

# GALLEGOS LAW FIRM

A Professional Corporation

460 St. Michael's Drive  
Building 300  
Santa Fe, New Mexico 87505  
Telephone No. 505-983-6686  
Telefax No. 505-986-1367  
Telefax No. 505-986-0741

OIL CONSERVATION DIV.

99 NOV -9 AM 10:32

November 9, 1999  
(Our File No. 99-1.80)

J.E. GALLEGOS \*

## VIA HAND-DELIVERY

Lori Wrotenbery, Director  
New Mexico Oil Conservation Division  
2040 South Pacheco  
Santa Fe, New Mexico 87505

Re: Applications of SDX Resources, Inc. for Simultaneous Dedication of  
Multiple Infill Wells; Administrative Orders **SD-99-14** and **SD-99-15**

Dear Ms. Wrotenbery:

On behalf of Doyle Hartman, we have been provided this date with your Administrative Orders SD-99-14 and SD-99-15 in which the Division has authorized SDX Resources to drill one addition well and produce three Jalmat gas wells on a 120-acre non-standard proration unit in one case and to drill two additional wells and produce four Jalmat gas wells on a 159.95 acre non-standard proration unit in the other. Doyle Hartman, as an offsetting operator of Jalmat gas wells, had filed protests to these applications.

Both Orders rest on the reference that the Jalmat is a prorated gas pool and "the rules currently governing this pool do not contain provisions restricting the number of producing gas wells within a spacing and proration unit;"

The absence of a controlling and waste preventive standard in the pool rules does not open the doors to the rampant and unbridled dense infill drilling underway by SDX Resources. Rules for the prorated gas pools address such subjects as standard GPUs sizes, well locations and the proration procedures (See Order No. R-8170 and amendments). The **law** provides the test and the standard for whether additional wells may or not be drilled on a proration unit. NMSA 1978 Section 70-2-17 provides in pertinent part as follows:

- A. The rules, regulations or orders of the division shall, so far as it is practicable to do so, afford to the owner of each property in a pool the opportunity to produce his just and equitable share of the oil or gas, or both, in the pool, being an amount, so far as can be

practically determined, and so far as such can be practicably obtained without waste, substantially in the proration that the quantity of the recoverable oil or gas, or both, under such property bears to the total recoverable oil or gas, or both, in the pool, and for this purpose to use his just and equitable share of the reservoir energy.

- B. The division may establish a proration unit for each pool, such being the area that can be efficiently and economically drained and developed by one well such being the area that can be efficiently and economically drained and developed by one well, and in so doing the division shall consider the economic loss caused by the drilling of unnecessary wells, the protection of correlative rights, including those of royalty owners, the prevention of waste, the avoidance of the augmentation of risks arising from the drilling of an excessive number of wells, and the prevention of reduced recovery which might result from the drilling of too few wells. (Emphasis added).

The practice has been in the past, obviously in recognition of the legislative mandate in the Oil & Gas Act, that where an administrative application for an infill well is the subject of protest by an interested party, the applicant must establish at a hearing that the proration unit cannot be efficiently and economically drained by the existing well or wells and that correlative rights of others are protected while waste is prevented.

The reasoning of the Division underlying these two Orders invites a ruinous "Spindle top" drilling stampede. Hartman has operated in the Jalmat gas pool for twenty-five years (not six months like SDX or Raptor Resources) and his studies and those of an independent expert demonstrate that the subject proration units are being drained efficiently and economically by the existing wells. Of course, the technical data and study means something only if the Division takes into account the requirements of Section 70-2-17, supra. If the silence of the pool rules control over the law, then why have an application for simultaneous dedication? Why have notice to offset operators? Why spend the time and money to issue Administrative Orders? The Division has declared that any operator can *de facto* down-space any prorated pool by completing and producing as many wells on a proration unit as it pleases.

Indeed, it appears that some operators, such as SDX, already understand that a request for simultaneous dedication is a mere formality. The Hobbs District weekly activity report (a copy of the page dated November 5, 1999 is attached) show that the drilling of the Wells Federal No. 22 and 23 were approved October 27, 1999, even

Lori Wrotenbery, Director  
November 9, 1999  
Page 3

though the application was not filed at the Division until October 12<sup>th</sup> and the approval Order SD-99-15 issued yesterday, November 8<sup>th</sup>.

We urgently request that the Division reconsider the subject Orders; that upon doing so, it vacate the Orders and set the SDX applications for appropriate public hearing. We will appreciate a most prompt reply.

Sincerely,

GALLEGOS LAW FIRM, P.C.

By   
J.E. GALLEGOS

JEG:sa

cc: Rand Carroll, Legal Counsel, NMOCD  
Larry Kehoe, Assistant Commissioner, State Land Office  
Chuck Morgan, SDX Resources, Inc.  
Doyle Hartman

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2040 South Pacheco  
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Sincerely,

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By   
J.E. GALLEGOS

JEG:sa

cc: Rand Carroll, Legal Counsel, NMOCD  
Larry Kehoe, Assistant Commissioner, State Land Office  
Chuck Morgan, SDX Resources, Inc.  
Doyle Hartman

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Telefax No. 505-986-0741

October 14, 1999  
(Our File No. 99-1.80)

J.E. GALLEGOS \*

## VIA HAND-DELIVERY

Lori Wrotenbery, Director  
Michael Stogner, Chief Hearing Examiner  
New Mexico Oil Conservation Division  
2040 South Pacheco  
Santa Fe, New Mexico 87505

Re: SDX's Applications for simultaneous Dedication and for Unorthodox Well Locations

Dear Ms. Wrotenbery and Mr. Stogner:

Enclosed please find protest letters from Doyle Hartman on the above referenced matter. Please notify us of an examiner hearing that will be scheduled regarding those applications.

If you have any questions, please do not hesitate to contact our office. Thank you for your cooperation.

Sincerely,

GALLEGOS LAW FIRM, P.C.

By

  
J. E. GALLEGOS

JEG:sa  
Enclosures  
fxc: Doyle Hartman

OIL CONSERVATION DIV.  
99 OCT 14 PM 10:24

**DOYLE HARTMAN**

*Oil Operator*

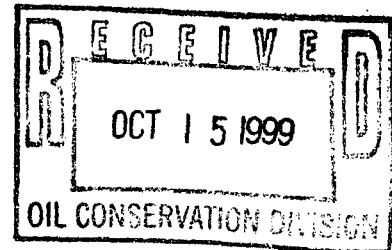
500 NORTH MAIN

P.O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

(915) 682-7616 FAX



Via FedEx and Facsimile (505) 827-8177

~~October 13, 1999~~

Lori Wrotenberg, Director  
New Mexico Oil Conservation Division  
2040 South Pacheco  
Santa Fe, NM 87505

Re: SDX's Package of Four Applications for Simultaneous Dedication and for  
Unorthodox Well Locations, Where Applicable  
Langlie Jal Unit Area  
Jalmat Gas Pool  
T-24-S and T-25-S, R-37-E  
Lea County, New Mexico

Dear Ms. Wrotenberg:

Reference is made to SDX Resources Inc.'s (SDX's) single package containing four Jalmat gas pool infill drilling applications dated September 8, 1999, September 9, 1999, September 16, 1999, and September 17, 1999, covering five wells, which was received by us, by certified mail, on October 12, 1999. The five new Jalmat wells being proposed by SDX, in its four applications, offset the five following Hartman-operated Jalmat Gas Pool leases situated within the boundaries of the 3748.06-acre Langlie Jal Unit (LJU), T-24-S and T-25-S, R-37-E, Lea County, New Mexico.

Martin "B" No. 1  
F-31-24S-37E  
NW/4 Section 31, T-24-S, R-37-E  
Lea County, New Mexico  
160-acres

J.W. Sherrell No. 9  
J-31-24S-R-37-E  
SE/4 Section 31, T-24-S, R-37-E  
Lea County, New Mexico  
160-acres



Skelly M State No. 4  
L-32-24S-37-E  
SW/4 Section 32, T-24-S, R-37-E  
Lea County, New Mexico  
160-acres

J.W. Sherrell No. 10  
C-6-25S-37E  
E/2SW/4 Section 31, T-24-S, R-37-E  
NW/4NE/4 and NE/4NW/4 Section 6  
T-25-S, R-37-E  
Lea County, New Mexico  
160-acres

F.M. Burleson No. 2  
F-8-25S-37E  
NW/4 Section 8, T-25-S, R-37-E  
160-acres

SDX is apparently justifying the drilling of its five newly proposed wells on the grounds that the wells are necessary in order to adequately drain its Jalmat acreage. These wells are as follows:

~~E.J. Well No. 25~~  
K-5-25S-37E

~~Wells Federal No. 22~~  
C-5-25S-37E

~~Wells Federal No. 23~~  
E-5-25S-37E

~~Jalmat Federal Com. No. 2~~  
L-31-24S-37E

~~State "A-32" No. 6~~  
E-32-25S-37E

In addition to the above-listed newly proposed wells, SDX recently drilled and completed the six following Jalmat wells, also situated within the 3748.06-acre unitized area for the Langlie Jal Unit, around and near the same above-described Hartman leases:

Enco State No. 1  
-A-32-24S-37E

State "A-32" No. 5  
D-32-24S-37E

El Paso Wells Federal No. 2  
C-04-25S-37E

Wells Federal No. 21  
O-05-25S-37E

Langlie Jal Federal No. 2  
G-08-25S-37E

Langlie "A" Federal No. 2  
O-17-25S-37E

In regard to SDX's inferred inability to adequately drain its acreage, without dense infill drilling, please find enclosed recent pressure build-up plots for the Hartman-operated J.W. Sherrell No. 10 (C-6-25S-37E) and Skelly M State No. 4 (L-32-24S-37E). In recognition of the fact that the 1927 Jalmat Pool discovery pressure was 1400 psi (Rhodes "A" Federal No. 1 well, in C-22-26S-37E), and notwithstanding the level of depletion presently found in our Skelly M State No. 4 and J.W. Sherrell No. 10 wells, we find it alarming, that SDX, in the later stages of the producing life of the Jalmat pool, has uniquely concluded that there is such poor inter-well pressure communication between Jalmat wells, that one well per 40 acres is necessary in order to adequately drain its Jalmat acreage.

