

PKRV0311953234

NSP 5/19/03

MS

SDX RESOURCES, INC

PO BOX 5061
Midland, Texas 79704
(915) 685-1761

RECEIVED

APR 29 2003

OIL CONSERVATION
DIVISION

April 23, 2003

New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87504

Attention: Mr. Michael Stogner

RE: Non-Standard Proration Unit Application
Pool: Jalmat, TN-YT-SR (Gas) 79240
SDX Resources, Inc
Selby # 1
Section 33, T-22-S, R-36-E, D
660 FNL & 990 FWL
Lea County, NM

Dear Mr. Stogner,

SDX Resources has acquired the rights to the Jalmat gas interval under a 160-acre non-standard proration unit located in the NW/4 of Section 33, T-22-S, R-36-E. Since the Jalmat pool is a 640-acre pool, a non-standard proration unit order is required. Currently, there are two active wells producing from the Eunice South Pool in this proposed 160 acre proration unit:

Breck Operating
SE Eunice #52
30-025-09116
660 FNL & 1980 FWL
TD: 3810'
Status: Active, producing from the Eunice South Pool

Breck Operating
SE Eunice #56
30-025-09115
1980 FNL & 1980 FWL
TD: 3395'
Status: Active, producing from the Eunice South Pool

There are two additional plugged wells in the proposed NW/4 160-acre Non-standard proration unit:

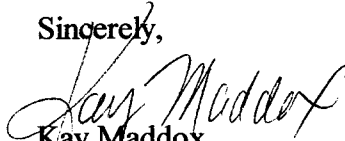
Arco Permian
J.L.Selby # 5
30-025-09118
1980 FNL & 660 FWL
TD: 3800'
Status: Plugged 10/1994
Pool: Jalmat

Atlantic Richfield
J.L. Selby #1
30-025-09114
1980 FNL & 1980 FWL
TD: 3395'
Status: Plugged 9/1971
Pool: Jalmat

Since the two above listed wells produced from the Jalmat pool, it is assumed that there was a previous non-standard proration unit order issued and that it is no longer valid. Unfortunately, due to the unavailability of well records in Hobbs, this order cannot be referenced. The other active wells in Section 33 are producing from the South Eunice pool and all previous Jalmat pool producers have subsequently been plugged. Previous Jalmat non-standard proration unit orders for Section 33 cannot be accessed or identified due to the lack of files. However, since there are no active Jalmat wells in Section 33, all previously dedicated acreage for non-standard proration unit orders are no longer valid. Please accept our apology that we cannot complete this additional research for your review although in this case it does not appear necessary. Enclosed please find a lease map of the surrounding area, C-102 acreage dedication plat, list of offset operators, evidence that the offset operators have been notified, and the application to drill.

SDX Resources requests that a new administrative Non-Standard Proration Unit Order be issued for their 160 acre NW/4 lease in order to dedicate this acreage to their proposed new well, the Selby #1 located at a standard gas well location, 660 FNL & 990 FWL. If you require any additional information or have any further questions regarding this application please contact Chuck Morgan (915) 685-1761.

Sincerely,


Kay Maddox
Regulatory Agent

Cc: NMOCD - Hobbs

District I
PO Box 1980, Hobbs, NM 88241-1980

District II
811 South First, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-101

Revised October 18, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 6 Copies

Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address SDX Resources, Inc. PO Box 5061 Midland, TX 79704 915/685-1761		² OGRID Number 020451
		³ API Number 30 - 0
⁴ Property Code	⁵ Property Name Selby	⁶ Well No. 1

⁷Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West Line	County
D	33	22S	36E		660	North	990	West	Lea

⁸Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West Line	County
⁹ Proposed Pool 1 Jalmat, TN-YT-SR					¹⁰ Proposed Pool 2				

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code Fee	¹⁵ Ground Level Elevation 3484
¹⁶ Multiple No	¹⁷ Proposed Depth 3600	¹⁸ Formation Yates	¹⁹ Contractor United	²⁰ Spud Date 05-15-03

²¹Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4"	8-5/8"	24#	400	350 sx	Surf
7-7/8"	5-1/2"	14#	3600	600 sx	Surf

²²Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Plan to drill a 12-1/4" hole to appx 400' & set 8-5/8" surf csg to 400'. Circ Class C cmt. Drill 7-7/8" hole to TD (3600'). Run 5-1/2" csg & circ cmt to surf. Perf & stimulate in the YT/7R Jalmat Gas Pool pay as necessary for optimum production.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Bonnie Atwater</i>		OIL CONSERVATION DIVISION	
Printed name: Bonnie Atwater		Approved By:	
Title: Regulatory Tech		Title:	
4/11/03		Approval Date:	Expiration Date:

