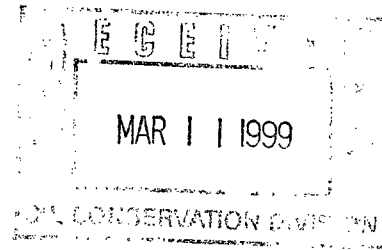


NSL(SD) 3/31/99

SDX RESOURCES, INC.

P.O. BOX 5061
MIDLAND, TEXAS 79704
(915) 685-1761

March 4, 1999



NMOCD
2040 S Pacheco St
Santa Fe, NM 87505

Attention: Mr. Mike Stogner

Re: Wells Federal #21
Sec. 5, T25S, R37E
660' FSL, 2310' FEL
Lea Co., NM

Dear Mr. Stogner:

SDX Resources Inc. is the operator of the Wells Federal #1 and #17 wells located in Units I and J of Sec. 5, T25S, R37E of Lea Co., NM. These wells are dedicated to a 200 acre non-standard proration unit created by NSP #400 and consisting of the SE/4 and the SE/4 of the SW/4 of Sec. 5. SDX is planning to drill the Wells Federal #21 well on the same 200 acre proration unit at the above-mentioned location. This will be a non-standard location as the location has been moved to promote efficient drainage of the proration unit and due to the topography of the area.

SDX requests that this letter serve as an application to simultaneously dedicate this 200 acre non-standard proration unit to the Wells Federal #1, #17, and the #21 wells, and as application for administrative approval of the non-standard location. BLM form 3160 and OCD form C-102 for the #21 well, an outlined lease map and other pertinent information is attached to this application.

All offset operators have been notified and proof of notification is attached.

Your assistance on this is appreciated.

Sincerely,

Chuck Morgan
Engineer

CM:bja

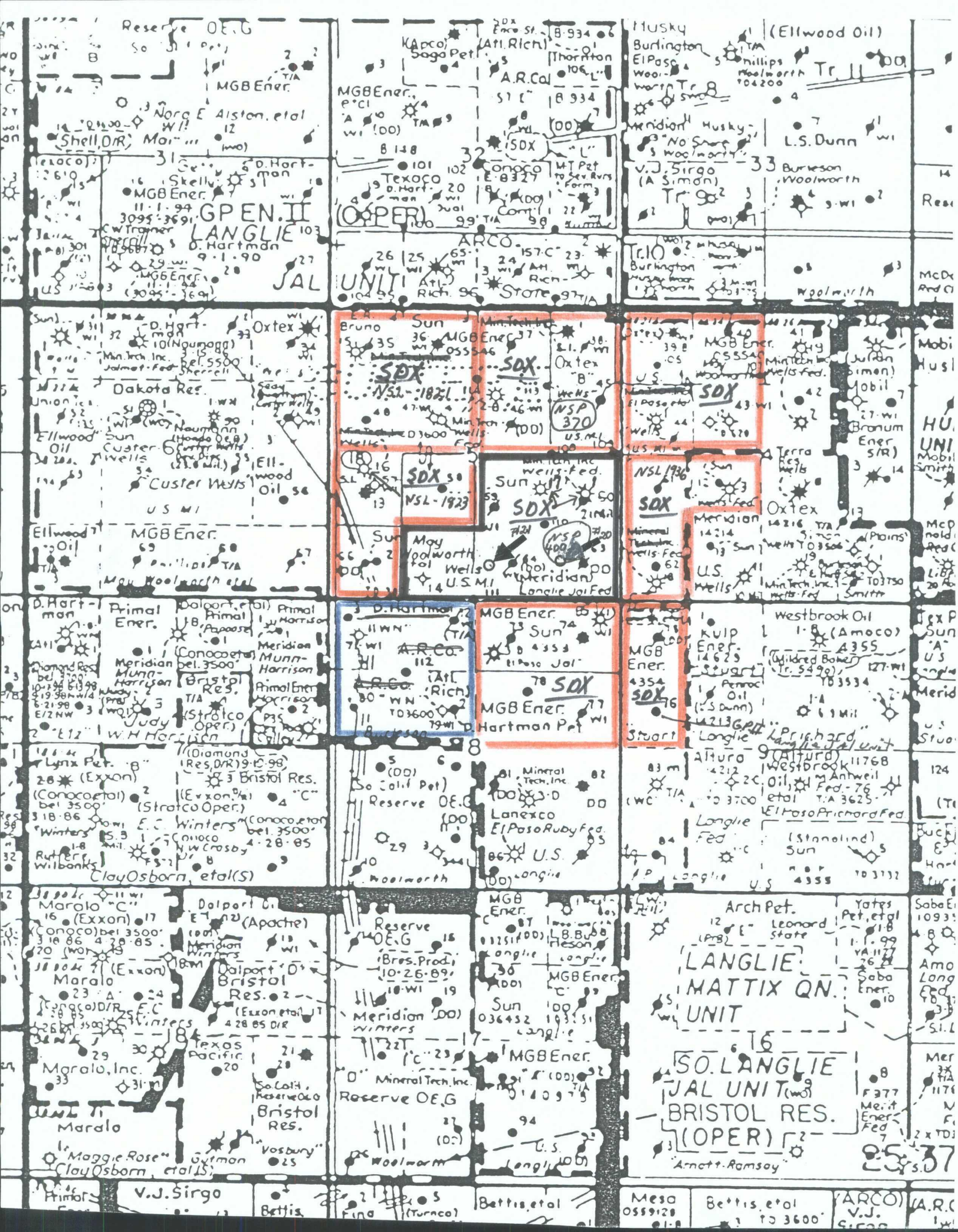
enclosures

Wells Federal #21 DP
3/4/99

OFFSET OPERATOR

Wells Federal #21

Doyle Hartman
PO Box 10426
Midland, TX 79702



NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

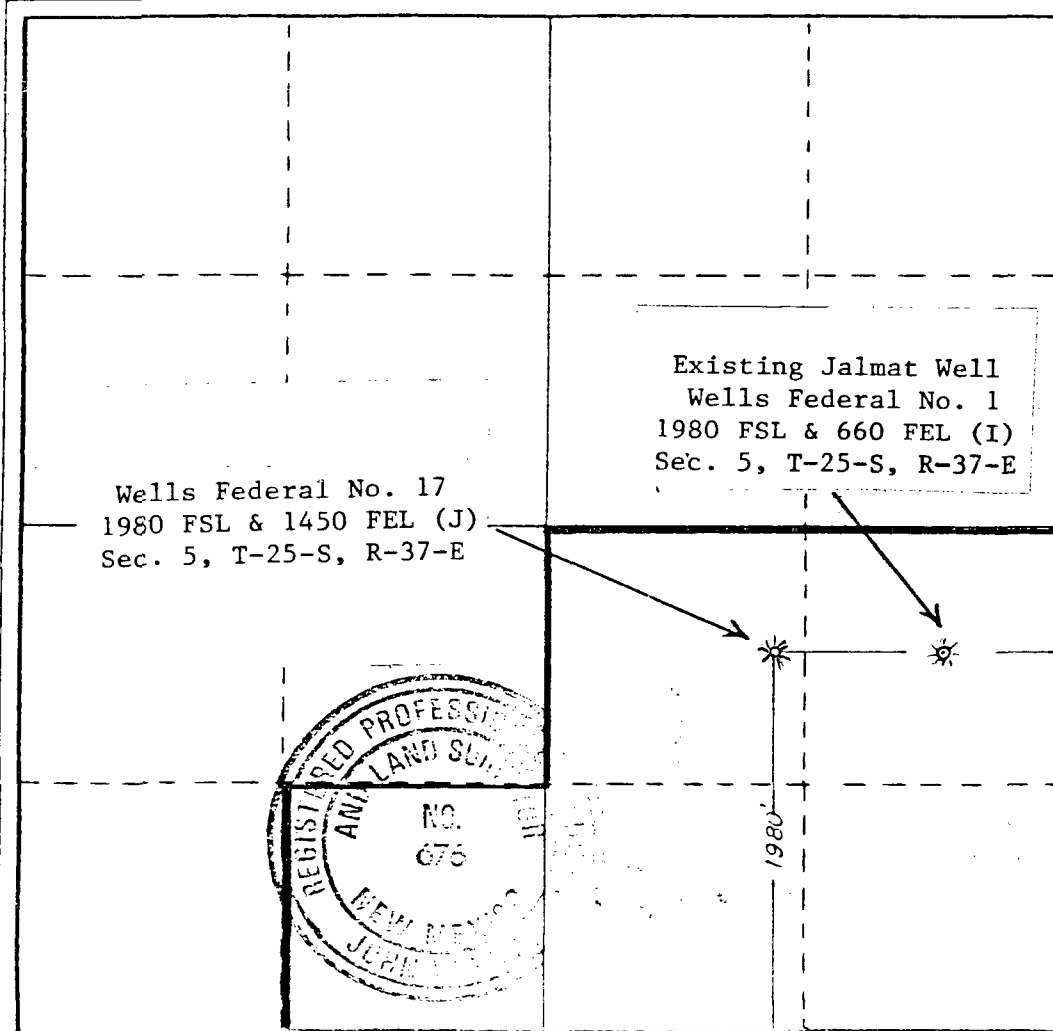
| | | | | |
|--|--|-------------------------------|--|-----------------------|
| Operator DOYLE HARTMAN | | Lease WELLS FEDERAL | | Well No. 17 |
| Unit Letter J | Section 5 | Township 25S | Range 37E | County LEA |
| Actual Footage Location of Well: 1450 feet from the EAST line and 1980 feet from the SOUTH line | | | | |
| Ground Level Elev. 3229.9 | Producing Formation YATES-SEVEN RIVERS | Pool JALMAT (GAS) | Dedicated Acreage: 200 Acres | |

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
Larry A. Manning

Position
Engineer

Company
Doyle Hartman

Date
July 24, 1984

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 knowledge and belief.