Consequently, please be advised that Doyle Hartman is opposed to any SDX applications that will result in the placement of multiple recent and/or newly proposed wells on a previously existing non-standard Jalmat Gas Proration Unit, since SDX has not established that such concentrated new drilling is necessary in order to efficiently and effectively drain its existing LJU-area Jalmat acreage. Based on our Jalmat Pool experience, the concentrated level of infill drilling being proposed by SDX amounts to unnecessary economic waste and places offset operators in the impossible position of either having to forfeit their correlative rights or, conversely, having to drill a group of defensive wells, that in the aggregate, have no reasonable chance of resulting in an adequate financial return.

As to our Skelly M State No. 4 and J.W. Sherrell No. 10 Jalmat Gas Pool wells, after recently performing CO<sub>2</sub> foam-frac stimulation treatments, we are still in the process of cleaning up both wells in order to meet the more-stringent CO<sub>2</sub> standards that have been imposed by Sid Richardson Carbon and Gasoline Co., for wells near the inlet to its Jal Plant No. 3 (Units E and L, T-24-S, R-37-E), and have not yet been allowed by Sid Richardson to turn our two wells back into Sid Richardson's pipeline. The frac job for our Skelly M State No. 4 was performed on September 20, 1999, and the frac job for our J.W. Sherrell No. 10 was performed on September 30, 1999, at substantial expense and after considerable soul searching, because of the extremely low Jalmat reservoir pressure in the LJU area.

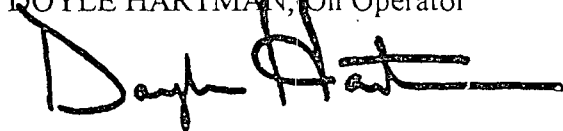
Moreover, we are also puzzled as to how SDX plans, in a timely manner, to get its newly proposed wells into Sid Richardson's LJU area gathering system near Jal Plant No. 3, when our long-time Jalmat producers (Skelly M State No. 4 and J.W. Sherrell No. 10) are still being denied access back into the pipeline because of Sid Richardson's more-stringent CO<sub>2</sub> requirements for wells situated in the LJU area. In addition, we also do not want our leases being affected by SDX, while SDX cleans up any unnecessarily-drilled wells, to the CO<sub>2</sub> levels that have been imposed by Sid Richardson near the inlet to its Jal Plant No. 3.

Therefore, we hereby request that SDX be required to come forward, at a hearing, and (1) provide its estimate of the reserves that it projects will be recovered from each of its five proposed high-density Jalmat infill wells, (2) provide and/or substantiate the reserve parameters (porosity - feet of pay, pressure, drainage area, P/Z data, etc.) that it has relied upon in computing the reserve values for its newly proposed wells within the 3748.06-acre LJU area, (3) provide the economic evaluations and recovery projections that it has performed for internal purposes, promotional packages, investors, bankers, Securities Exchange Commission, etc., and (4) show why one Jalmat well cannot drain significantly more than 40 acres.

Finally, as to SDX's proposed State "A-32" No. 6 well depth of 3500', we are also concerned that SDX may not be aware of NMOCD Order R-4929, dated December 3, 1974 (copy enclosed), that contracted the vertical limits of the Jalmat Gas Pool interval, within the LJU Unitized Area, and that SDX, with its proposed 3500' well depth, may presently have plans to complete its State "A-32" No. 6 well within the vertical limits of the Seven-Rivers formation (now Langlie Mattix Pool), which could potentially result in large volumes of LJU Seven-Rivers injection water cross-flowing into the very low pressure Yates formation, thus further negatively impacting our offset Jalmat gas rights and causing further waste.

Very truly yours,

DOYLE HARTMAN, Oil Operator

A handwritten signature in black ink, appearing to read "Doyle Hartman", written over the typed name.

Doyle Hartman

enclosures

New Mexico Oil Conservation Division  
October 13, 1999  
Page 5

cc: Michael Stogner, Chief Hearing Officer  
New Mexico Oil Conservation Division  
2040 South Pacheco  
Santa Fe, NM 87505

Commissioner of Public Lands  
State of New Mexico  
P.O. Box 1148  
Santa Fe, NM 87504

Chuck Morgan, Petroleum Engineer  
SDX Resources, Inc.  
511 W. Ohio Ave, Suite 601 (79701)  
P.O. Box 5061  
Midland, Texas 79704

ARCO Permian  
P.O. Box 1610  
Midland, TX 79702-1610  
Attn: T.L. Holland, VP Land  
Lee M. Scarborough, Senior Landman

ARCO  
P.O. Box 1089  
Eunice, NM 88231-1089

Zeno Ferris  
Gruy Petroleum Management Company  
600 E. Las Colinas Blvd., Suite 1200 (75039)  
P.O. Box 140907  
Irving, TX 75014-0907

Richard R. Frazier, President & Chief Operating Officer  
Gruy Petroleum Management Company  
600 E. Las Colinas Blvd., Suite 1200 (75039)  
P.O. Box 140907  
Irving, TX 75014-0907

Steve Burleson  
Lewis B. Burleson, Inc.  
200 N. Loraine (79701)  
P.O. Box 2479  
Midland, TX 79702

Saga Petroleum Ltd. Liability Co.  
415 W. Wall, Suite 835  
Midland, TX 79701

Permian Resources  
P.O. Box 590  
Midland, TX 79702

Seay Exploration  
407 N. Big Spring, Suite 200  
Midland, TX 79701

Phillips Petroleum Company  
4001 Penbrook  
Odessa, TX 79762

Charles Drimal, Jr., President, COO and CEO  
Prime Energy Corporation  
One Landmark Sq., Suite 1100  
Stamford, CT 06901-2601

Midland Operating  
3300 N. A St., Bldg. 2, Suite 104  
Midland, TX 79705

Bruce Williams, Manager of Gas Contracts  
Sid Richardson Carbon & Gasoline Co.  
201 Main Street  
Ft. Worth, TX 76102-3131

New Mexico Oil Conservation Division  
October 13, 1999  
Page 7

Randall Dunn, Field Manager  
Sid Richardson Carbon & Gasoline Co.  
Lea County Gathering System  
610 S. Commerce  
P.O. Box 1226  
Jal, NM 88252

James A. Davidson  
214 W. Texas, Suite 710  
Midland, TX 79701

Gallegos Law Firm  
460 St. Michaels Dr., Bldg. 300  
Santa Fe, NM 87505  
Attn: J.E. Gallegos  
Michael J. Condon

DOYLE HARTMAN, Oil Operator (Dallas)

DOYLE HARTMAN, Oil Operator (Jal Field Office)  
Harold Swain

DOYLE HARTMAN, Oil Operator (Midland)  
Linda Land  
Don Mashburn  
Steve Hartman  
Sheila Potts



OWNERSHIP PLAT  
T-24 & 25-S, R-37-E  
LEA CO., NEW MEXICO  
SCALE: "1 = 2000"

DOYLE HARTMAN  
MARTIN "B" NO. 1  
F-31-24S-37E

SDX RESOURCES, INC.  
STATE "A-32" NO. 6  
E-32-24S-37E  
(PROPOSED WELL)

SDX RESOURCES, INC.  
STATE "A-32" NO. 5  
D-32-24S-37E  
(NEW WELL)

SDX RESOURCES, INC.  
ENCO STATE NO. 1  
A-32-24S-37E  
(NEW WELL)

SDX RESOURCES, INC.  
JALMAT FED. COM NO. 2  
L-31-24S-37E  
(PROPOSED WELL)

SDX RESOURCES, INC.  
JALMAT FED. COM NO. 1  
D-06-25S-37E  
(ORIGINAL WELL)

DOYLE HARTMAN  
SKELLY "M" NO. 4  
L-32-24S-37E

DOYLE HARTMAN  
SHERRELL NO. 9  
J-31-24S-37E

SDX RESOURCES, INC.  
WELLS FEDERAL NO. 22  
C-05-25S-37E  
(PROPOSED WELL)

SDX RESOURCES, INC.  
WELLS FEDERAL NO. 4  
F-05-25S-37E  
(ORIGINAL WELL)

SDX RESOURCES, INC.  
E. J. WELLS NO. 25  
K-05-25S-37E  
(PROPOSED WELL)

DOYLE HARTMAN  
SHERRELL NO. 10  
C-06-25S-37E

SDX RESOURCES, INC.  
WELLS FEDERAL NO. 15  
D-05-25S-37E  
(ORIGINAL WELL)  
WELLS FEDERAL NO. 23  
E-05-25S-37E  
(PROPOSED WELL)

SDX RESOURCES, INC.  
WELLS FEDERAL NO. 1  
I-05-25S-37E  
(ORIGINAL WELL)

SDX RESOURCES, INC.  
E. J. WELLS NO. 16  
L-05-25S-37E  
E. J. WELLS NO. 13  
L-05-25S-37E  
(ORIGINAL WELL)

SDX RESOURCES, INC.  
WELLS FEDERAL NO. 17  
J-05-25S-37E  
(ORIGINAL WELL)

