

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

827-1389

915-685-1761
Fax 915 685-0533

915-685-0533

TO: NMOCDDATE: 8/18/99ATTENTION: Mike StognerFROM: Chuck MorganTOTAL PAGES INCLUDING THIS PAGE 4IF YOU HAVE ANY PROBLEMS OR QUESTIONS, PLEASE CALL US AT
(915) 685-1761.☐ PER YOUR REQUEST☒ PER OUR PHONE CONVERSATION☐ FOR YOUR INFORMATION☐ PLEASE PHONE ME TO DISCUSS☐ PLEASE REVIEW & ADVISE☐ PLEASE ADVISE WHEN RECEIVEDCOMMENTS: Mr. Stogner:

The NW st. #1 is producing.
The #2 is waiting on completion and
the #3 is being drilled. I have permitted
the #7, but can not drill it until land
issues are resolved. I hope to move onto
the #4 (non-standard location application attached)
after the #3. ~~if the~~ Ownership within the
NW st. lease is common through out. For call if
you need additional info. Hard Copy to Follow.

SDX RESOURCES, INC.

P.O. BOX 5061

MIDLAND, TEXAS 79704

(915) 685-1761

Aug. 18, 1999

NMOCD

2040 South Pacheco Street
Santa Fe, NM 87505

Attention: Mr. Mike Stogner

RE: NW State # 4
Sec. 32 T17S R28E
1140 FNL, 2274 FEL
Eddy County, New Mexico

Dear Mr. Stogner,

SDX Resources, Inc. is the operator of the NW State lease covering 560 acres of State Lease # 647, located in the NE/4 & SW/4 of Sec. 32, SE/4 SE/4 of sec. 29, E/2 E/2 of sec. 31 T17S R28E, and the NE/4 NE/4 of Sec. 6 T18S R28E. The NW St. # 4 well has been staked at a non-standard location of 2274' FEL and 1140' FNL of Sec. 32 T17S R28E. The location was moved to avoid existing gas lines and power lines. This will only encroach on an internal proration unit line within the lease. No offset operators will be effected. SDX request that this letter serve as an application for administrative approval of the NW State # 4 location. A survey plat and a lease map accompany this application. Your assistance in this matter is greatly appreciated.

Sincerely,



Chuck Morgan

Enclosures

District I
PO Box 1998, Hobbs, NM 88240-2998
District II
PO Drawer DD, Artesia, NM 88211-4719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

APR Number	Post Code	Post Name
	03230	Artesia - (Qr-66-SA)
Property Code	Property Name	Well Number
24439	N W STATE	4
OGRID No.	Operator Name	Elevation
	SDX RESOURCES, INC.	3696.

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	32	17-S	28-E		1140	NORTH	2277	EAST	EDDY

11 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

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.

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

<p>16</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature: <u>Chuck Morgan</u></p> <p>Printed Name: <u>Chuck Morgan</u></p> <p>Title: <u>Engr.</u></p> <p>Date: <u>8/18/99</u></p>
	<p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>DATE OF SURVEY: <u>AUGUST 18, 1999</u></p> <p>Signature and Seal of Professional Surveyor:</p>
	<p>REGISTERED PROFESSIONAL ENGINEER 5412 NEW MEXICO CHUCK MORGAN</p>