Date Surveyed
4/12/84

Registered Professional Engineer and/or Land Surveyor

John W. West

Certificate No. **JOHN W. WEST, 576**
RONALD J. EIDSON, 3239

MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-128
 Supersedes C-128
 Effective 1-1-65

Now SDX

All distances must be from the outer boundaries of the Section

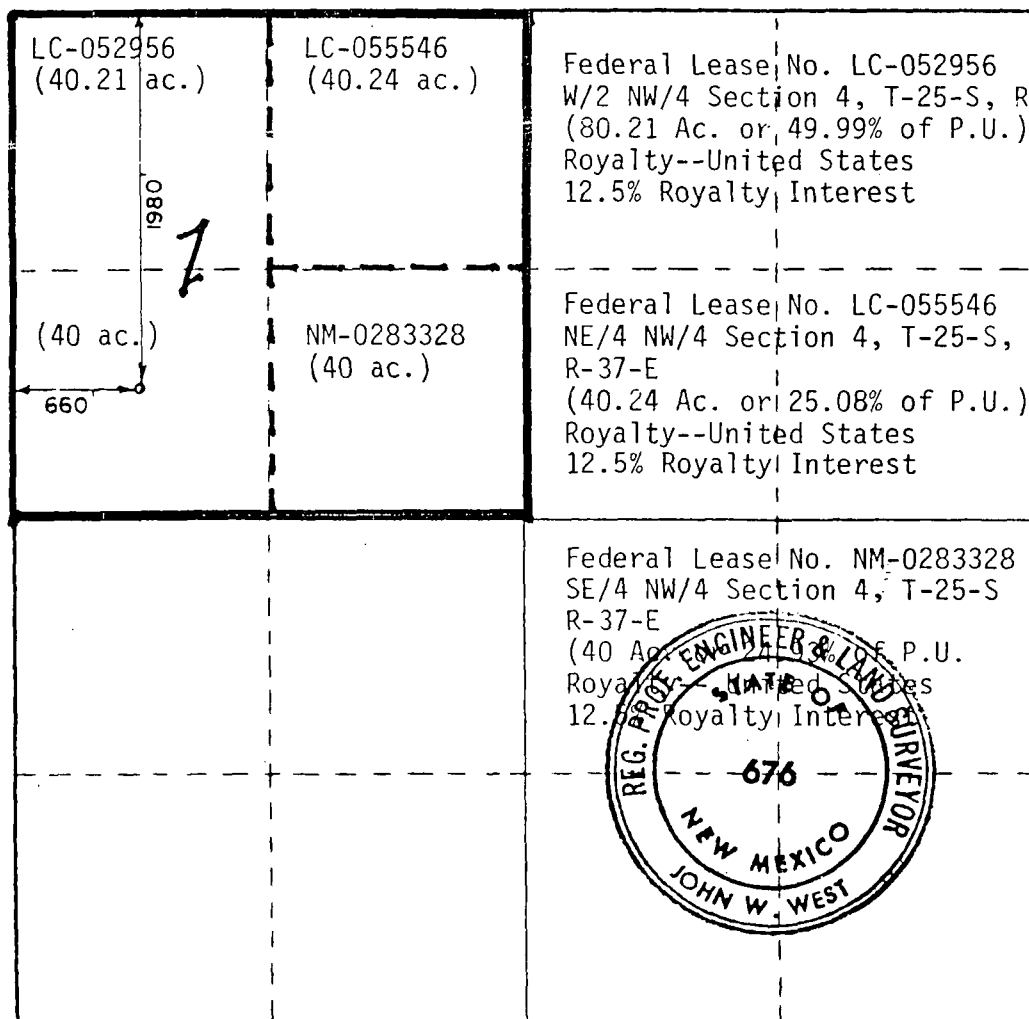
| | | | | | |
|---|--|-----------------------------|--|----------------------|---|
| Operator Doyle Hartman | | | Lease El Paso Wells Federal -El Paso-Federal | | Well No. 1 |
| Unit Letter E | Section 4 | Township 25 South | Range 37 East | County Lea | |
| Actual Footage Location of Well: 1980 feet from the North line and 660 feet from the West line | | | | | |
| Ground Level Elev. 3220 | Producing Formation Yates - Seven Rivers | | Pool Jalmat | | Dedicated Acreage: 160.45 Acres |

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation Over

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Larry A. Nermyr

Name
Larry A. Nermyr

Position
Engineer

Company
Doyle Hartman, Oil Operator

Date
May

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 knowledge and belief.

Date Surveyed
5-13-1980

Registered Professional Engineer and/or Land Surveyor

John W. West

| | | |
|-----------------|--------------------------|-------------|
| Certificate No. | JOHN W. WEST | 676 |
| | PATRICK A. ROMERO | 6668 |
| | Ronald J. Eidson | 3239 |

**NEBRASKA OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-65

Now SDX

All distances must be from the outer boundaries of the Section

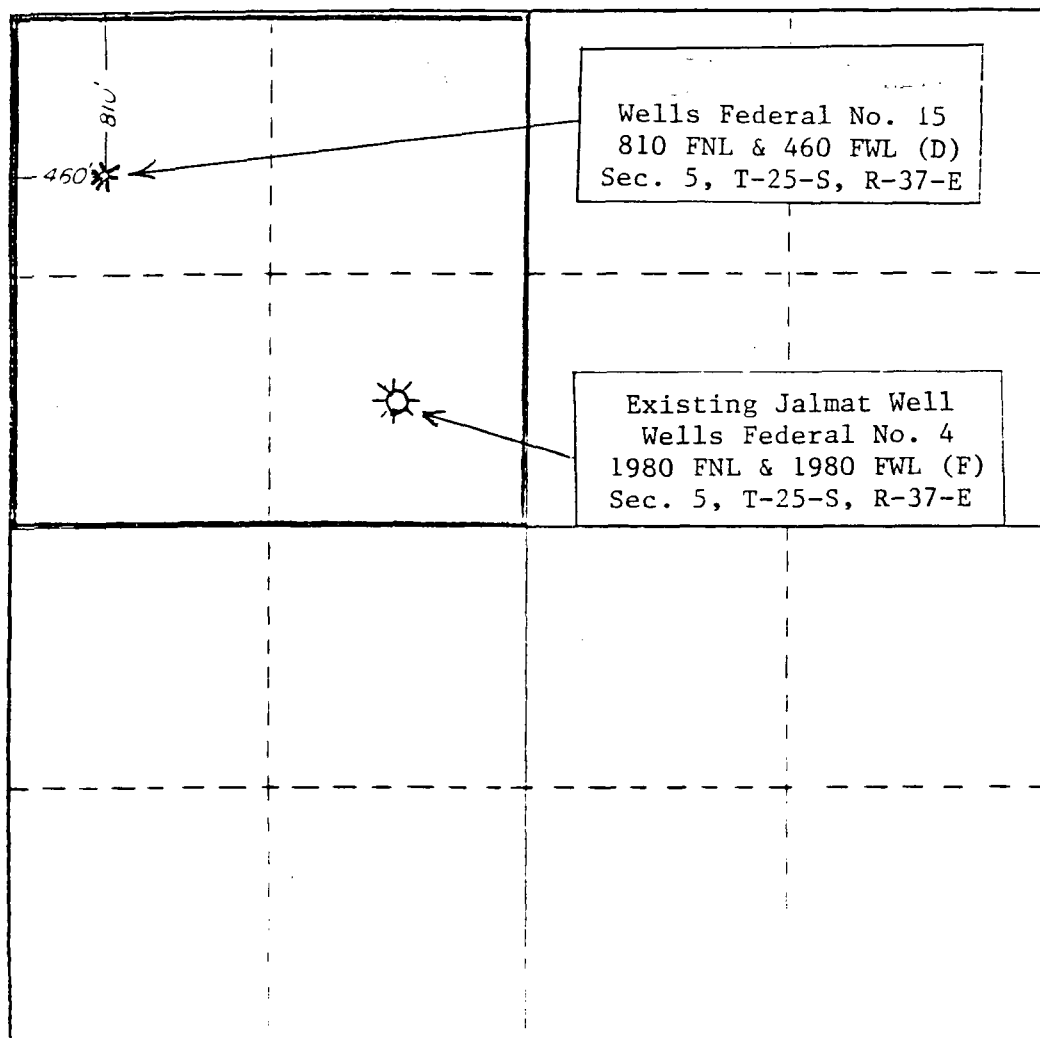
| | | | | | |
|--|--|---|-------------------------------|--|-----------------------|
| Operator DOYLE HARTMAN | | | Lease WELLS FEDERAL | | Well No. 15 |
| Oil Letter D | Section 5 | Township 25S | Range 37E | County DEA | |
| Actual Footage Location of Well: | | | | | |
| 810 feet from the NORTH line and | | 460 feet from the WEST line | | | |
| Ground Level Elev. 5231.3 | Producing Formation YATES-SEVEN RIVERS | | Pool JALMAT (GAS) | Dedicated Acreage: 160 Acres | |