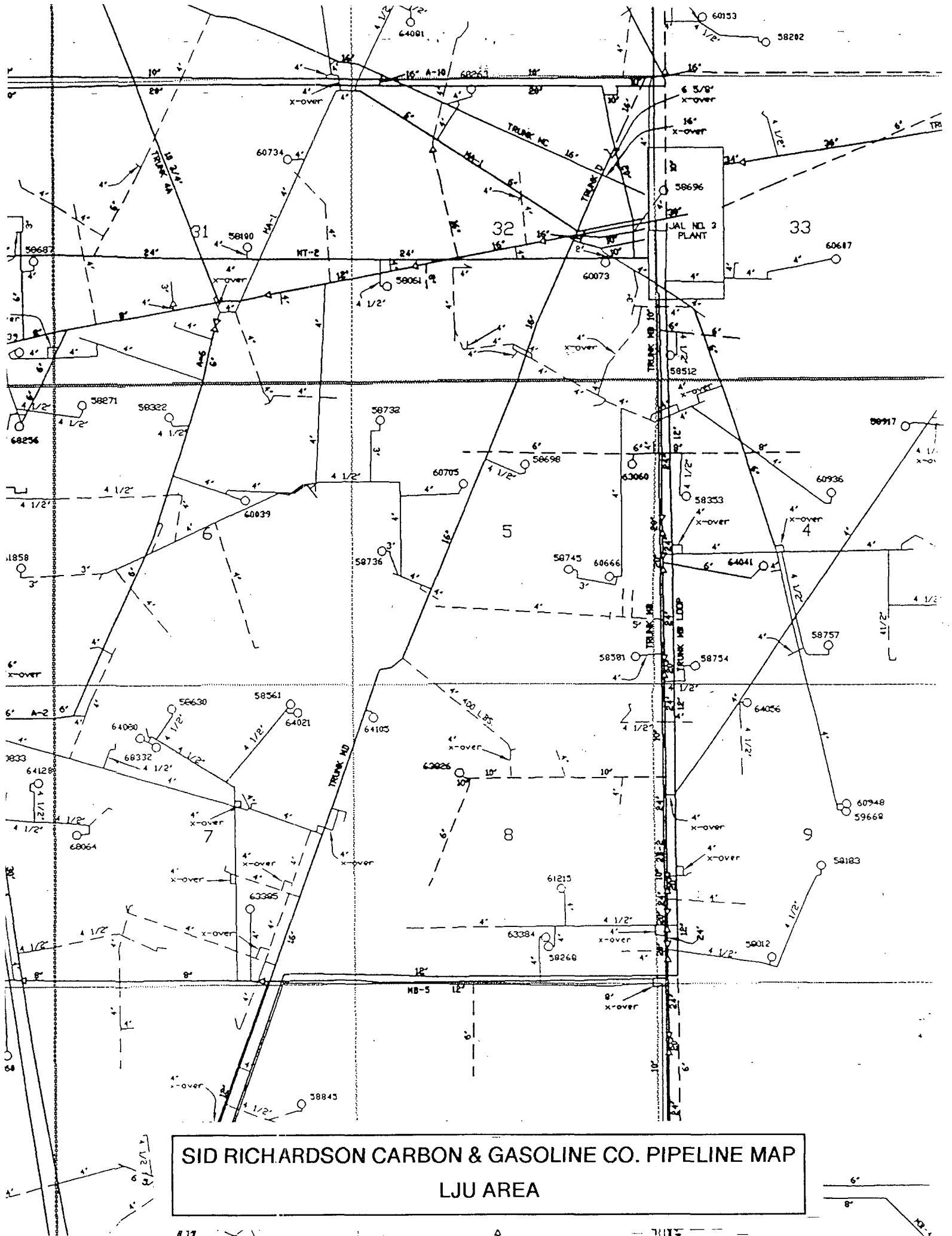
SDX RESOURCES, INC.  
WELLS FEDERAL NO. 21  
O-05-25S-37E  
(NEW WELL)

SDX RESOURCES, INC.  
LANGLIE JAL FED. NO. 1  
A-08-25S-37E  
(ORIGINAL WELL)

DOYLE HARTMAN  
BURLESON NO. 3  
D-05-25S-37E

DOYLE HARTMAN  
BURLESON NO. 2  
F-05-25S-37E

SDX RESOURCES, INC.  
LANGLIE JAL FED. NO. 2  
G-08-25S-37E  
(NEW WELL)



SID RICHARDSON CARBON & GASOLINE CO. PIPELINE MAP  
LJU AREA



DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

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

## OIL CONSERVATION DIVISION

2040 Pacheco St.  
Santa Fe, NM 87505

WELL API NO. 30-025-26704
Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
State Oil & Gas Lease No.

**SUNDRY NOTICES AND REPORTS ON WELLS**  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

Lease Name or Unit Agreement Name  
J.W. Sherrell

Type of Well:  
OIL WELL ☒ GAS WELL ☐ OTHER

Well No.  
10

Name of Operator  
Doyle Hartman

Pool name or Wildcat  
Jalmat

Address of Operator  
500 N. Main Street, Midland, Texas 79701

Well Location  
Unit Letter C : 660 Feet From The North Line and 2000 Feet From The West Line  
Section 6 Township 25-S Range 37-E NMPM Lea County

Elevation (Show whether DF, RKB, RT, GR, etc.)  
3236 G.L. (3247' RKB)

11

Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

### NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐  
OTHER: ☐

### SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ANBANDONMENT ☐  
CASING TEST AND CEMENT JOB ☐  
OTHER: Perform CO2 foam frac. ☒

Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

On 9-23-99, tested well as follows: Gas = 19 MCFPD  
Fluid = 2 BWPD  
CP = 7 psig  
SIWHP = 18 psig (9-15-99)

Rigged up Halliburton. Fraced well with 167,325 gal of gelled water and 359 tons (6184 MCF) of CO2. Presently cleaning up well waiting for gas stream to reach MORE STRINGENT CO2 level imposed by Sid Richardson Gasoline company for its gathering system in the LJJ area near the inlet for its Jal Plant No. 3.

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

SIGNATURE Ann O'Brien TITLE Executive Assistant DATE 10-12-99

TYPE OR PRINT NAME Ann O'Brien

TELEPHONE NO. 915/684-4011

(This space for State Use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

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

## OIL CONSERVATION DIVISION

2040 Pacheco St.  
Santa Fe, NM 87505

WELL API NO. 30-025-25974
Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
State Oil & Gas Lease No. B-1327
Lease Name or Unit Agreement Name Skelly M State
Well No. 4
Pool name or Wildcat Jalmat

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER	
Name of Operator Doyle Hartman	
Address of Operator 500 N. Main Street, Midland, Texas 79701	
Well Location Unit Letter <u>L</u> : <u>1650</u> Feet From The <u>South</u> Line and <u>660</u> Feet From The <u>West</u> Line Section <u>32</u> Township <u>24-S</u> Range <u>37-E</u> NMPM <u>Lea</u> County	
Elevation (Show whether DF, RKB, RT, GR, etc.) 3239 G.L. (3249' RKB)	

11

Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

### NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐  
OTHER: ☐

### SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ANBANDONMENT ☐  
CASING TEST AND CEMENT JOB ☐  
OTHER: Perform CO2 foam frac. ☒

Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

On September 10, 1999, gas rate = 15 MCFPD. Shut in well and performed pressure buildup. SIP = 16 psig (9-12-99).

On September 20, 1999, rigged up Halliburton and fraced well with 166,000 gal of gelled water and 348 tons (5964 MCF) of CO2. Recovered an estimated 200 bbls of load water. Presently cycling well between flaring and shutting in until CO2 level reaches MORE STRINGENT CO2 limits imposed by Sid Richardson Gasoline Company for its gathering system in the LJU area near the inlet for its Jal Plant No. 3.

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

SIGNATURE Ann O'Brien TITLE Executive Assistant DATE 10-12-99

TYPE OR PRINT NAME Ann O'Brien

TELEPHONE NO. 915/684-4011

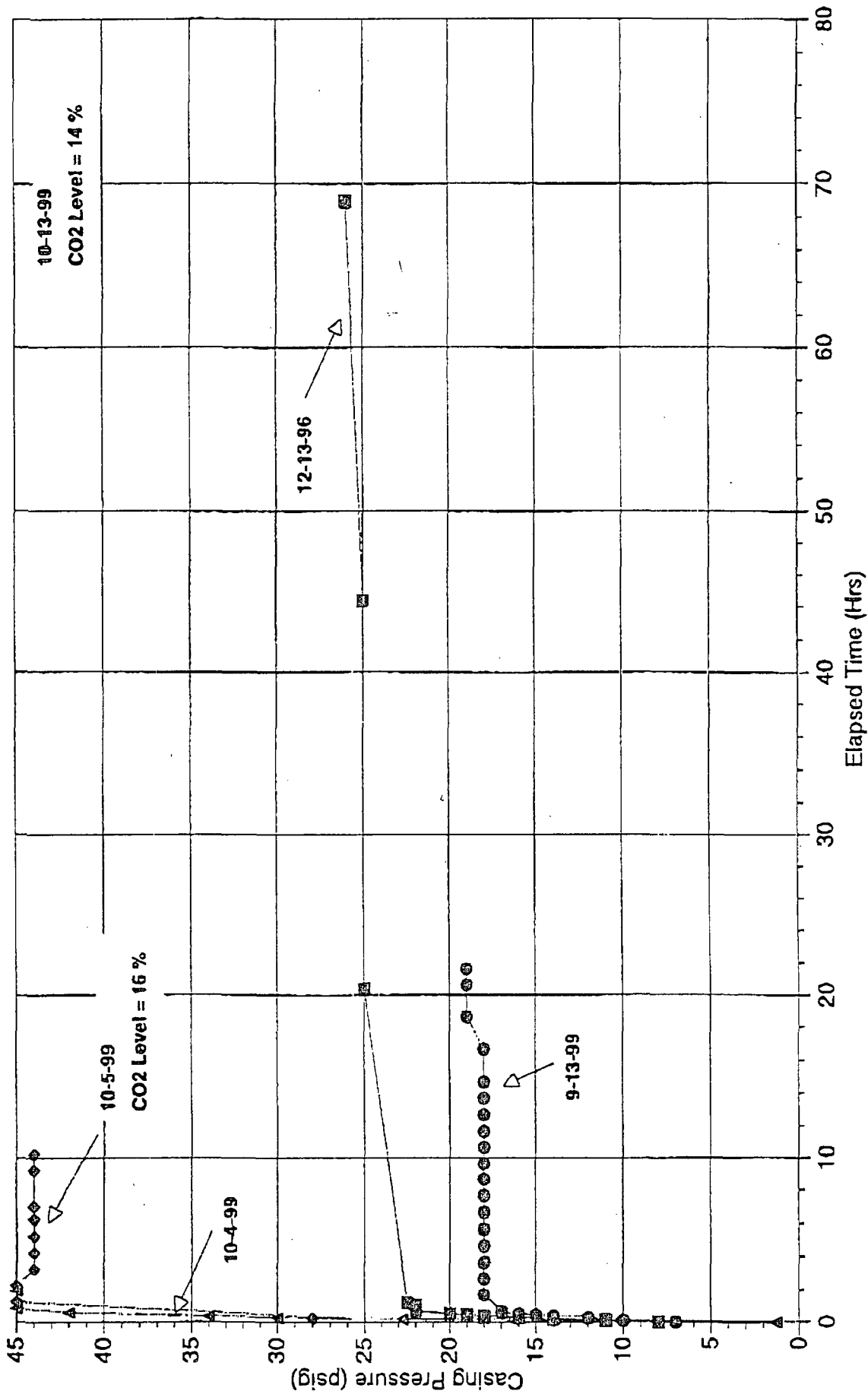
(This space for State Use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

