said Order also promulgated special rules and regulations for the project area including establishing administrative procedures for the expansion of the "project area" and the reclassification of the pressure maintenance project to a "waterflood project".

By **Division Administrative Order PMX-5**, dated August 29, 1963, said pressure maintenance project area was expanded to include the **SW/4 NE/4 of said Section 15**.

By Administrative Order WFX-388, dated February 25, 1973, the Division apparently reclassified said pressure maintenance project as a "waterflood project" by virtue of the type of order issued and all references contained therein. Said order also expanded the area to include the following additional acreage (see Exhibit No. 1 submitted as a part of the application in said WFX-388 order):

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
 Section 11: NE/4 SW/4, S/2 SW/4, and SE/4
 Section 14: N/2 NE/4, SE/4 NE/4, and E/2 SE/4
 Section 15: NE/4 SW/4.

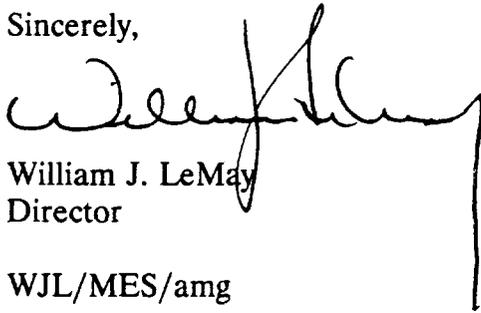
At this time, the applicant has made a proper filing pursuant to Division General Rule 104.F. (3) and (4); therefore, by the authority granted me under the provisions of General Rule 104.F.(1), the following described fourteen unorthodox oil well locations, all to be drilled in Township 19 South, Range 28 East, NMPM, East Millman Queen-Grayburg Waterflood Project, East Millman Queen-Grayburg Pool, Eddy County, New Mexico, are hereby approved:

Well Name and No.	Footage Location	Unit	Section	Dedicated 40-acre Tract
East Millman No. 191	10' FN - EL	A	22	NE/4 NE/4
East Millman No. 192	10' FSL - 1330' FWL	N	14	SE/4 SW/4
East Millman No. 193	1294' FSL - 51' FWL	M	14	SW/4 SW/4
East Millman No. 194	1382' FSL - 1330' FWL	K	14	NE/4 SW/4
East Millman No. 195	1375' FSL - 2506' FWL	K	14	NE/4 SW/4
East Millman No. 196	2630' FSL - 10' FWL	L	14	NW/4 SW/4
East Millman No. 197	2608' FNL - 1354' FWL	F	14	SE/4 NW/4
East Millman No. 198	2630' FSL - 2526' FWL	K	14	NE/4 SW/4
East Millman No. 199	1425' FNL - 10' FWL	E	14	SW/4 NW/4
East Millman No. 200	1261' FNL - 1330' FWL	C	14	NE/4 NW/4
East Millman No. 201	1261' FNL - 2514' FWL	C	14	NE/4 NW/4
State "BN" No. 5	1265' FSL - 1330' FEL	O	11	SW/4 SE/4

Administrative Order NSL-3219
SDX Resources, Inc.
February 3, 1993
Page 3

Well Name and No.	Footage Location	Unit	Section	Dedicated 40-acre Tract
State "BN" No. 6	1310' FSL - 2513' FEL	O	11	SW/4 SE/4
State "BN" No. 7	10' FSL - 1330' FEL	O	11	SW/4 SE/4

Sincerely,



William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Artesia
State Land Office - Santa Fe
File: PMX-5
WFX-388
Case No. 2656 (Artesia)
David R. Catanach - OCD, Santa Fe



STATE OF NEW MEXICO
 ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
 OIL CONSERVATION DIVISION



BRUCE KING
 GOVERNOR

ANITA LOCKWOOD
 CABINET SECRETARY

March 11, 1993

POST OFFICE BOX 2088
 STATE LAND OFFICE BUILDING
 SANTA FE, NEW MEXICO 87504
 (505) 827-5800

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

Attention: Chuck Morgan

*1st Addendum to
 Administrative Order NSL-3219*

Dear Mr. Morgan:

Reference is made to your applications filed with the Division on March 10, 1993 for four additional unorthodox oil well locations for the purpose of completing an efficient injection/production pattern within the East Millman Queen-Grayburg Waterflood Project Area, comprising all or portions of Sections 11, 14, 15, 22 and 23, Township 19 South, Range 28 East, NMPM, East Millman Queen-Grayburg Pool, Eddy County, New Mexico.