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name Larry G. Nenny

Position
Engineer

Company
Doyle Hartman

Date
April 25, 1984

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 knowledge and belief.

Date Surveyed
4/12/84

Registered Professional Engineer
and Land Surveyor

[Signature]

Exhibit No. _____



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONY ANAYA
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

May 17, 1984

Doyle Hartman
Oil Operator
P. O. BOX 10426
Midland, Texas 79702

Attention: Michelle Hembree, Administrative Assistant

Administrative Order NSL-1821 (SD)

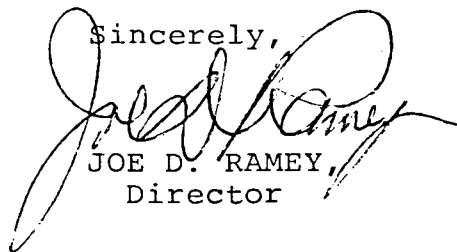
Gentlemen:

Reference is made to your application for a non-standard location and simultaneous dedication for your Wells Federal Well No. 15 located 810 feet from the North line and 460 feet from the West line, NW/4 of Section 5, Township 25 South, Range 37 East, Jalmat Gas Pool, Lea County, New Mexico.

By authority granted me under the provisions of Rule 3, Section 1 of Division Order No. R-1670, the above-described unorthodox location is hereby approved, and is to be simultaneously dedicated to the existing 160-acre non-standard gas proration unit comprising the NW/4 of Section 5 with your Wells Federal Well No. 4 located in Unit F of said section, both wells in Township 25 South, Range 37 East, Lea County, New Mexico.

Further, you are hereby permitted to produce the allowable from any of the wells on the proration unit in any proration.

Sincerely,



JOE D. RAMEY,
Director

JDR/bok

cc: Oil Conservation Division - Aztec
Oil & Gas Engineering Committee - Hobbs
Bureau of Land Management - Farmington

MAY 24 1984

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION AT**

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

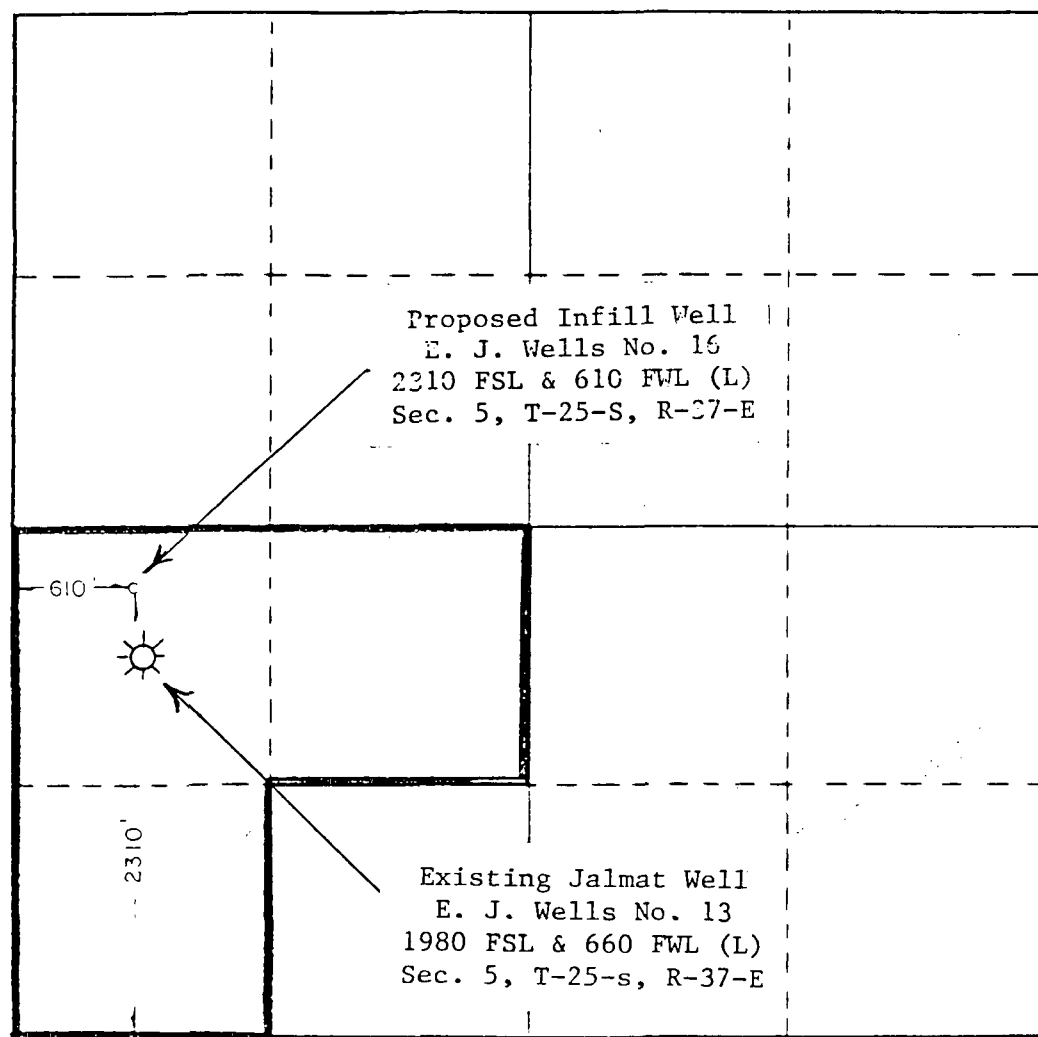
| | | | | | |
|---|--|-----------------------------|-----------------------------|--|-----------------------|
| Operator DOYLE HARTMAN | | | Lease E. J. WELLS | | Well No. 16 |
| Init Letter E | Section 5 | Township 25 SOUTH | Range 37 EAST | County CLAY | |
| Actual Footage Location of Well: 2310 feet from the SOUTH line and 610 feet from the WEST line | | | | | |
| Ground Level Elev. 5219.7 | Producing Formation YATES-SEVEN RIVERS | | Pool JALMAT (GAS) | Dedicated Acreage: 120 Acres | |

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
Larry A. Nommey

Position
Engineer

Company
Doyle Hartman

Date
May 29, 1984

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 knowledge and belief.

Date Surveyed
APRIL 30, 1984

Registered Professional Engineer
and/or Land Surveyor

Certificate No. **JOHN W. WEST, 576**
RONALD J. EIDSON, 3239

APR 24 1984



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

June 22, 1984

Doyle Hartman
Oil Operator
P.O. Box 10426
Midland, Texas 79702

Attention: Michelle Hembree

Administrative Order NSL-1823

Gentlemen:

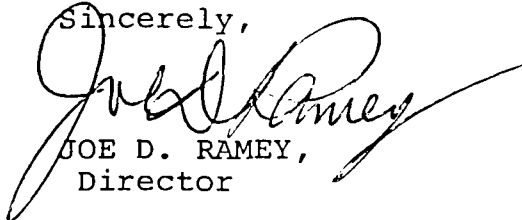
Reference is made to your application for a non-standard location and simultaneous dedication for your E. J. Well No. 16 located 2310 feet from the South line and 610 feet from the West line of Section 5, Township 25 South, Range 37 East, JALMAT Gas Pool, Lea County, New Mexico.