J. W. SHERRELL # 10  
JALMAT GAS POOL  
C - 6 T-25S R-37E

DOYLE HARTMAN OIL OPERATOR



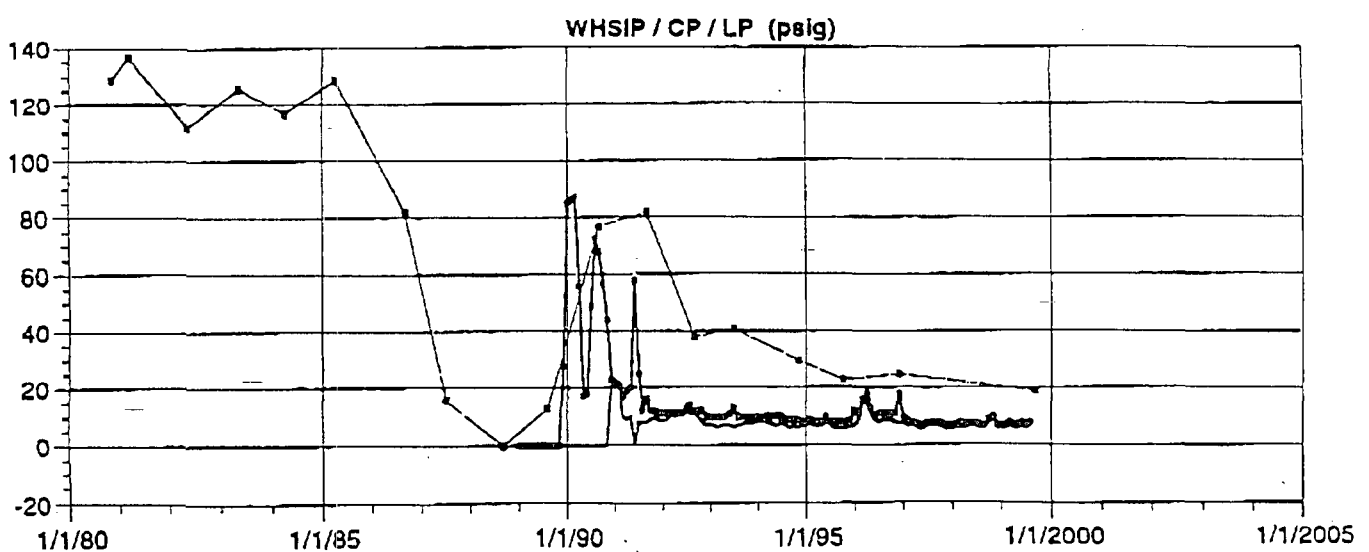
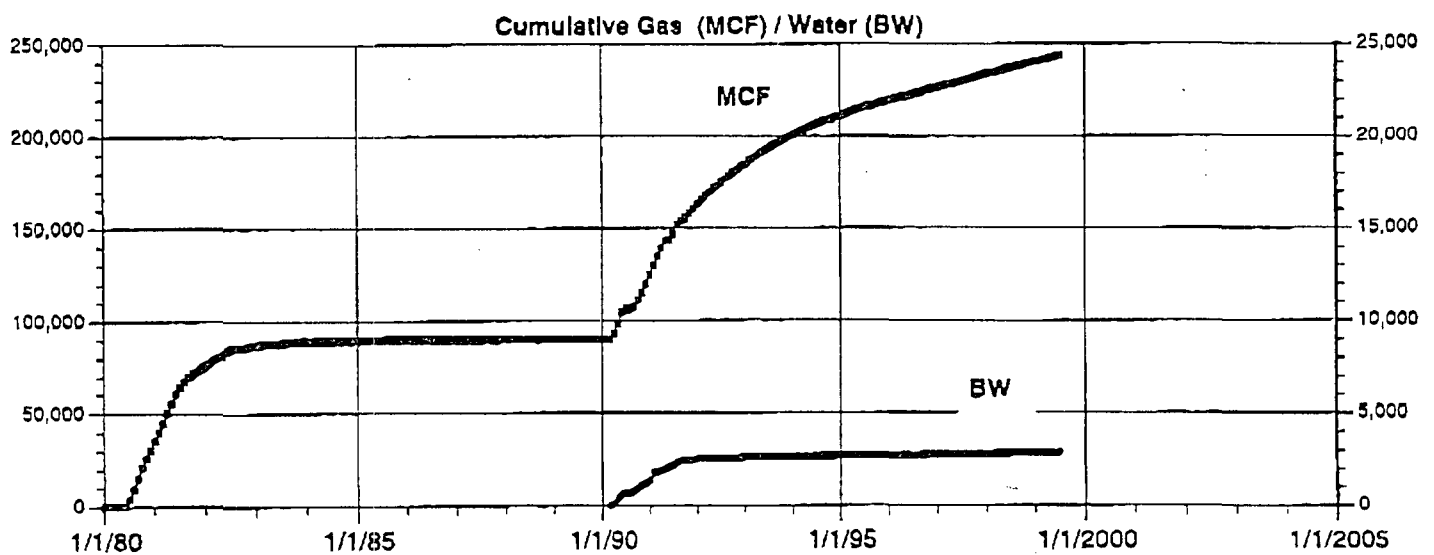
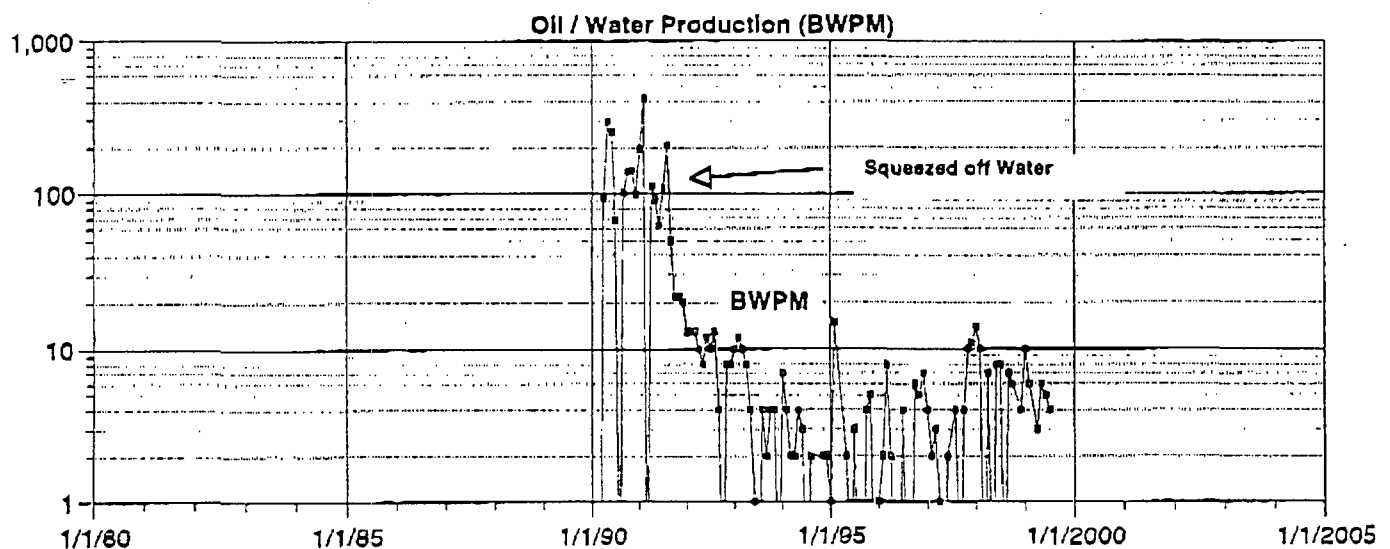
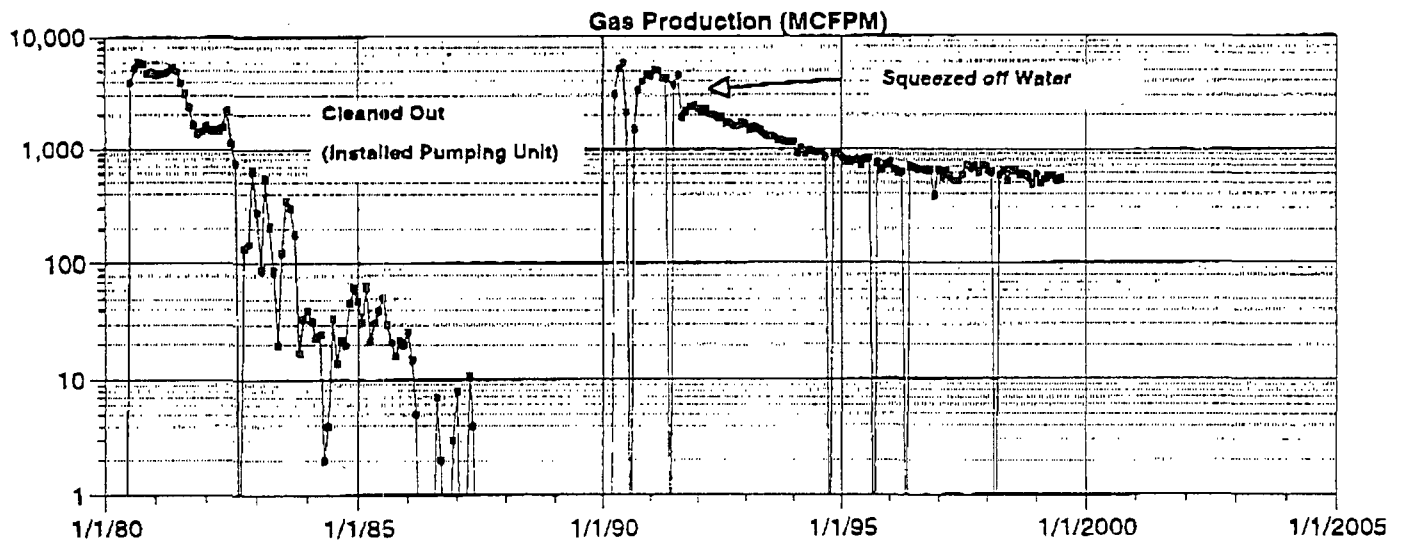
10-5-99