The original Division Administrative Order NSL-3219, dated February 3, 1993, approved fourteen new unorthodox oil well locations within the East Millman Queen-Grayburg Waterflood Project Area, as well as clarified and officially described the horizontal limits of said project area.

At this time, the applicant has made a proper filing pursuant to Division General Rule 104.F. (3) and (4); therefore, by the authority granted me under the provisions of General Rule 104.F.(1), the following described fourteen unorthodox oil well locations, all to be drilled in Township 19 South, Range 28 East, NMPM, East Millman Queen-Grayburg Waterflood Project, East Millman Queen-Grayburg Pool, Eddy County, New Mexico, are hereby approved:

Well Name and No.	Footage Location	Unit	Section	Dedicated 40-acre Tract
East Millman No. 203	10' FNL - 1310' FEL	A	22	NE/4 NE/4
East Millman No. 204	10' FNL - 2498' FWL	C	14	NE/4 NW/4

1st Addendum to Administrative Order NSL-3219

SDX Resources, Inc.

March 11, 1993

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Well Name and No.	Footage Location	Unit	Section	Dedicated 40-acre Tract
East Millman No. 205	126' FNL - 1330' FEL	B	14	NW/4 NE/4
East Millman No. 206	2630' FNL - 1310' FEL	H	14	SE/4 NE/4

Sincerely,



William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Artesia
State Land Office - Santa Fe
File: PMX-5
WFX-388
Case No. 2656 (Artesia)



STATE OF NEW MEXICO
 ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
 OIL CONSERVATION DIVISION



BRUCE KING
 GOVERNOR
 ANITA LOCKWOOD
 CABINET SECRETARY

April 14, 1993

POST OFFICE BOX 2088
 STATE LAND OFFICE BUILDING
 SANTA FE, NEW MEXICO 87504
 (505) 827-5800

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

Attention: Chuck Morgan

*Correction to the 1st Addendum to
 Administrative Order NSL-3219*

Dear Mr. Morgan:

Reference is made to your applications filed with the Division on March 10, 1993 for four additional unorthodox oil well locations for the purpose of completing an efficient injection/production pattern within the East Millman Queen-Grayburg Waterflood Project Area, comprising all or portions of Sections 11, 14, 15, 22 and 23, Township 19 South, Range 28 East, NMPM, East Millman Queen-Grayburg Pool, Eddy County, New Mexico.

The original Division Administrative Order NSL-3219, dated February 3, 1993, approved fourteen new unorthodox oil well locations within the East Millman Queen-Grayburg Waterflood Project Area, as well as clarified and officially described the horizontal limits of said project area.

At this time, the applicant has made a proper filing pursuant to Division General Rule 104.F. (3) and (4); therefore, by the authority granted me under the provisions of General Rule 104.F.(1), the following described fourteen unorthodox oil well locations, all to be drilled in Township 19 South, Range 28 East, NMPM, East Millman Queen-Grayburg Waterflood Project, East Millman Queen-Grayburg Pool, Eddy County, New Mexico, are hereby approved:

Well Name and No.	Footage Location	Unit	Section	Dedicated 40-acre Tract
East Millman No. 203	10' FNL - 1310' FEL	B	22	NE/4 NE/4
East Millman No. 204	10' FNL - 2498' FWL	C	14	NE/4 NW/4

Correction to the 1st Addendum to Administrative Order NSL-3219

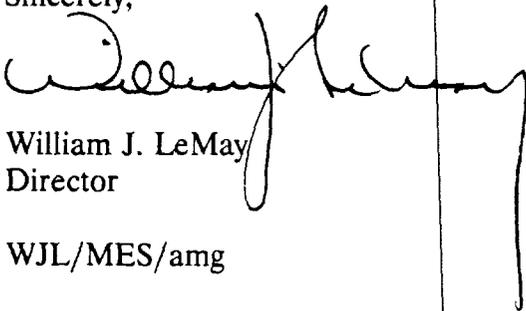
SDX Resources, Inc.

April 14, 1993

Page 2

Well Name and No.	Footage Location	Unit	Section	Dedicated 40-acre Tract
East Millman No. 205	1261' FNL - 1330' FEL	B	14	NW/4 NE/4
East Millman No. 206	2630' FNL - 1310' FEL	G	14	SE/4 NE/4

Sincerely,



William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Artesia
State Land Office - Santa Fe
File: PMX-5
WFX-388
Case No. 2656 (Artesia)



STATE OF NEW MEXICO
 ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
 OIL CONSERVATION DIVISION



BRUCE KING
 GOVERNOR

ANITA LOCKWOOD
 CABINET SECRETARY

June 8, 1993

POST OFFICE BOX 2088
 STATE LAND OFFICE BUILDING
 SANTA FE, NEW MEXICO 87504
 (505) 827-5800

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

Attention: Chuck Morgan

*2nd Addendum to
 Administrative Order NSL-3219*

Dear Mr. Morgan:

Reference is made to your applications filed with the Division on May 27, 1993 for five additional unorthodox oil well locations for the purpose of completing an efficient injection/production pattern within the East Millman Queen-Grayburg Waterflood Project Area, comprising all or portions of Sections 11, 14, 15, 22 and 23, Township 19 South, Range 28 East, NMPM, East Millman Queen-Grayburg Pool, Eddy County, New Mexico.