By authority granted me under the provisions of Rule 3, Section 1 of Division Order No. R-1670, the above-described unorthodox location is hereby approved, and is to be simultaneously dedicated to the existing 120-acre non-standard gas proration unit comprising the W/2 SW/4 and NE/4 SW/4 of Section 5 with your E. J. Well No. 13 located in Unit L of said Section, both wells in Township 25 South, Range 37 East, Lea County, New Mexico.

JUN 28 1984

Further, you are hereby permitted to produce the allowable from any of the wells on the proration unit in any proportion.

Sincerely,

A handwritten signature in dark ink, appearing to read "Joe D. Ramey", written over the typed name and title.

JOE D. RAMEY,
Director

JDR/RLS/dp

cc: Oil Conservation Division - Hobbs
Oil & Gas Engineering Committee - Hobbs
Bureau of Land Management - Hobbs

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form No. 1
Supersedes Form
No. 1-1-1-1-1-1

New SDX

All distances must be from the outer boundaries of the Section

| | | | | | | | | |
|------------------------------------|---------------------|-------------------------------------|----------------------------------|-----------------------------|--|------------------------------------|--|--|
| Owner DOYLE HARTMAN | | | Lease WELLS "B5" | | | Section 2 | | |
| Section G | Section 5 | Township 25 SOUTH | Range 37 EAST | County LEA | | | | |
| Location of Well | | | | | | | | |
| 1552 feet from the NORTH line and | | | 2230 feet from the EAST line and | | | | | |
| Ground Level Elev 3249.1 | | Producing Formation Yates | | Pool Jalmat (Gas) | | Producing Formation 160* | | |

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (such as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

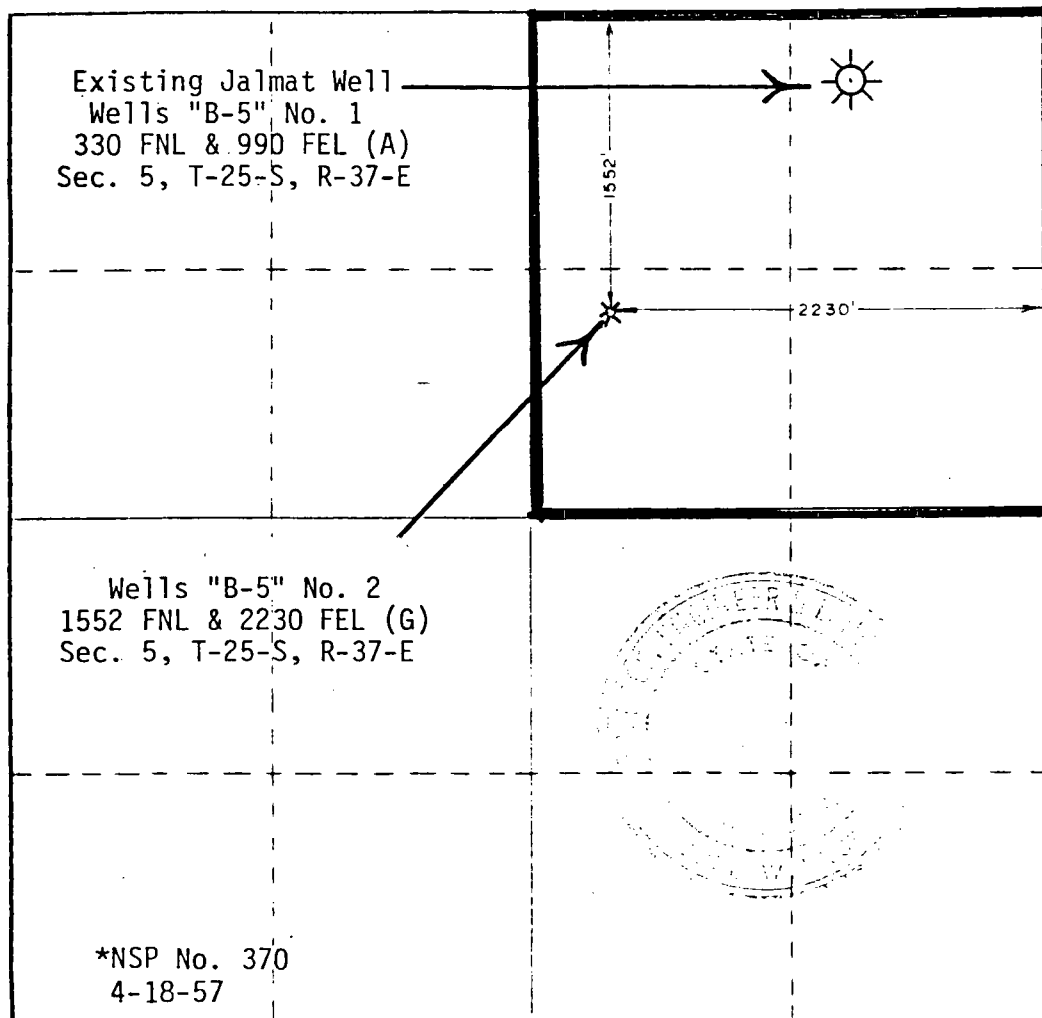
Communitization Agreement
(14-08-0001-3889)

☒ Yes ☐ No If answer is "yes," type of consolidation

** Please see reverse side

If answer is "no," list the owners and tract descriptions which have actually been consolidated (on reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



*NSP No. 370
4-18-57

CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

By: *Lang A. Romero*

Engineer

Engineer

Doyle Hartman

September 8, 1982

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 knowledge and belief.

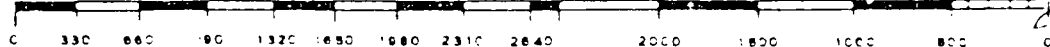
Date

10/04/82

Registered Professional Engineer and State Surveyor

John W. West

Certificate No. **JOHN W. WEST 676**
PATRICK A. ROMERO 6663
Ronald J. Eidson 3239



MEXICO OIL CONSERVATION COMMISSION
Well Location and Acreage Dedication Plat

Revised 5/1/57

Section A.

Date August 2, 1957

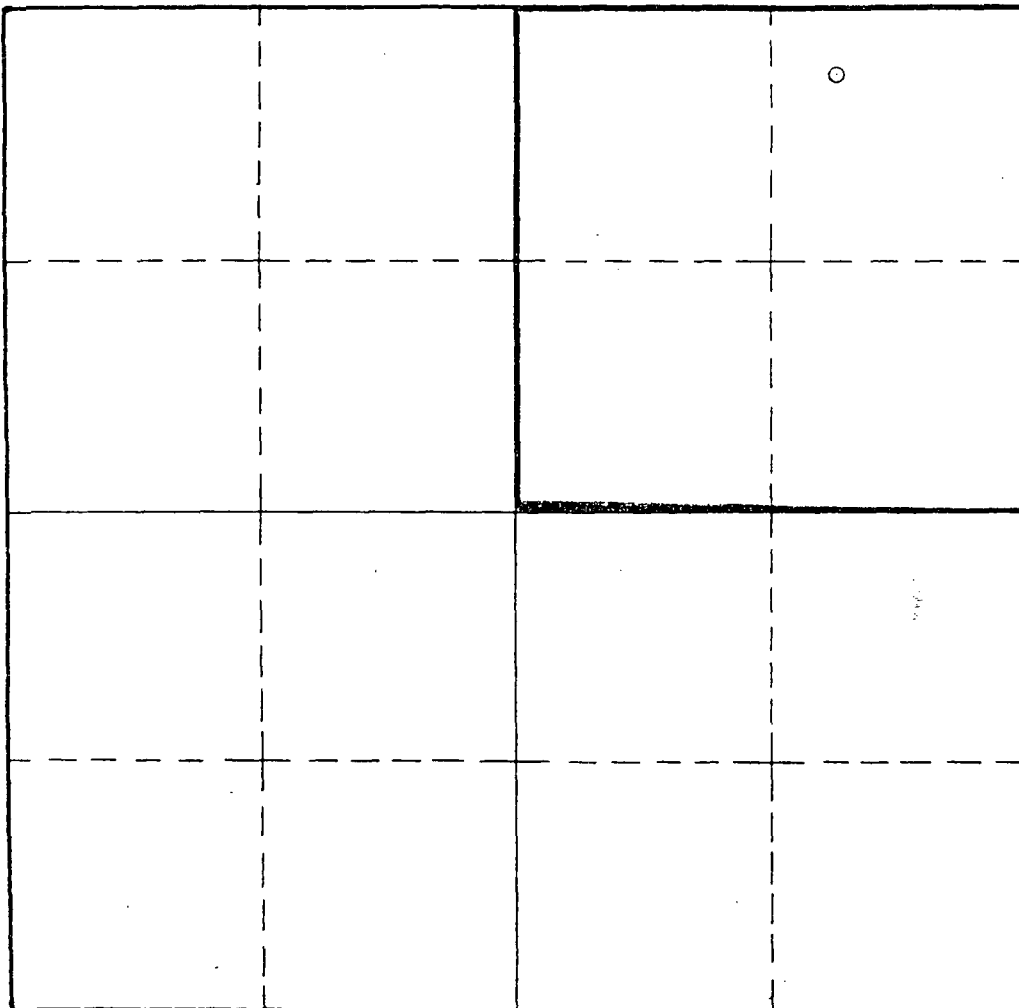
Operator El Paso Natural Gas Company Lease Wells 3-5
Well No. 1 Unit Letter A Section 5 Township 25 S Range 37 E NMPM
Located 330 Feet From North Line, 990 Feet From East Line
County Lea G. L. Elevation 3262 Dedicated Acreage 160 Acres
Name of Producing Formation Yates Pool Jalmat