10-4-99

9-13-99

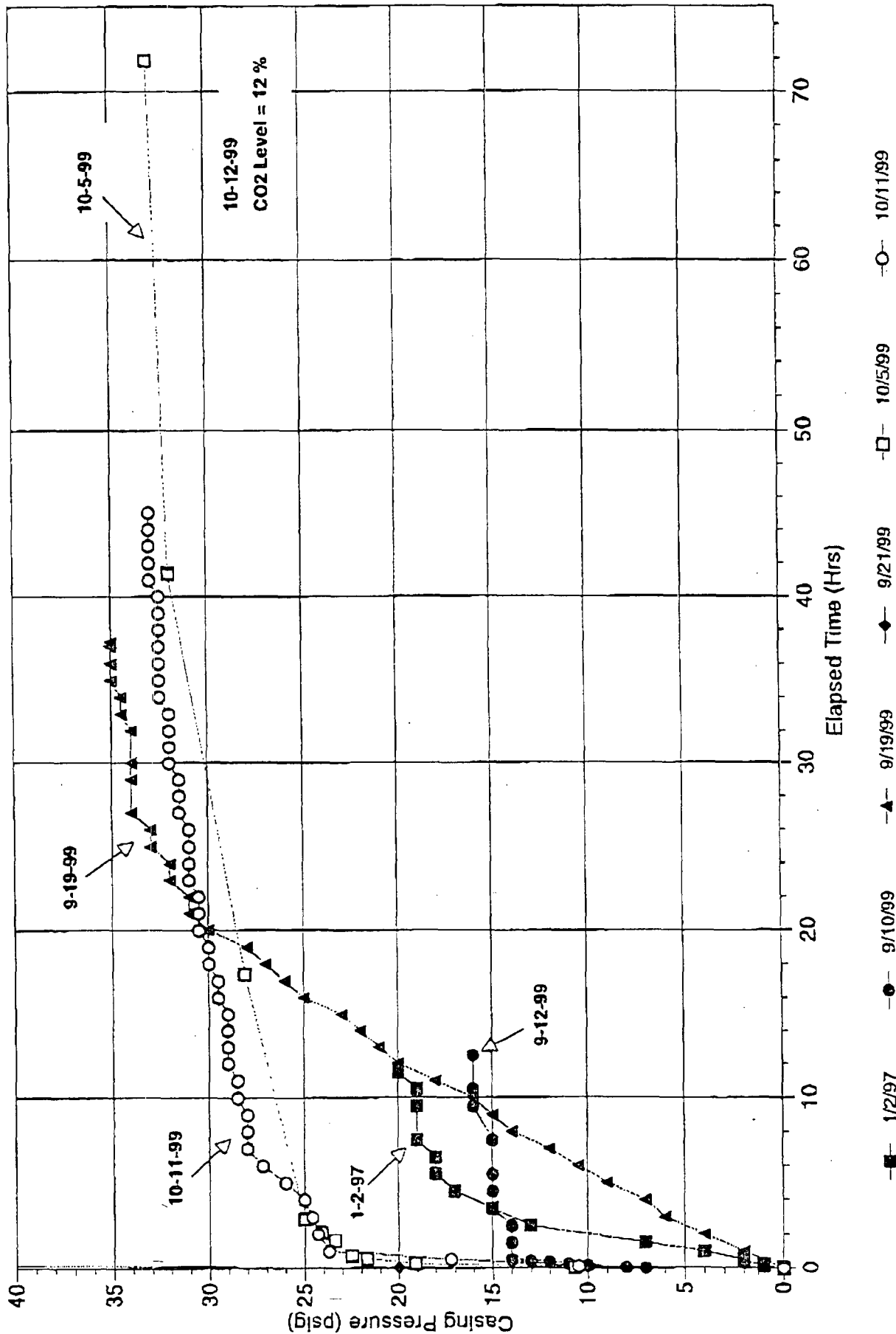
12-13-96

J W SHERRELL # 10 - DWIGHTS + (RPT-3)  
 JALMAT (TANSILL YATES SEVEN RIVERS) YS  
 C-5 T-25S R-37E  
 DOYLE HARTMAN OIL OPERATOR

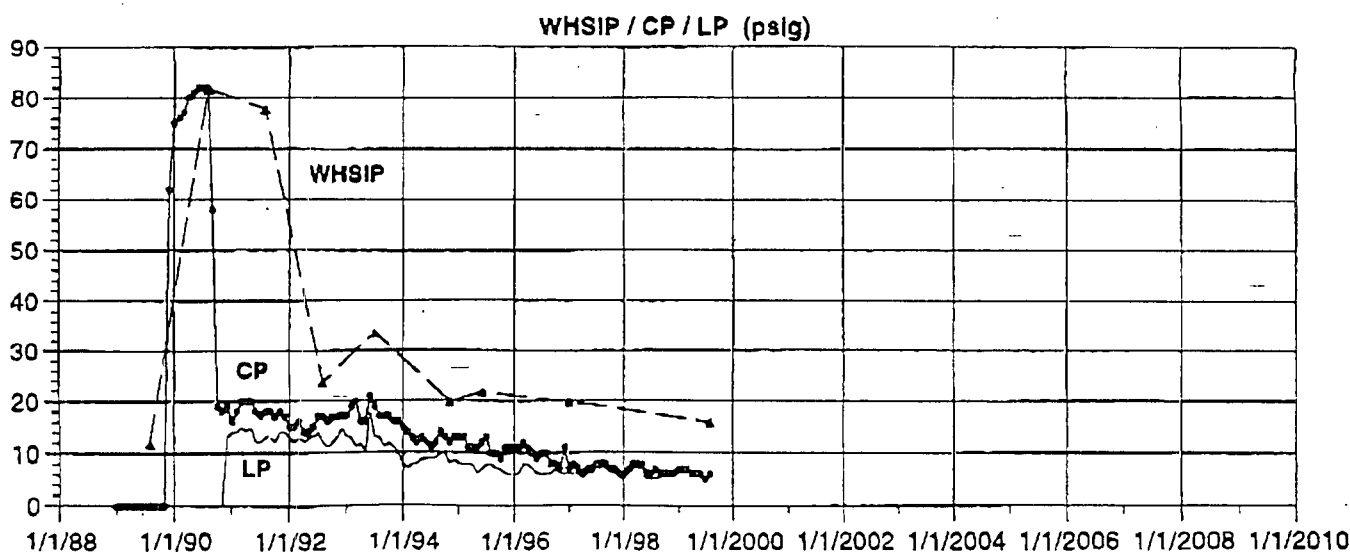
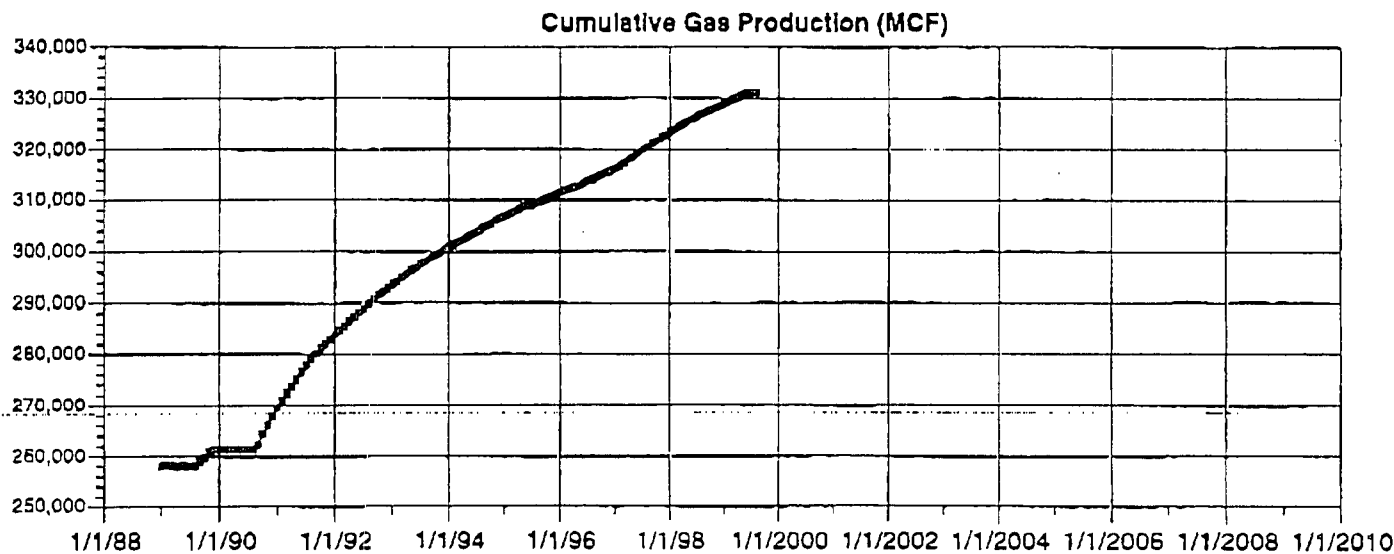
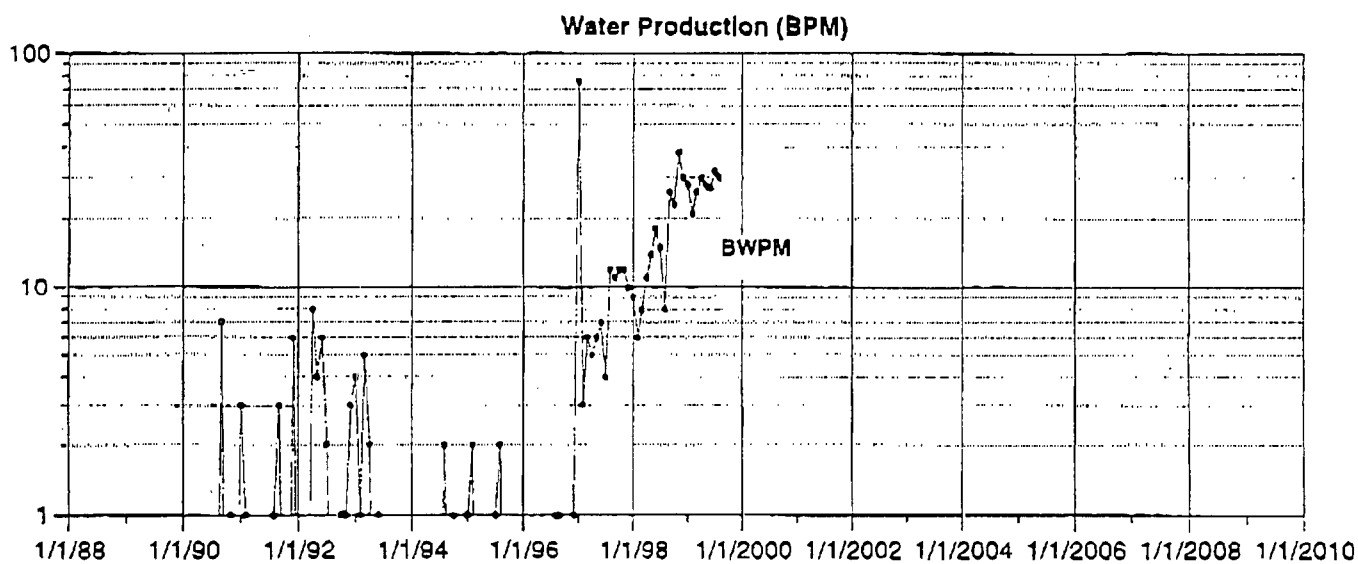
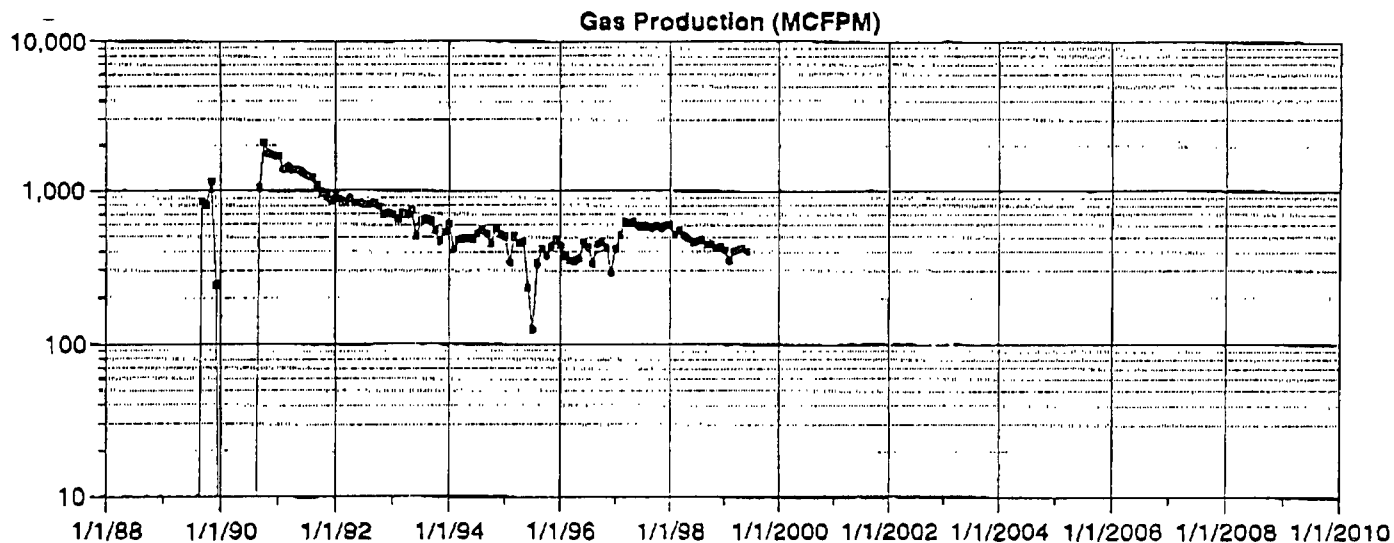


