



BRUCE KING  
GOVERNOR

ANITA LOCKWOOD  
CABINET SECRETARY

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



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**.

Administrative Order NSL-3219

SDX Resources, Inc.

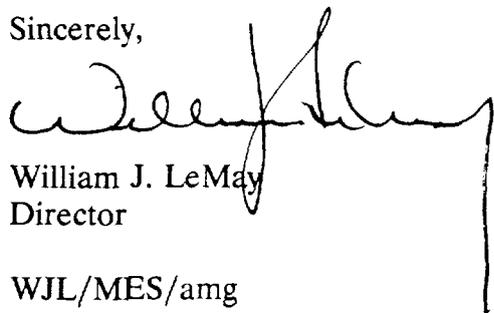
February 3, 1993

Page 3

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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