1. Is the Operator the only owner* in the dedicated acreage outlined on the plat below?
Yes No X.
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes X No . If answer is "yes," Type of Consolidation Communitization Agreement dated February 1, 1957
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner

Land Description

Section. B



This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

El Paso Natural Gas Company

(Operator)

Loyd E. Baskin
(Representative)

Loyd E. Baskin

501 Wilco Building; Midland, Texas
Address

This is to certify that the well location shown on the plat in Section B 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 knowledge and belief.

Date Surveyed

Registered Professional
Engineer and/or Land Surveyor.

Certificate No.

(See instructions for completing this form on the reverse side)

El Paso Natural Gas Company

El Paso, Texas
April 1, 1957

to Hottel OCC

NSP 370

due 5-9-57

New Mexico Oil and Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr.

Re: Application of El Paso Natural Gas Company for Administrative Approval for a 160.25 acre Non-Standard Gas Proration Unit in the Jalmat Gas Pool for the Westates Petroleum Corporation Wells B-5 #1 Gas Well which is located in Lot 1 of Section 5, Township 25 South, Range 37 East, N.M.P.M. Lea County, New Mexico

Gentlemen:

El Paso Natural Gas Company respectfully requests Administrative Approval under the provisions of Rule 5(a) and 5(b) of Order No. R-520 for a Non-Standard Gas Proration Unit of 160.25 acres, more or less, consisting of Lots 1, 2, and the S/2 NE/4 of Section 5, Township 25 South, Range 37 East, N.M.P.M. Jalmat Gas Pool, Lea County, New Mexico, and in support thereof states the following facts:

1. That effective as of April 1, 1957, Lots 1, 2, and the S/2 NE/4 of Section 5, Township 25 South, Range 37 East, N.M.P.M. was communitized in order to form a 160.25 acres, more or less, Non-Standard Proration Unit for the Wells B-5 #1 Gas Well.
2. That El Paso Natural Gas Company is the Operator of said communitized tract.
3. That the Westates Petroleum Corporation Wells B-5 #1 Gas Well was drilled at a location of 330 feet from the North line and 990 feet from the East line of Section 5, Township 25 South, Range 37 East, N.M.P.M. and was completed on February 13, 1939 at a total depth of 3556 feet and was plugged back to 3380 feet. A deliverability test was taken on this well on June 26, 1954 and the well gaged 2,661 M.C.F.
4. That this well was completed and producing from the Yates and Upper Seven Rivers Formations prior to September 1, 1954, which is the effective date of the Special Rules for the Jalmat Gas Pool.
5. That Rule 5(a) of Order No. R-520 pertaining to the Special Rules of the Jalmat Gas Pool grants a maximum tolerance of 330 feet in respect to spacing requirements for wells drilled and producing prior to the effective date of said order.
6. That the acreage to be dedicated to this proposed Non-Standard Gas Proration Unit will substantially comply with the maximum acreage allowed under the Provisions of Rule 5(a) of Order No. R-520 with respect to the well location plus the allowed tolerances.

April 1, 1957

Page #2

7. That the proposed Non-Standard Gas Proration Unit will meet the requirements of Rule 5(b) of Order No. R-520 in that the proposed unit consists of contiguous quarter-quarter sections within a single governmental section, that the length or width thereof does not exceed 5280 feet, and that the entire area of the proposed unit lies within the horizontal limits of the Jalmal Gas Pool and may reasonably be presumed to be productive of gas.

8. That by a copy of this Letter of Application, all of the other operators owning an interest in the section in which the proposed Non-Standard Proration Unit is situated and all operators owning an interest within 1500 feet of the well have by registered mail been notified.

9. That a plat showing the acreage to be dedicated to the proposed Non-Standard Gas Proration Unit, the location of the said well, and the offset ownership is attached hereto.

10. El Paso Natural Gas Company intends to use said well as the unit well.

In view of the existence of the facts herein stated and in compliance with the provisions of Rule 5(b) of Order No. R-520, El Paso Natural Gas Company requests Administrative Approval of said proposed 160.25 acre Non-Standard Gas Proration Unit.

Respectfully submitted,

EL PASO NATURAL GAS COMPANY

BY


R. L. Hamblin, Manager
Lease Department

STATE OF TEXAS X
 X SS.:
COUNTY OF EL PASO X

On this 5th day of April, 1957, before me personally appeared R. L. Hamblin, to me known to be the person who executed the foregoing letter and states that the foregoing statements are true to the best of his knowledge and belief.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on this day and year first above written.

My Commission Expires:

June 1, 1957

Helen Adams
Notary Public in and for El Paso County,
State of Texas

HELEN ADAMS

Notary Public, in and for El Paso County, Texas
My commission expires June 1, 1957

Registered Mail

cc:

New Mexico Oil Conservation Commission (3)
P. O. Box 871
Santa Fe, New Mexico

First Chicago Corporation
First National Bank Building
Chicago 90, Illinois

Anderson Prichard Oil Corporation
Liberty Bank Building
Oklahoma City, Oklahoma

Indian Petroleum Company
391 Sutter Street
San Francisco 8, California

Co-operative Refinery Association
P. O. Box 2359
Kansas City, Missouri

R. Olsen Oil Company
Liberty Bank Building
Oklahoma City, Oklahoma

Westates Petroleum Corporation
391 Sutter Street
San Francisco 8, California

Plains Production Company
1110 Tower Petroleum Building
Dallas, Texas

Mr. R. Olsen
Liberty Bank Building
Oklahoma City, Oklahoma

Sinclair Oil and Gas Company
P. O. Box 1470
Midland, Texas

Stanolind Oil and Gas Company
P. O. Box 591
Tulsa, Oklahoma

Western Natural Gas Company
1006 Main Street
Houston, Texas

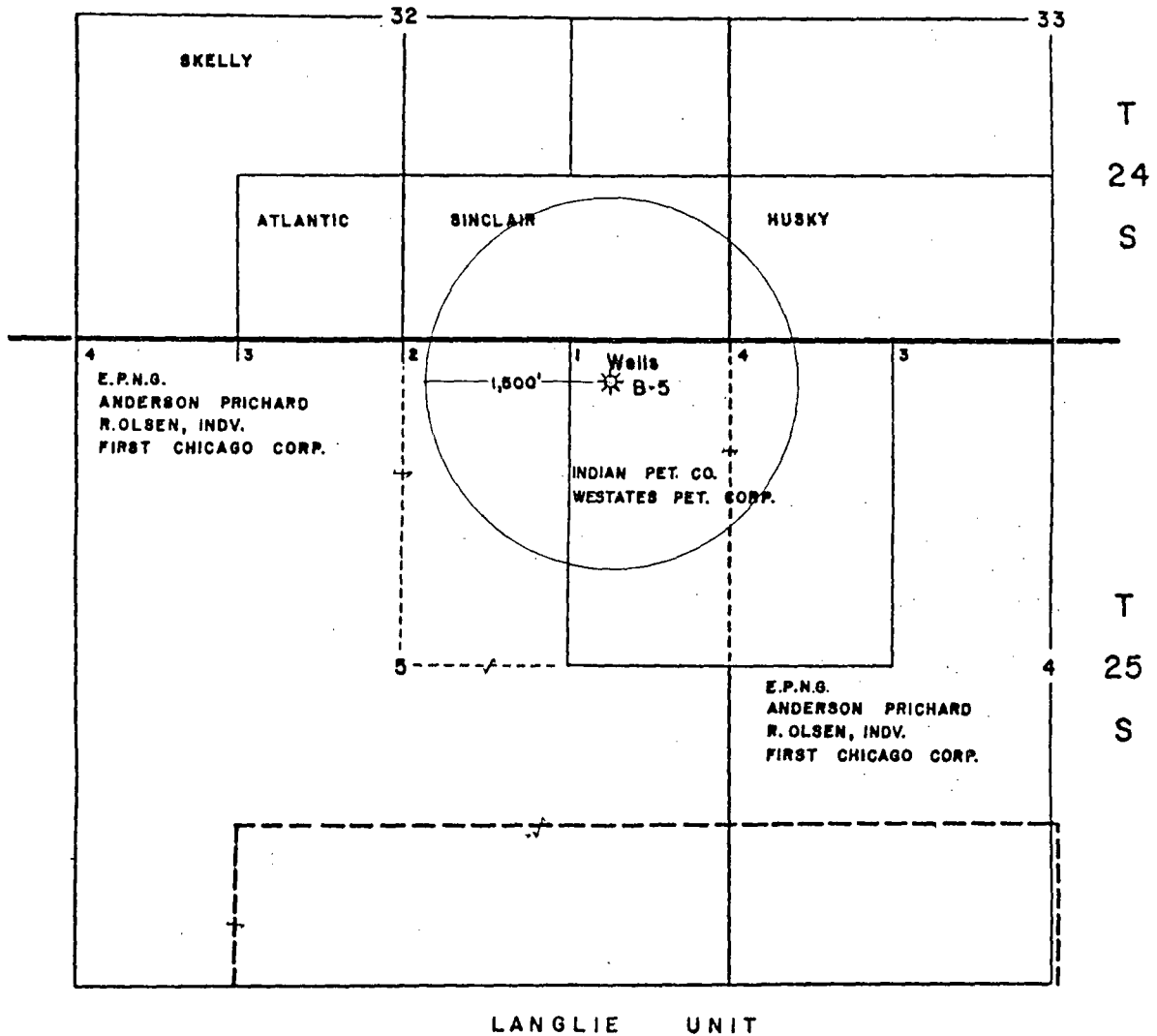
Langlie Unit Planning Committee
c/o Anderson Prichard Oil Corporation
Liberty Bank Building
Oklahoma City, Oklahoma
Attention: Mr. C. T. McClure

Huskey Oil Company
309 Wilkinson-Foster Building
Midland, Texas

Mr. Julian E. Simon
1025 Fort Worth National Bank Building
Fort Worth, Texas

Plan - Aug 2
yes

R 37 E



NE EXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION . LAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

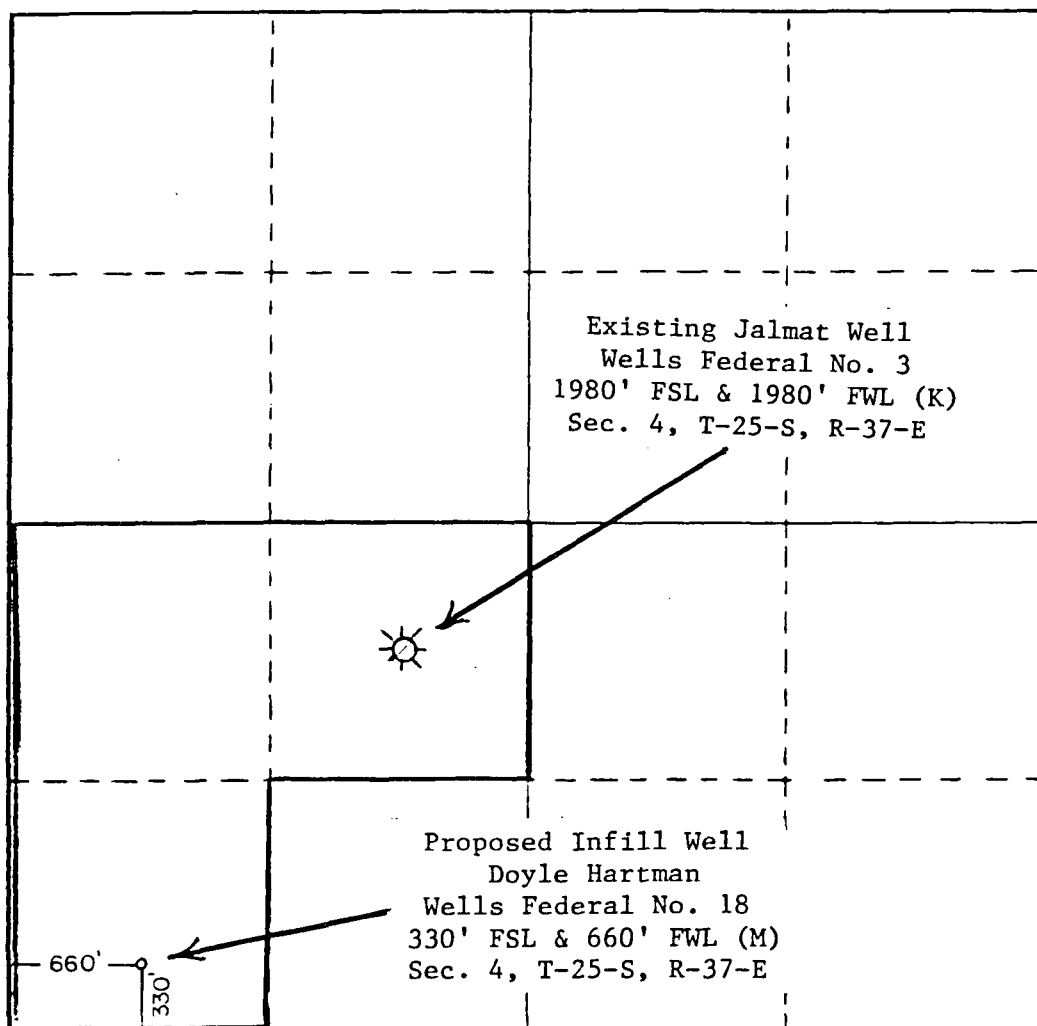
| | | | | |
|--|---|------------------------|---------------------------------|----------------|
| Operator DOYLE HARTMAN | | Lease WELLS FEDERAL | | Well No. 18 |
| Unit Letter M | Section 4 | Township 25 SOUTH | Range 37 EAST | County LEA |
| Actual Footage Location of Well: 330 feet from the SOUTH line and 660 feet from the WEST line | | | | |
| Ground Level Elev. 3189.9 | Producing Formation YATES-SEVEN RIVERS | Pool JALMAT (GAS) | Dedicated Acreage: 120 Acres | |

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Existing C.A. SW-147

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name Larry G. Norman

Position
Engineer

Company
Doyle Hartman

Date
Nov 21, 1984

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 knowledge and belief.

Date Surveyed
OCTOBER 16, 1984

Registered Professional Engineer and/or Land Surveyor

John W. West
Certificate No JOHN W. WEST, 676
RONALD J. EIDSON, 3239



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONY ANAYA
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

December 3, 1984

Doyle Hartman
Oil Operator
P.O. Box 10426
Midland, Texas 79702

Attention: Michelle Hembree

Amended
Administrative Order NSL-1936

Gentlemen:

Reference is made to your application for a non-standard location and simultaneous dedication for your Wells Federal Well No. 18 located 330 feet from the South line and 660 feet from the West line N/2 SW/4 and SW/4 SW/4 of Section 4, Township 25 South, Range 37 East, Jalmat Gas Pool, Lea County, New Mexico.

By authority granted me under the provisions of Rule 104 FI of the Division Rules and Regulations, the above-described unorthodox location is hereby approved, and is to be simultaneously dedicated to the existing 120-acre non-standard gas proration unit comprising the N/2 SW/4 and SW/4 SW/4 of Section 4 with your Wells Federal Well No. 3 located in Unit K of said section, both wells in Township 25 South, Range 37 East, Lea County, New Mexico.

Further, you are hereby permitted to produce the allowable from any of the wells on the proration unit in any proportion.

Sincerely,

R. L. STAMETS,
Director

RLS/dp

cc: Oil Conservation Division - Aztec
Oil & Gas Engineering Committee - Hobbs
Bureau of Land Management - Farmington

DEC 7 1984



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONY ANAYA
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

November 16, 1984

Doyle Hartman
Oil Operator
P.O. Box 10426
Midland, Texas 79702

Attention: Michelle Hembree

Administrative Order NSL-1936

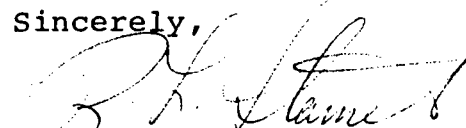
Gentlemen:

Reference is made to your application for a non-standard location and simultaneous dedication for your Wells Federal Well No. 18 located 330 feet from the South line and 660 feet from the West line N/2 SW/4 and SW/4 SW/4 of Section 5, Township 25 South, Range 37 East, Jalmat Gas Pool, Lea County, New Mexico.