SKELLY M STATE #4  
JALMAT GAS POOL  
L - 32 T-24S R-37E

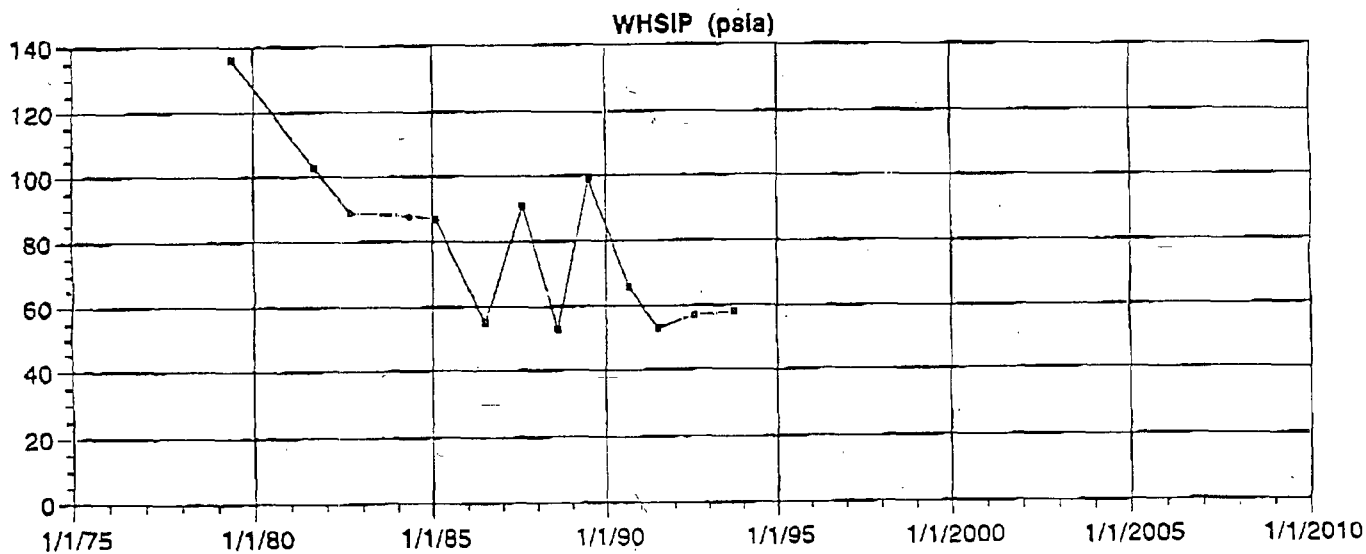
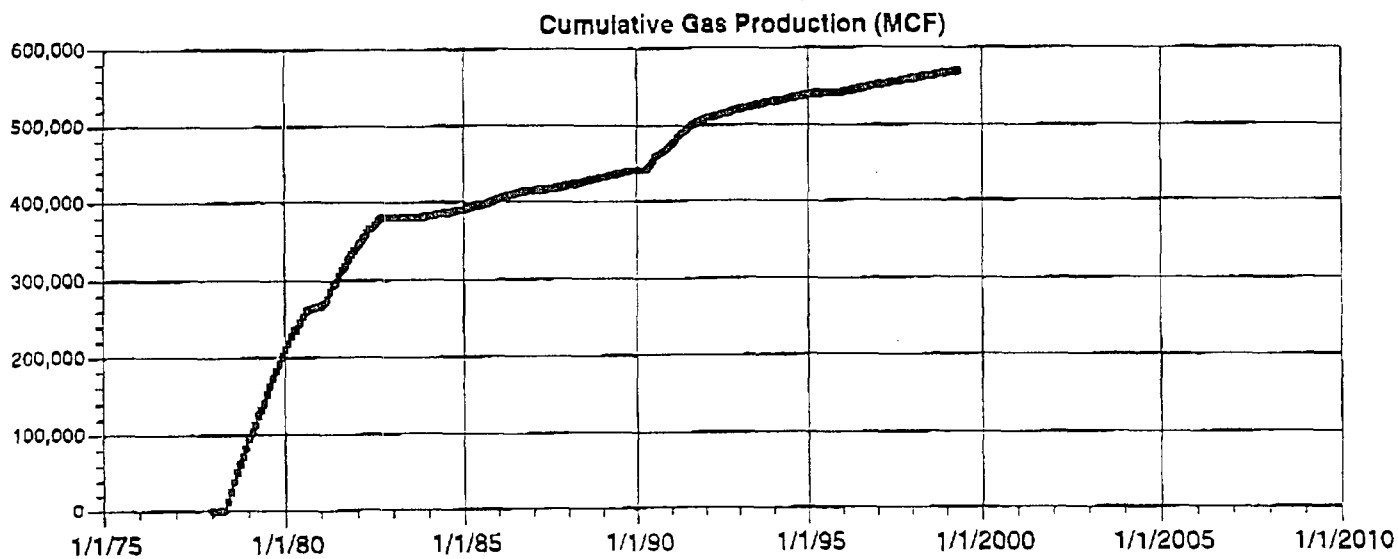
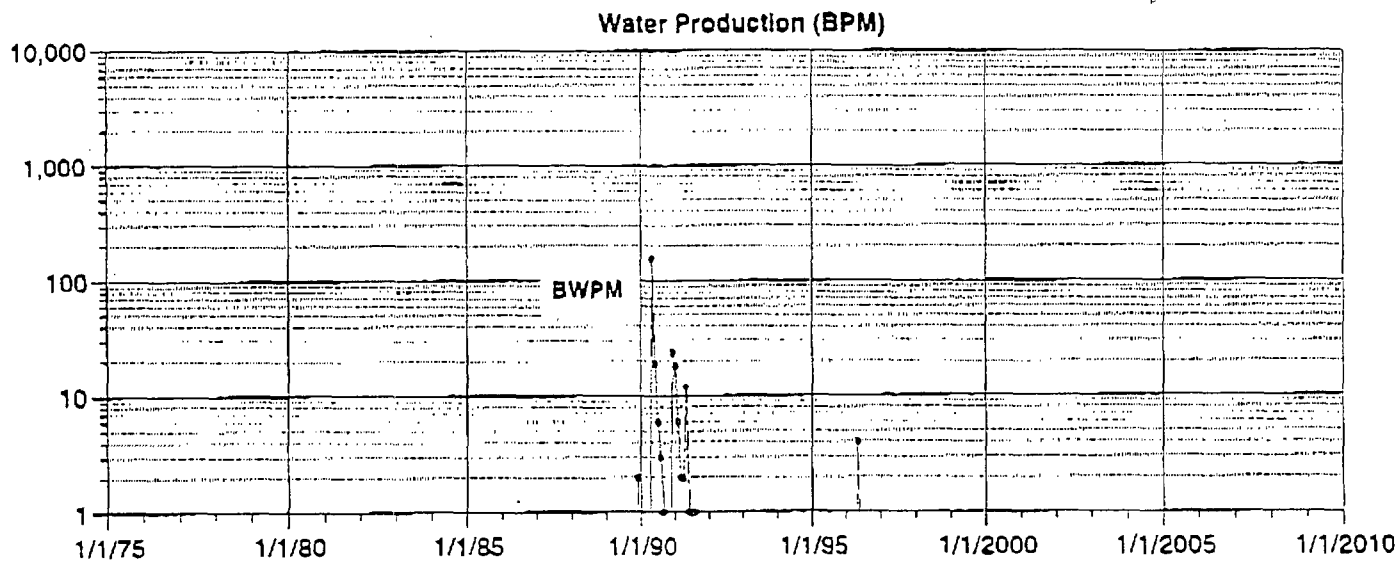
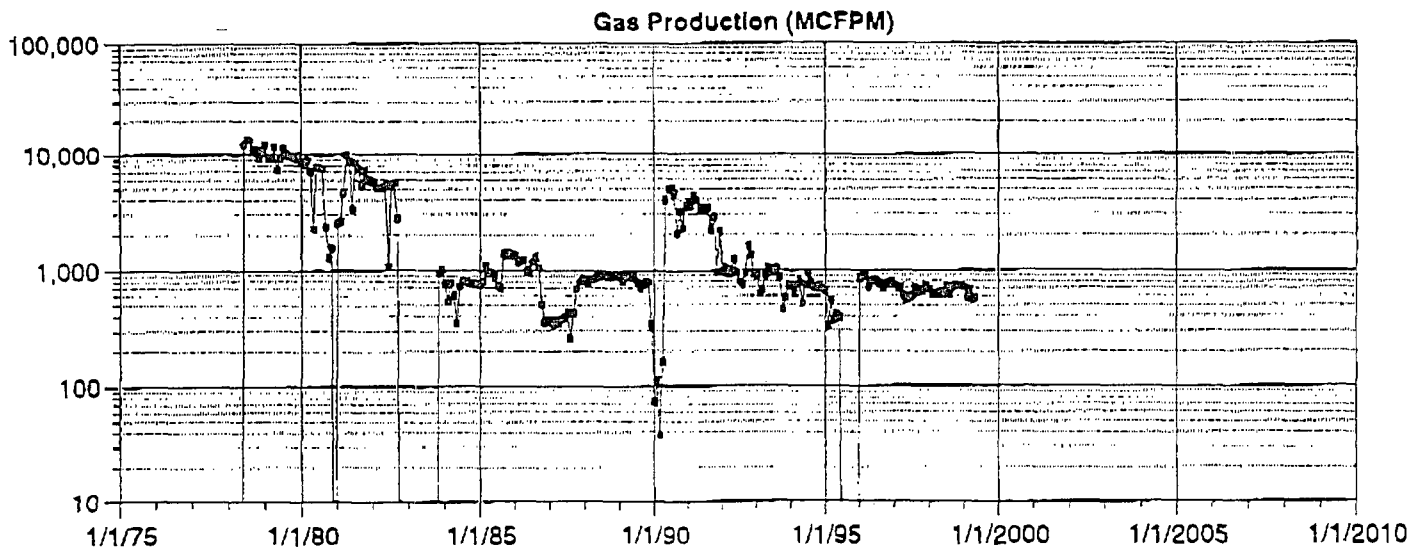
DOYLE HARTMAN OIL OPERATOR



