



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT



BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

OCT 23 2007

OCD-AR-101A

Administrative Order SWD-1081

APPLICATION OF SDX RESOURCES, INC. FOR PRODUCED WATER DISPOSAL, EDDY COUNTY, NEW MEXICO

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Rule 701(B), SDX RESOURCES, INC. (OGRD 20451) made application to the New Mexico Oil Conservation Division for permission to utilize for produced water disposal its NW State Well No. 8 (API No. 30-015-30815) located 1090 feet from the South line and 2126 feet from the West line of Section 32, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico.

THE DIVISION DIRECTOR FINDS THAT:

- (1) The application has been duly filed under the provisions of Rule 701(B) of the Division Rules and Regulations;
- (2) Satisfactory information has been provided that all offset operators and surface owners have been duly notified;
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 will be met; and
- (4) No objections have been received within the waiting period prescribed by said rule.

IT IS THEREFORE ORDERED THAT:

The applicant is hereby authorized to utilize its NW State Well No. 8 (API No. 30-015-30815) located 1090 feet from the South line and 2126 feet from the West line of Section 32, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico, in such manner as to permit the injection of produced water for disposal purposes into the San Andres formation through perforations from 2523 feet to 2859 feet and through plastic-lined tubing set with a packer located within 100 feet of the top of the injection interval.

this order if the operator has not commenced injection operations into the subject well, provided however, the Division, upon written request by the operator received by the Division prior to the termination date, may grant an extension thereof for good cause shown.

Approved at Santa Fe, New Mexico, on October 3, 2007



MARK E. FESMIRE, P.E.
Director

MEF/wvjj

cc: Oil Conservation Division – Artesia
State Land Office – Oil, Gas, and Minerals Division