The original Division Administrative Order NSL-3219, dated February 3, 1993, approved fourteen new unorthodox oil well locations within the East Millman Queen-Grayburg Waterflood Project Area, as well as clarified and officially described the horizontal limits of said project area.

At this time, the applicant has made a proper filing pursuant to Division General Rule 104.F. (3) and (4); therefore, by the authority granted me under the provisions of General Rule 104.F.(1), the following described five unorthodox oil well locations, all to be drilled in Township 19 South, Range 28 East, NMPM, East Millman Queen-Grayburg Waterflood Project, East Millman Queen-Grayburg Pool, Eddy County, New Mexico, are hereby approved:

Well Name and No.	Footage Location	Unit	Section	Dedicated 40-acre Tract
East Millman No. 207	1400' FSL - 1180' FEL	I	14	NE/4 SE/4
East Millman No. 208	1360' FNL - 1310' FEL	H	22	SE/4 NE/4

2nd Addendum to Administrative Order NSL-3219

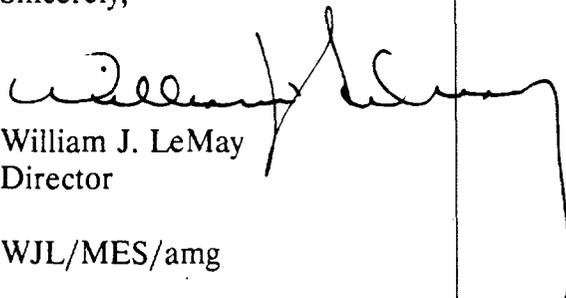
SDX Resources, Inc.

June 8, 1993

Page 2

Well Name and No.	Footage Location	Unit	Section	Dedicated 40-acre Tract
East Millman No. 209	1390' FNL - 10' FEL	H	22	SE/4 NE/4
East Millman No. 212	1310' FS & EL	P	15	SE/4 SE/4
East Millman No. 213	2630' FNL - 1330' FEL	G	15	SW/4 NE/4

Sincerely,



William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Artesia
State Land Office - Santa Fe
File: PMX-5
WFX-388
Case No. 2656 (Artesia)



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

June 25, 1993

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

Attention: Chuck Morgan

*3rd Addendum to
Administrative Order NSL-3219*

Dear Mr. Morgan:

Reference is made to your application filed with the Division on June 25, 1993 for an additional unorthodox oil well location for the purpose of completing an efficient injection/production pattern within the East Millman Queen-Grayburg Waterflood Project Area, comprising all or portions of Sections 11, 14, 15, 22 and 23, Township 19 South, Range 28 East, NMPM, East Millman Queen-Grayburg Pool, Eddy County, New Mexico.

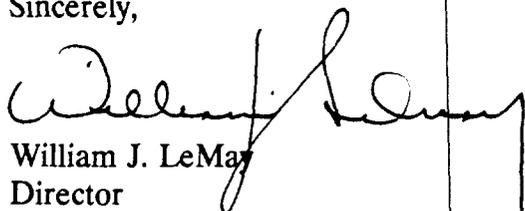
The original Division Administrative Order NSL-3219, dated February 3, 1993, approved fourteen new unorthodox oil well locations within the East Millman Queen-Grayburg Waterflood Project Area, as well as clarified and officially described the horizontal limits of said project area.

At this time, the applicant has made a proper filing pursuant to Division General Rule 104.F. (3) and (4); therefore, by the authority granted me under the provisions of General Rule 104.F.(1), SDX Resources, Inc. is hereby authorized to drill its East Millman Unit Well No. 211 at an unorthodox oil well location 330 feet from the South line and 2462 feet from the East line (Unit O) of Section 14, Township 19 South, Range 28 East, NMPM, East Millman Queen-Grayburg Waterflood Project, East Millman Queen-Grayburg Pool, Eddy County, New Mexico.

