

March 14, 2003

RECEIVED

MAR 20 2003

Oil Conservation Division

NMOCD Environmental
ATTN: David Catanach
Box 6429
1220 S. Saint Francis Drive
Santa Fe, NM 87504

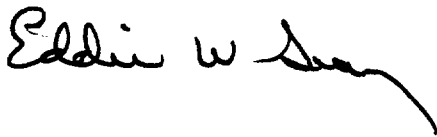
RE: MNA Enterprises Ltd. Co.
Watts Federal #1

Mr. Catanach:

As discussed, my client, MNA Enterprises of Hobbs, NM, has just recently purchased properties from SDX Resources. MNA would like to convert its Watts Federal #1 Unit A, Sect. 31, Tws. 23 S., Rng. 28 E., Eddy Co., from an on-lease SWD to a commercial disposal. The well was previously approved under order SWD-572. MNA will follow all applicable rules and regulations pertaining to this facility. Find within water data and associated information.

If you have any questions or need additional information, please call.

Sincerely,

A handwritten signature in black ink, appearing to read "Eddie W. Seay". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

Eddie W. Seay, Agent
601 W. Illinois
Hobbs, NM 88242
(505)392-2236

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-104A
August 11, 2000

Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Submit 1 copy of the final affected wells
list along with 2 copies of this form per
number of wells on that list to
appropriate District Office

Change of Operator

Previous Operator Information:

OGRID: 020451
Name: SDX Resources, Inc.
Address: PO Box 5061
Address: _____
City, State, Zip: Midland, TX 79704

New Operator Information:

Effective Date: 2/1/03
New Ogrid: 124768
New Name: MNA Enterprises Ltd. Co.
Address: 106 W Alabama
Address: _____
City, State, Zip: Hobbs, NM 88242

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information on this form and the attached list of wells is true and complete to the best of my knowledge and belief.

New Operator

Signature: Daniel M. Alexander

Printed name: Daniel M. Alexander

Title: Managing Member

Date: 2-18-03 Phone: 505/392-2702



Previous operator complete below:

Previous
Operator: SDX Resources, Inc.
Previous
OGRID: 020451
Signature: [Signature]
Printed Name: John Pool

NMOCD Approval	
Signature:	<u>Jim W. Gurn</u>
Printed Name:	<u>District Supervisor</u>
District:	_____
Date:	<u>FEB 27 2003</u>

COPY

WELLS INVOLVED IN OPERATOR CHANGE
FINAL LIST WITH C-104A

FEB 5, 2003

This is a final list of wells being transferred. If all bonding requirements are satisfied, submit this list to the OCD District with your C-104A.

PREVIOUS OPERATOR: 20451 SDX RESOURCES INC

NEW OPERATOR: 124768

MNA Enterprises Ltd. Co. 2-103

OCD DISTRICT: ARTESIA

PROP- ERTY WELL NAME	ULSTR	OCD UNIT LTR	API	WELL TYPE	POOL ID	POOL NAME	PROD/INJ	LAST
20423 OGDEN #003	J-29-23S-28E	J	30-015-30163	O	40360	LOVING; DELAWARE	10-2002	- 32006
22508 WATTS FEDERAL #001	A-31-23S-28E	A	30-015-24640	S	96100	SMD; DELAWARE	10-2002	- 32007
22340 LAST MINUTE STATE #001	F-32-23S-28E	F	30-015-30055	O	40360	LOVING; DELAWARE	10-2002	- 32008
18172 STATE JB COM #001	E-32-23S-28E	E	30-015-23514	O	40360	LOVING; DELAWARE	10-2002	- 32009



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FEB 5, 2003

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PREVIOUS OPERATOR: 20451 SDX RESOURCES INC

NEW OPERATOR:

124768

MNA Enterprises Ltd. Co.

2-1-03

OCD DISTRICT: ARTESIA

PROP- ERTY WELL NAME	ULSTR	OCD UNIT LTR API	WELL TYPE	POOL ID POOL NAME	LAST PROD/INJ
21122 CASSIDY #001		E 30-015-23340	G 40380	LOVING; DELAWARE, SOUTH	10-2002 - 32010
20423 OGDEN #001		G 30-015-24206	G 40360	LOVING; DELAWARE	10-2002 - 32000