By authority granted me under the provisions of Rule 104 FI of the Division Rules and Regulations, the above-described unorthodox location is hereby approved, and is to be simultaneously dedicated to the existing 120-acre non-standard gas proration unit comprising the N/2 SW/4 and SW/4 SW/4 of Section 5 with your Wells Federal Well No. 3 located in Unit K of said section, both wells in Township 25 South, Range 37 East, Lea County, New Mexico.

Further, you are hereby permitted to produce the allowable from any of the wells on the proration unit in any proportion.

Sincerely,


R. L. STAMETS,
Director

RLS/dp

cc: Oil Conservation Division - Aztec
Oil & Gas Engineering Committee - Hobbs
Bureau of Land Mangement - Farmington

NOV 21 1984

**MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

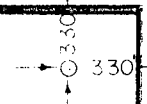
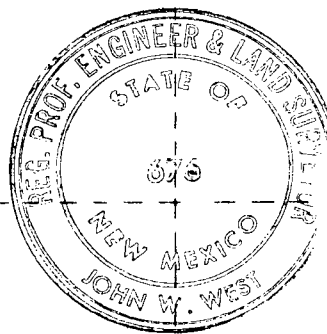
| | | | | | |
|---|--|-----------------------------|--|----------------------|----------------------|
| Operator DOYLE HARTMAN | | | Lease Langlie-Jal-Federal | | Well No. 1 |
| Unit Letter A | Section 8 | Township 25 South | Range 37 East | County Lea | |
| Actual Footage Location of Well: <div style="display: flex; justify-content: space-between; align-items: center;"> 330 feet from the north line and 330 feet from the east line </div> | | | | | |
| Ground Level Elev. 3199.2 | Producing Formation Yates - Seven Rivers | Pool Jalmit (Gas) | Dedicated Acreage: 160 Acres | | |

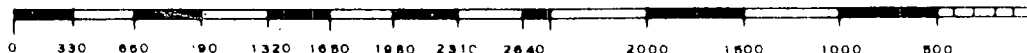
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes;" type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

| | | | |
|--|--|---|---|
| Doyle Hartman W. I. 100% United States of America R. I. 12.5% | Doyle Hartman W. I. 100% United States of America R. I. 12.5% | <div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> NM - 4353  </div> <div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> LC-032511-E </div> <div style="text-align: center;">  </div> | <p align="center">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><i>Doyle Hartman</i> Name DOYLE HARTMAN</p> <p>Position Operator - Part Owner</p> <p>Company Individual</p> <p>Date 6-20-77</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 knowledge and belief.</p> <p>Date Surveyed Jan. 20, 1977</p> <p>Registered Professional Engineer and/or Land Surveyor <i>John W. West</i> Certificate No. 676</p> |
|--|--|---|---|



NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form O-12
Supersedes O-12A
Effective 1-1-65

Now i Doyle Hartman

distances must be from the outer boundaries of the Section.

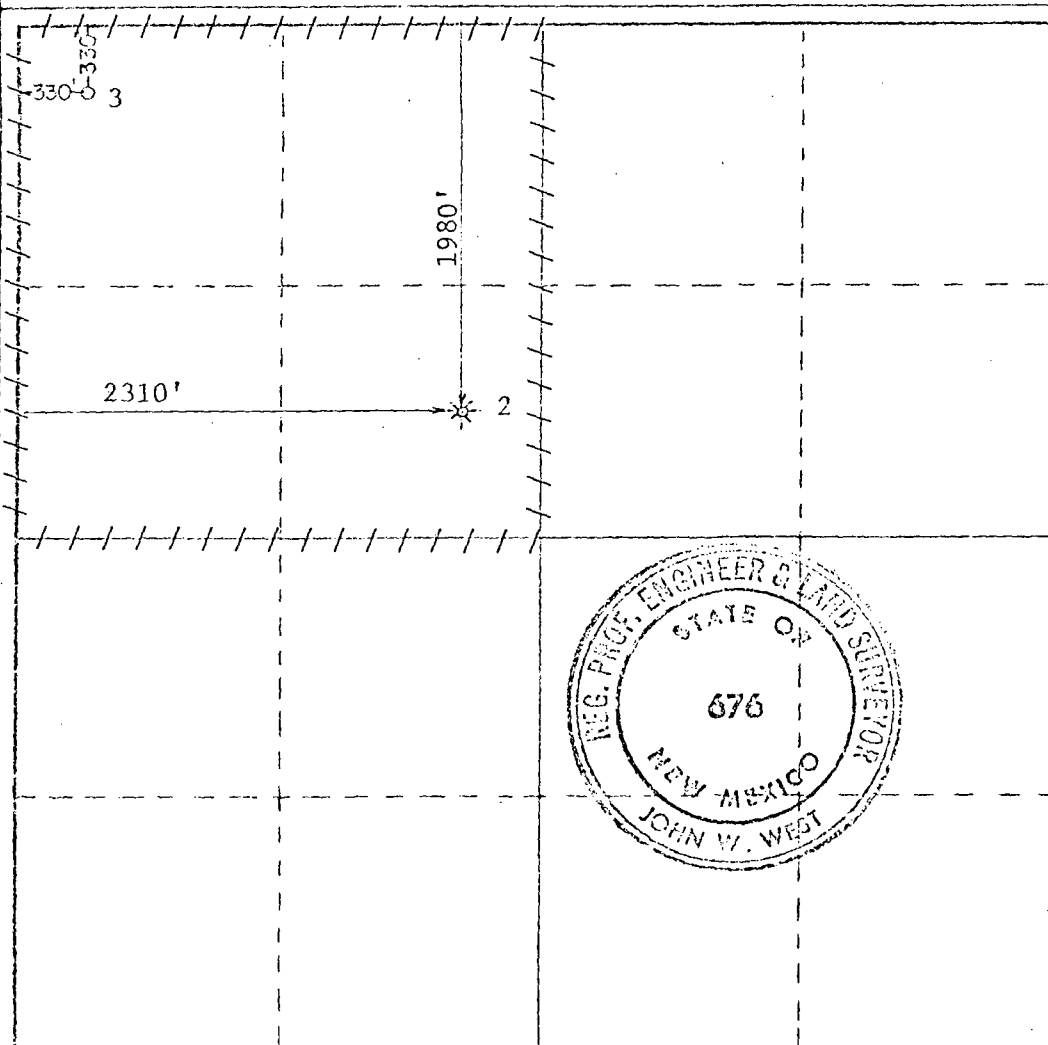
| | | | | |
|--|-------------------------------|---------------------------|--------------------------|--------------------|
| Operator Division of Atlantic Richfield Co. ARCO Oil & Gas Co. | | Lease F.M. Burleson WN | | Well No. 3 |
| Unit Letter D | Section 8 | Township 25 South | Range 37 East | County Lea |
| Actual Footage Location of Well: | | | | |
| 330 | feet from the North | line and | 330 | feet from the West |
| Ground Level Elev. 3177.2 | Producing Formation Jalmat | Pool Jalmat Gas | Dedicated Acreage 160 | |

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

By *W.D. McDaniel*
Position For: LEROY LANE
Dist. Drlg. Supt.
ARCO Oil and Gas Company,
Division of Atlantic Richfield Company