**SKELLY M STATE #4**  
**JALMAT (TANSILL YATES SEVEN RIVERS) YS**  
**L - 32 T-24S R-37E**  
**DOYLE HARTMAN OIL OPERATOR**



STATE A 32 # 4  
JALMAT (TANSILL YATES SEVEN RIVERS) YS  
F - 32 T-24S R-37E  
SDX RESOURCES, INC.



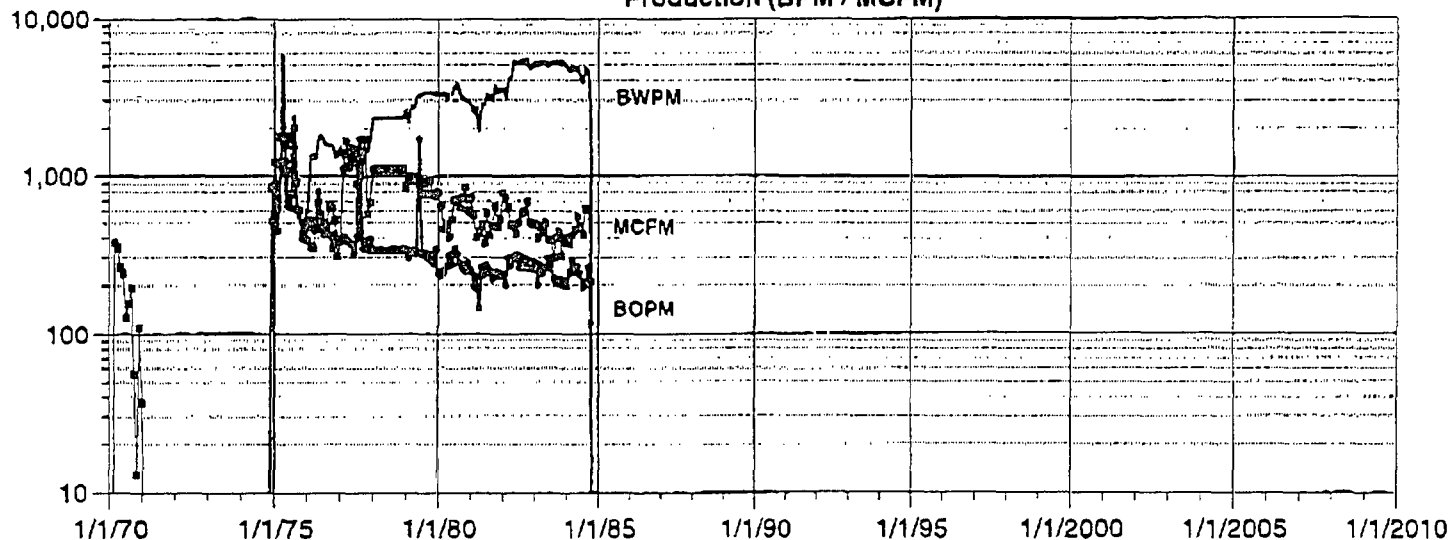
LANGLIE JAL UNIT # 10 (INJECTION WELL)

LANGLIE MATTIX (7 RVS QN GRB)

