

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop
Cabinet Secretary

August 26, 2003

Lori Wrotenbery
Director
Oil Conservation Division

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

Attention: Ms. Bonnie Atwater

Re:

Extension of Injection Provisions Division Order No. SWD-677-B Chalk Bluff Draw Federal No. 1

API No. 30-015-00789

Unit K, Section 5, T-18S, R-27E, NMPM,

Eddy County, New Mexico

Dear Ms. Atwater:

Pursuant to your request dated July 24, 2003, a one-year extension of time in which to convert the Chalk Bluff Draw Federal Well No. 1 to a disposal well is hereby granted.

The injection authority for this well shall expire on July 25, 2004, if the operator has not commenced injection into the well.

Sincerely,

Lori Wrotenbery
Division Director

Xc:

OCD-Artesia

File-SWD-677