DISTRICT I
P.O. Box 1990, Hobbs, NM 88241-1990

State of New Mexico

Energy, Minerals and Natural Resources Department

DISTRICT II
P.O. Drawer 88, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT III
1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 79240	Pool Name Jalmat, TN-YT-SR
Property Code	Property Name Selby	Well Number 1
OGRID No. 020451	Operator Name SDX RESOURCES, INC.	Elevation 3484'

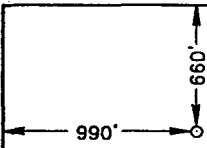
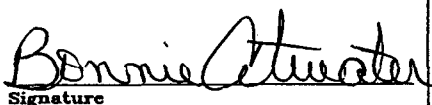
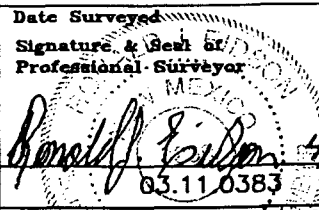
Surface Location

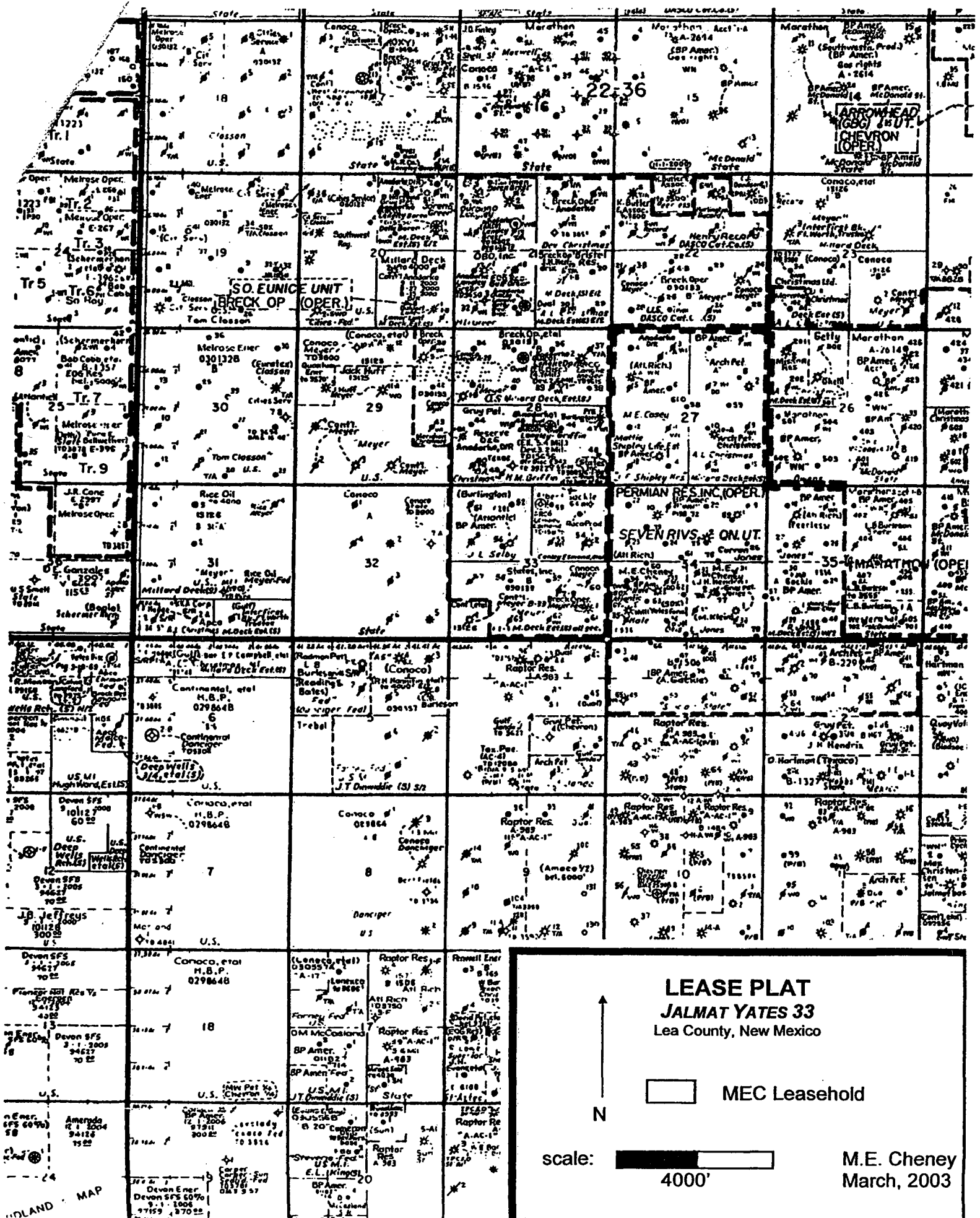
UL or lot No. D	Section 33	Township 22-S	Range 36-E	Lot Idn	Feet from the 660'	North/South line NORTH	Feet from the 990'	East/West line WEST	County LEA
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Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