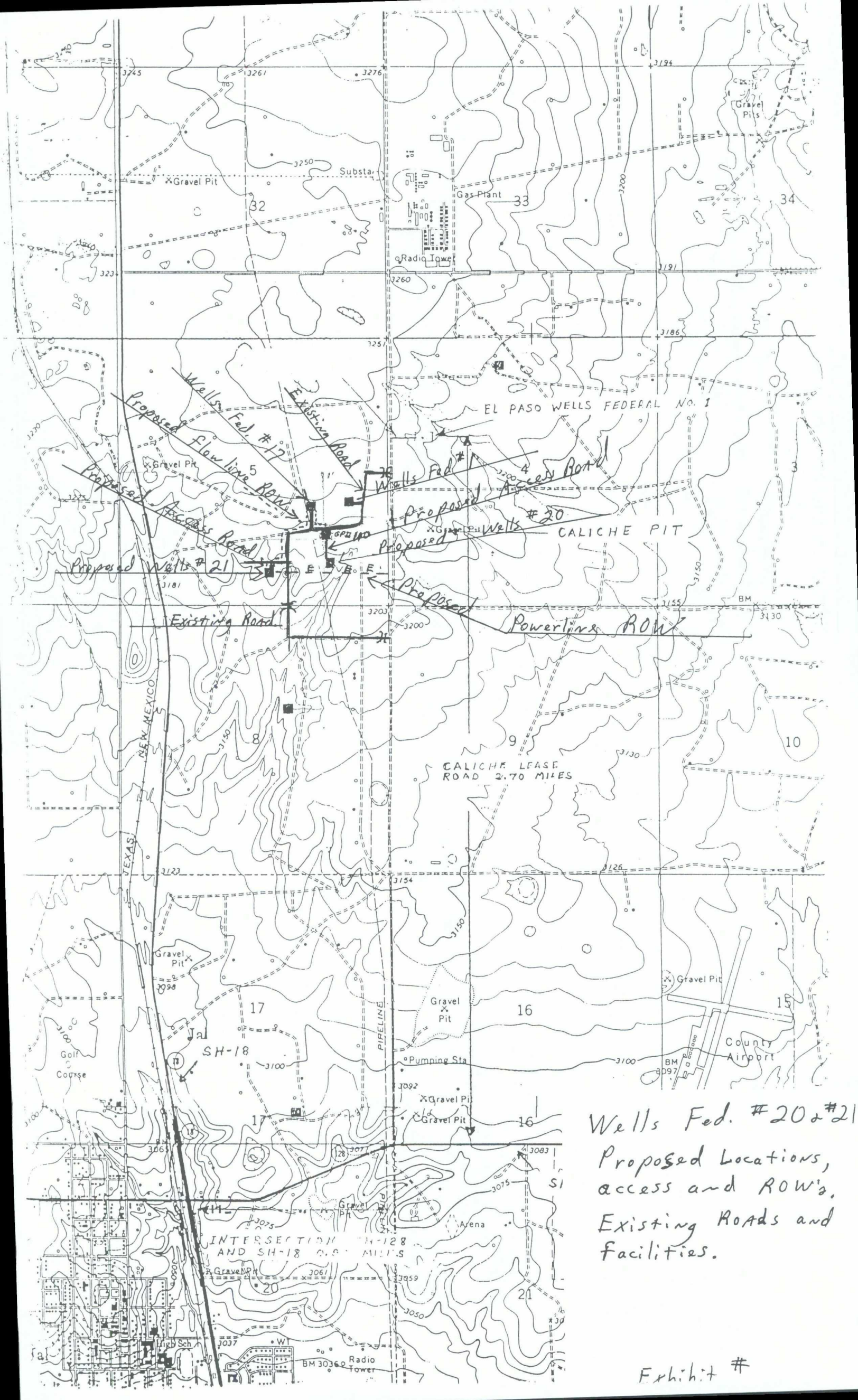
Date
6/13/80

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 knowledge and belief.

Date Surveyed
May 21, 1980

Registered Professional Engineer
and/or Land Surveyor

John W. West
Certificate No. JOHN W. WEST
PATRICK A. ROMERO
Ronald J. Eldon



Wells Fed. #20 & #21
Proposed Locations,
access and ROW's,
Existing Roads and
Facilities.

Exhibit #

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTSUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☒

OTHER

SINGLE
ZONE ☒MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

SDX Resources, Inc.

3. ADDRESS AND TELEPHONE NO.

PO Box 5061, Midland, TX 79704 915/685-1761

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)

At surface 660' FSL, 2310' FEL, Unit O

At proposed prod. zone
Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

2 miles NE of Jal

15. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

660' / 330'

16. NO. OF ACRES IN LEASE

838.70

17. NO. OF ACRES ASSIGNED
TO THIS WELL

200

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

330'

19. PROPOSED DEPTH

3200'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3205' GR

22. APPROX. DATE WORK WILL START*

05/01/99

23.

PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | GRADE, SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|-----------------------|-----------------|---------------|-----------------------------|
| 12-1/4" | 8-5/8" J55 | 24# | 450' | 350 sx Class C |
| 7-7/8" | 4-1/2-5-1/2 J55 | 9.5-17# | 3200' | 400 sx Lite, 200 sx Class C |
| | | | | |

Plan to drill 12-1/4" hole to appx 450'. Set 8-5/8" surface csg. Circ Class C cmt. Drill 7-7/8" hole to 3200'. Set 4-1/2" or 5-1/2" csg & circ cmt. Perforate Yates gas zone & stimulate as necessary for optimum production.

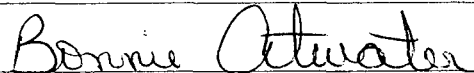
Specific Programs:

- Exhibit #1: BOP Diagram
- Exhibit #2: Survey Plat
- Exhibit #3: Existing & Proposed Roads Map
- Exhibit #4: Producing Well Area Map
- Exhibit #5: Drill Site Layout
- Exhibit #6: Letter of Request from Surface Owner

IN ABOVE SPACE DESCRIBE PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED



TITLE Regulatory Tech.

DATE 03/03/99

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

TITLE

DATE

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
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

MAR 11 1999

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

| | | |
|------------------------|--------------------------------------|-------------------------|
| API Number | Pool Code 79240 | Pool Name Jalmat Gas |
| Property Code 23990 | Property Name WELLS FEDERAL | Well Number 21 |
| GRID No. 020451 | Operator Name SDX RESOURCES, INC. | Elevation 3205. |

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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| 0 | 5 | 25-S | 37-E | | 660 | SOUTH | 2310 | EAST | LEA |

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 WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

| | | | | | |
|----|--|--|--|--|--|
| 16 | | | | | 17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Bonnie Atwater Printed Name Regulatory Tech Title March 4, 1999 Date |
| | | | | | |
| | | | | | |
| | | | | | 18 SURVEYOR CERTIFICATION 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. FEBRUARY 18, 1999 Date of Survey Signature and Seal of Professional Surveyor: DAN R. REDDY REGISTERED PROFESSIONAL SURVEYOR NEW MEXICO 5412 NM PEERS NO. 5412 |
| | | | | | |
| | | | | | |

Handwritten notes on the plat:
#17
1980' FSL
1450' FEL
(28850)
#1
1980' FSL
660' FEL
(11462) P
2310'
660'

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

November 11, 1957

El Paso Natural Gas Company
Box 1492
El Paso, Texas

Attention: Sam Smith, Manager

Administrative Order NSP-400

Gentlemen:

Reference is made to your application for approval of a 200-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the following acreage:

Township 25 South, Range 37 East
Section 5: SE/4 and SE/4 SW/4

It is understood that this unit is to be ascribed to your Wells Federal Well No. 1, located 1930 feet from the South line and 660 feet from the East line of said Section 5.

By authority granted me under provisions of Rule 5, Section (b) of the Special Rules and Regulations for the Jalmat Gas Pool, as set forth in Order R-320, you are hereby authorized to operate the above described acreage as a non-standard gas proration unit, with allowable to be assigned thereto in accordance with Rule 3 of the pool rules, based upon the unit size of 200 acres, and NSP 266, establishing a 160-acre non-standard proration unit for the subject well is hereby cancelled.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

DSN:cmg

cc: Oil Conservation Commission - Hobbs
New Mexico Oil & Gas Engineering Committee - Hobbs
El Paso Natural Gas - Jal
El Paso Natural Gas - El Paso
New Mexico State Land Office (Mrs. Rhea)



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONY ANAYA
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

August 17, 1984

Doyle Hartman
P. O. BOX 10426
Midland, Tx 79702

Attention: Michelle Hembree, Administrative Assistant

Amended
Administrative Order NSP-400(L) (SD)

Gentlemen:

Reference is made to your application for a 200-acre non-standard proration unit consisting of the following acreage in the Jalmat Gas Pool:

Lea County, New Mexico
Township 25 South, Range 37 East
Section 5: SE/4 and SE/4 SW/4

It is my understanding that this unit is to be simultaneously dedicated to your Wells Federal No. 1 located 1980 feet from the South line and 660 feet from the East line and your Wells Federal No. 17 located at an unorthodox location 1980 feet the South line and 1450 feet from the East line of said Section 5 hereby approved under provisions of Rule 3 of Order No. R-1670.

By authority granted me under the provisions of Rule 5 (C) 3 of Order No. R-1670, the above non-standard proration unit is hereby approved.

It should be noted that NSP-400 has been amended to simultaneously dedicate Wells Federal No. 17, drilled at an unorthodox location, and the existing well to the said proration unit.

Sincerely,

Joe D. Ramey

OCD - Hobbs
NM Oil & Gas Engineering Committee - Hobbs
NM State Land Office