3rd Addendum to Administrative Order NSL-3219
SDX Resources, Inc.
June 25, 1993 -
Page 2

The SW/4 SE/4 of said Section 14 shall be dedicated to said well forming a standard 40-acre oil spacing and proration unit.

Sincerely,



William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Artesia
State Land Office - Santa Fe
File: PMX-5
WFX-388
Case No. 2656 (Artesia)



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

October 15, 1993

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

Attention: Chuck Morgan

*4th Addendum to
Administrative Order NSL-3219*

Dear Mr. Morgan:

Reference is made to your application filed with the Division on October 8, 1993 for an additional unorthodox oil well location for the purpose of completing an efficient injection/production pattern within the East Millman Queen-Grayburg Waterflood Project Area, comprising all or portions of Sections 11, 14, 15, 22 and 23, Township 19 South, Range 28 East, NMPM, East Millman Queen-Grayburg Pool, Eddy County, New Mexico.

The original Division Administrative Order NSL-3219, dated February 3, 1993, approved fourteen new unorthodox oil well locations within the East Millman Queen-Grayburg Waterflood Project Area, as well as clarified and officially described the horizontal limits of said project area.

At this time, the applicant has made a proper filing pursuant to Division General Rule 104.F. (3) and (4); therefore, by the authority granted me under the provisions of General Rule 104.F.(1), SDX Resources, Inc. is hereby authorized to drill its East Millman Unit Well No. 215 at an unorthodox oil well location 330 feet from the South line and 2590 feet from the West line (Unit N) of Section 15, Township 19 South, Range 28 East, NMPM, East Millman Queen-Grayburg Waterflood Project, East Millman Queen-Grayburg Pool, Eddy County, New Mexico.

4th Addendum to Administrative Order NSL-3219

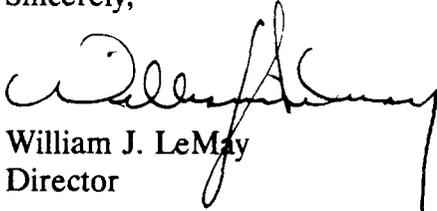
SDX Resources, Inc.

October 15, 1993

Page 2

The SE/4 SW/4 of said Section 15 shall be dedicated to said well forming a standard 40-acre oil spacing and proration unit.

Sincerely,



William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Artesia
State Land Office - Santa Fe
File: PMX-5
WFX-388
Case No. 2656 (Artesia)

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING
GOVERNORANITA LOCKWOOD
CABINET SECRETARYPOST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

October 28, 1993

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

Attention: Chuck Morgan

*5th Addendum to
Administrative Order NSL-3219*

Dear Mr. Morgan:

Reference is made to your applications filed with the Division on October 27, 1993 for two additional unorthodox oil well locations for the purpose of completing an efficient injection/production pattern within the East Millman Queen-Grayburg Waterflood Project Area, comprising all or portions of Sections 11, 14, 15, 22 and 23, Township 19 South, Range 28 East, NMPM, East Millman Queen-Grayburg Pool, Eddy County, New Mexico.

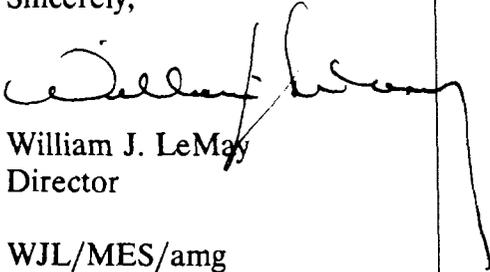
The original Division Administrative Order NSL-3219, dated February 3, 1993, approved fourteen new unorthodox oil well locations within the East Millman Queen-Grayburg Waterflood Project Area, as well as clarified and officially described the horizontal limits of said project area.

At this time, the applicant has made a proper filing pursuant to Division General Rule 104.F. (3) and (4); therefore, by the authority granted me under the provisions of General Rule 104.F.(1), the following described two unorthodox oil well locations, both to be drilled in Township 19 South, Range 28 East, NMPM, East Millman Queen-Grayburg Waterflood Project, East Millman Queen-Grayburg Pool, Eddy County, New Mexico, are hereby approved:

Well Name and No.	Footage Location	Unit	Section	Dedicated 40-acre Tract
East Millman No. 222	2310' FNL - 10' FEL	H	10	SE/4 NE/4
East Millman No. 223	330' FSL - 1330' FEL	O	14	SW/4 SE/4

5th Addendum to Administrative Order NSL-3219
SDX Resources, Inc.
October 28, 1993
Page 2

Sincerely,



William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Artesia
State Land Office - Santa Fe
File: PMX-5
WFX-388
Case No. 2656 (Artesia)