				
	<u>GEODETTIC COORDINATES</u> NAD 1927 NME Y = 493972.4 X = 826781.8 LAT. = 32°21'12.98"N LONG. = 103°16'30.45"W			
OPERATOR CERTIFICATION <i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature Bonnie Atwater Printed Name Regulatory Tech Title 4/17/03 Date				
SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i> April 08, 2003 Date Surveyed Signature & Seal of Professional Surveyor  Certificate No. RONALD J. EDSON 3239 GARY EDSON 12641				



LEASE PLAT
JALMAT YATES 33
Lea County, New Mexico

MEC Leasehold

scale: 4000'

M.E. Cheney
March, 2003

SDX RESOURCES, INC.
PO Box 5061
Midland, TX 79704
(915) 685-1761

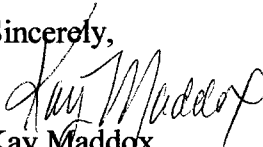
April 23, 2003

RE: Selby #1
Section 33, T-22-S, R-36-E
660 FNL & 990 FWL
Lea County, NM

Gentleman,

SDX Resources intends to drill a well to the Jalmat gas interval in the NW/4 of Section 33, T-22-S, R-36-E. The records indicate that you are the operator of a lease contiguous to the proposed 160 acre non-standard proration unit. This letter is intended to serve as notification of the attached application to request a Non-Standard Proration Unit Order from the New Mexico Oil Conservation Division office in Santa Fe. If you have any objections to this application, you should file your objection with the NMOCD within 20 days of the receipt of this notice. If you have any question or need any additional information please feel free to contact Chuck Morgan @ (915) 685-1761.

Sincerely,


Kay Maddox
Regulatory Agent

SDX Resources

Selby #1

Section 33, T-22-S, R-36-E, D

660 FNL & 990 FWL

Lea County, NM

Offset Operators

Section 28

Gruy Petroleum Management

PO Box 416

Hobbs, NM 88240

Pecos Petroleum

PO Box 1794

Roswell, NM 88202

Section 29

Jack Huff

PO Box 50190

Midland, TX 79710

Section 32

ConocoPhillips

4001 Penbrook

Odessa, TX 79762

Section 33

Breck Operating (SE Eunice Unit Operator)

PO Box 911

Breckenridge, TX 76424

Roca Production Inc.

PO Box 10139

Midland, TX 79702

Please see attached evidence that the above listed operators have been notified.

38 (Cities Service) 030132
Serv. loss
Southwest Roy.
Anadarko D/R
Longley Boren Greer
Della Boren
M. Deck TIA
Est. (S) E/2

20 Millard Deck
20 to 4000
Cont'l Anadarko
9 11 2000
8 27 2000
8 15 2000
D/R
Oolport Lunt
Lamar Lunt
M Deck, Est (S)

UNIT (PER.)
2. SWD U.S.
"Cities - Fed."
(Conoco, et al) Breck Oper.
Jack Huff 13125
J Huff Meyer
Cont'l Meyer
Meyer
U.S.
Cont'l Meyer

Conoco
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Conoco State to 3800
7-A
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3
5
State

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Rodman Pet
L.B.
Burleson S/R
(Reading E Bales)
Fed
(Ranger Fed)
Irebol
U.S.
J.T. Dinwiddie (S) 5/2

38 (Cities Service) 030132
Serv. loss
Southwest Roy.
Anadarko D/R
Longley Boren Greer
Della Boren
M. Deck TIA
Est. (S) E/2

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Anadarko
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M. Deck Est (S) E/2

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Breck Op, et al
030133
Conoco Meyer A-29
Dual (E.L. Disc)
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Dev. 2.5 Mil. TD 5615
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O.S. Millard Deck, Est. (S)
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TD 50856 100
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(Burlington)
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J.L. Selby
Conley Esmond, et al

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Cont'l Meyer
Breck Oper.
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M. Deck Est. (S) all sec.

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L.B.
Burleson S/R
(Reading E Bales)
Fed
(Ranger Fed)
Irebol
U.S.
J.T. Dinwiddie (S) 5/2

Gulf Jando J TO 3627
Tex Poe (AC 4)
TD 2088
R. N/A 9 S
(P/B)
Arch Pet
Gulf Jando J
Raptor Res.
LA 983
"A. AC-1"
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(Dual)

Assoc. 6WI
K. Butler
E. Assoc. to 3500
Sun Record
Henry Record
DASCO Cat. Co. (S)

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Conoco Meyer
Breck Oper 030133
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U.S.
DASCO Cat. Co. (S)

Anadarko D/R
BP Amer.
Arch Pet
Arch Pet
Christmas
A.L. Christmas
Shipley Life Est
BP Amer.
Shipley 4-5
M. Deck Est (S)

PERMIAN RES. INC. (OPER.)
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H. Cheney
Gruy Pet
J. Jones
M. Klein
L. Jones

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(Ranger Fed)
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Raptor Res.
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"A. AC-1" (P/B)
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U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

Postage	\$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees		\$

Rec: **Pecos Petroleum**
St: **P.O. Box 1794**
Ci: **Roswell, NM 88202**

PS Form 3800 for Instructions

7099 3400 0016 0187 3000

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

Postage	\$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees		\$

Rec: **Jack Huff**
St: **P.O. Box 50190**
Ci: **Midland, TX 79710**

PS Form 3800 for Instructions

7099 3400 0016 0187 2980

U.S. Postal Service
CERTIFIED MAIL RECEIPT
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Postage	\$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees		\$

Re: **Breck Operating (SE Eunice Unit Op.)**
St: **P.O. Box 911**
Ci: **Breckenridge, TX 76424**

PS Form 3800 for Instructions

7099 3400 0016 0187 3024

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

Postage	\$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees		\$

Recipient: **Gruy Petroleum Management**
Street, Ap: **P.O. Box 416**
City, State: **Hobbs, NM 88240**

PS Form 3800 for Instructions

7099 3400 0016 0187 2997

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

Postage	\$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees		\$

Recip: **Conoco Phillips, Inc.**
Street: **4001 Penbrook**
City: **Odessa, TX 79762**

PS Form 3800 for Instructions

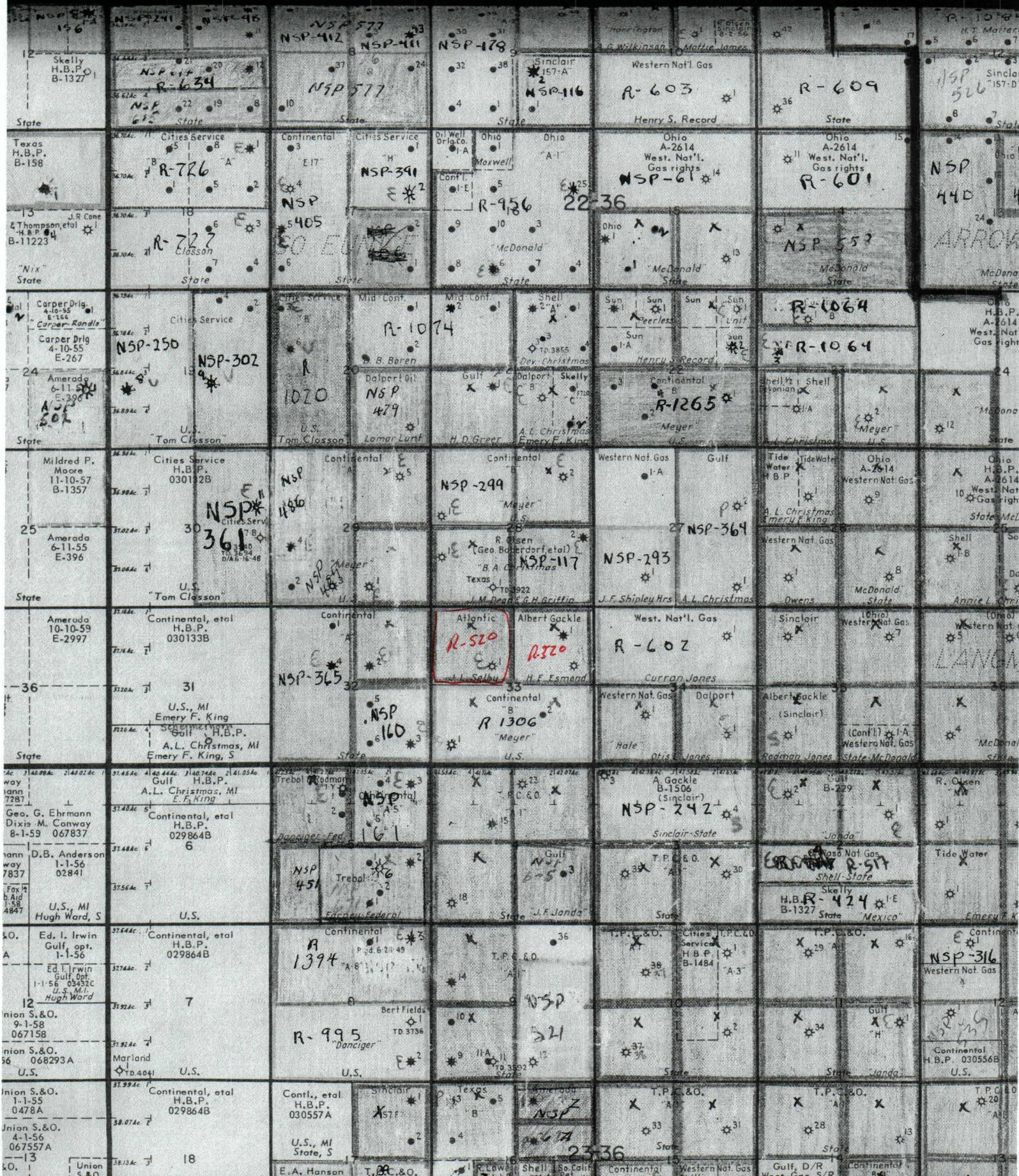
7099 3400 0016 0187 2973

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

Postage	\$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees		\$

Re: **Roca Production, Inc.**
St: **P.O. Box 10139**
Ci: **Midland, TX 79702**

PS Form 3800 for Instructions



NUMBER OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
TRANSPORTER	OIL
	GAS
PRODUCTION OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

CERTIFICATE OF COMPLIANCE AND AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

FILE THE ORIGINAL AND 4 COPIES WITH THE APPROPRIATE OFFICE

Company or Operator The Atlantic Refining Company				Lease J. L. Selby	Well No. 5
Unit Letter E	Section 33	Township 22S	Range 36E	County Lea	
Pool Jalmat Yates				Kind of Lease (State, Fed, Fee) Fee	
If well produces oil or condensate give location of tanks		Unit Letter	Section	Township	Range
Authorized transporter of oil ☐ or condensate ☐ None			Address (give address to which approved copy of this form is to be sent)		
Is Gas Actually Connected? Yes ☒ No ☐					
Authorized transporter of casing head gas ☐ or dry gas ☒		Date Connected 11-3-64	Address (give address to which approved copy of this form is to be sent) Box 1492, El Paso, Texas		
If gas is not being sold, give reasons and also explain its present disposition:					

"Effective May 3, 1966, The Atlantic Refining Company changed its name to Atlantic Richfield Company"

REASON(S) FOR FILING (please check proper box)

New Well ☒	Change in Ownership ☐
Change in Transporter (check one)	Other (explain below)
Oil ☐ Dry Gas ☐	
Casing head gas . ☐ Condensate... ☐	

Indicated date of Physical Connection to El Paso

Remarks See Mr. A. L. Porter, Jr. letter of 8-7-64 granting permission to produce a 160 acre allowable from our Selby #1 & #5 which are located on a 160-acre non-standard unit consisting of the NW/4 of Sec. 33, T-22S, R-36E. Effective date of permission 9-1-64 & the allowable may be produced in any proportion from the two wells.

The undersigned certifies that the Rules and Regulations of the Oil Conservation Commission have been complied with.

Executed this the 4th day of November, 1964.

OIL CONSERVATION COMMISSION

Approved by _____

Title

Date

By

A. D. Kloxin
Title
District Production & Drilling Supervisor
Company

The Atlantic Refining Company
Address

P. O. Box 1978, Roswell, New Mexico