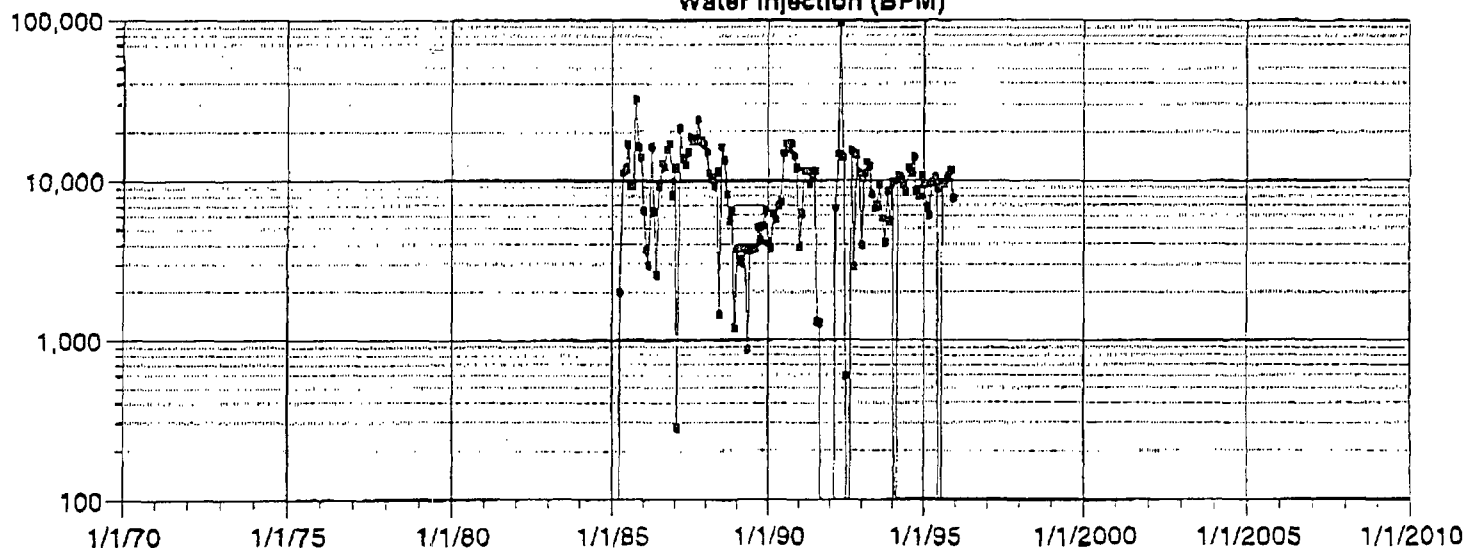
E-32 T-24S R-37E

GP II ENERGY

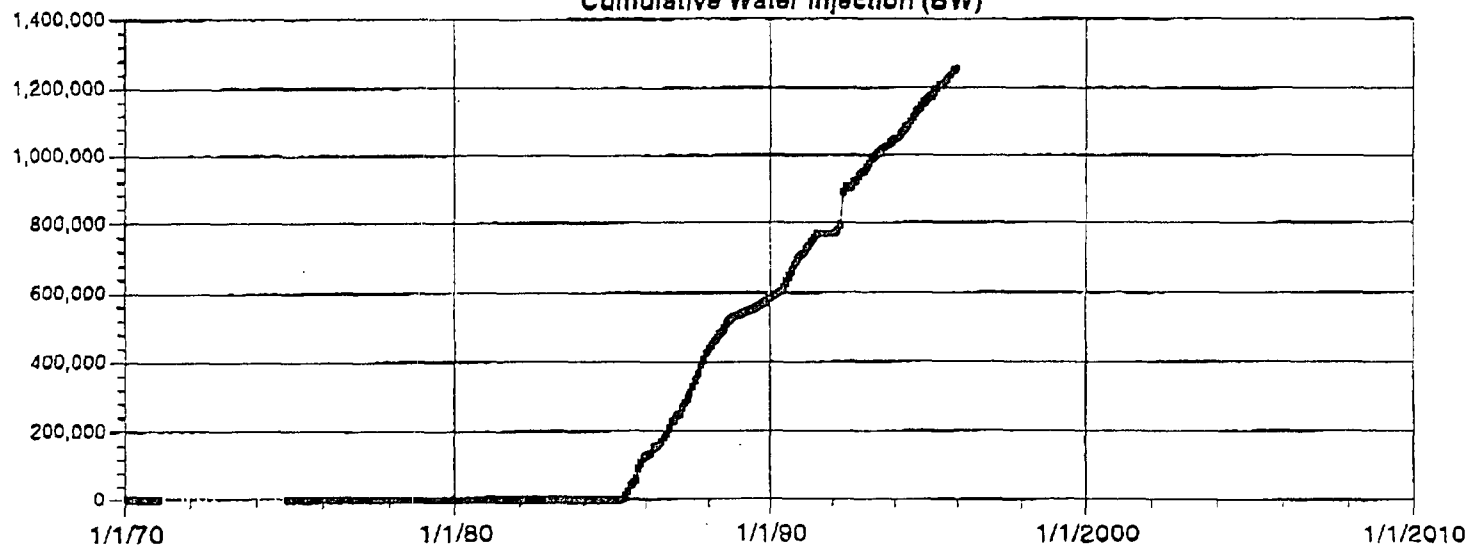
Production (BPM / MCFM)



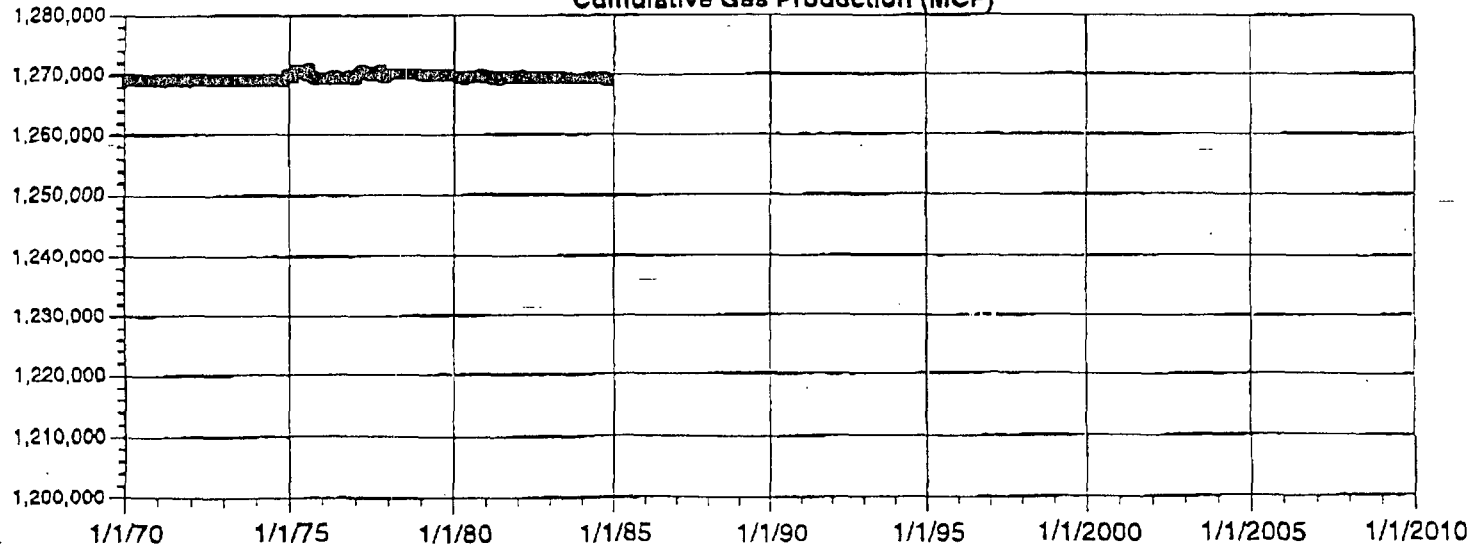
Water Injection (BPM)



Cumulative Water Injection (BW)



Cumulative Gas Production (MCF)





BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

CASE NO. 5368  
Order No. R-4929

IN THE MATTER OF THE HEARING CALLED BY THE  
OIL CONSERVATION COMMISSION ON ITS OWN MOTION  
TO CONSIDER THE CONTRACTION OF THE VERTICAL  
LIMITS OF THE JALMAT GAS POOL UNDERLYING ALL  
OR PORTIONS OF SECTIONS 31 AND 32, TOWNSHIP  
24 SOUTH, RANGE 37 EAST, AND SECTIONS 4, 5,  
6, 8, 9 AND 17, TOWNSHIP 25 SOUTH, RANGE 37  
EAST, LEA COUNTY, NEW MEXICO, AND THE EXTEN-  
SION OF THE VERTICAL LIMITS OF THE LANGLIE  
MATTIX POOL UNDERLYING THE SAME AREA.

NOMENCLATURE

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 26, 1974, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 3rd day of December, 1974, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the vertical limits of the Jalmat Gas Pool, Lea County, New Mexico, as previously designated and defined by the Commission, comprise the Tansill and Yates formations, and all but the lowermost 100 feet of the Seven Rivers formation.

(3) That the vertical limits of the Langlie-Mattix Oil Pool, as previously designated and defined by the Commission, comprise the lowermost 100 feet of the Seven Rivers formation and all of the Queen and Grayburg formations.

(4) That the unitized formations in the Langlie-Jal Unit Area, as approved by Commission Order No. R-4036, comprise the Seven Rivers and Queen formations.

(5) That the horizontal limits of said Langlie-Jal Unit Area comprise the following described lands:

LEA COUNTY, NEW MEXICO  
TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM  
Section 31: Lots 2, 3, and 4 and SE/4 NW/4,  
E/2 SW/4 and E/2

CASE NO. 5368  
Order No. R-4929

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM

Section 4: Lots 2, 3, and 4 and S/2 NW/4,  
SW/4 NE/4, and W/2 SW/4

Section 5: All

Section 6: All

Section 8: E/2 and NW/4

Section 9: W/2 W/2

Section 17: E/2

(6) That the Seven Rivers formation underlying said unit area is for the most part oil-saturated, and there are recoverable oil reserves in said interval and area.

(7) That secondary recovery operations are currently being conducted in the Seven Rivers formation and in the Queen formation underlying the Langlie-Jal Unit Area pursuant to authority of Order No. R-4051.

(8) That to increase the efficiency of said secondary recovery operations, the Seven Rivers formation and the Queen formation should be treated as a common producing interval.

(9) That the contraction of the vertical limits of the Jalmat Gas Pool to exclude all of the Seven Rivers formation therefrom, and the concurrent extension of the vertical limits of the Langlie Mattix Oil Pool to include all of the Seven Rivers formation therein, within the horizontal limits of the Langlie-Jal Unit Area as set forth in Finding No. (5) above, will permit the more efficient operation of the aforesaid secondary recovery projects, will prevent waste, will not violate correlative rights, and should be approved.

(10) That there are at least two gas wells completed in the Yates formation of the Jalmat Gas Pool which have perforated or open-hole intervals extending into the uppermost portion of the Seven Rivers formation, these wells being the Reserve Oil and Gas Company Martin B Well No. 1, located in Unit F of Section 31, Township 24 South, Range 37 East, the open-hole producing interval being from 2852 feet to 3187 feet, the lowermost 42 feet of which is in the Seven Rivers formation, and the El Paso Natural Gas Company Wells Federal Well No. 1, located in Unit I of Section 5, Township 25 South, Range 37 East, the perforated interval being from 3100 feet to 3195 feet, the lowermost 30 feet of which is in the Seven Rivers formation.

(11) That an exception to the vertical limits of the Jalmat Gas Pool as amended in the subject area by this order should be given to the wells described in Finding No. (10) above for the producing intervals as described.

(12) That the Secretary-Director of the Commission should have authority to grant administrative exception to the vertical limits of the Jalmat Gas Pool as amended in the subject area by this order, should it be found that there are other Jalmat Gas wells the producing interval of which similarly extend into the Seven Rivers formation.

IT IS THEREFORE ORDERED:

(1) That this order shall apply only to the following described area:

LEA COUNTY, NEW MEXICO  
TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM  
Section 31: Lots 2, 3, and 4 and SE/4 NW/4,  
E/2 SW/4, and E/2  
Section 32: All  
  
TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM  
Section 4: Lots 2, 3, and 4 and S/2 NW/4,  
SW/4 NE/4, and W/2 SW/4  
Section 5: All  
Section 6: All  
Section 8: E/2 and NW/4  
Section 9: W/2 W/2  
Section 17: E/2

(2) That the vertical limits of the Jalmat Gas Pool in the above-described area are hereby defined as comprising the Tansill and Yates formations.

(3) That the vertical limits of the Langlie Mattix Oil Pool in the above-described area are hereby defined as comprising the Seven Rivers, Queen, and Grayburg formations.

(4) That the Reserve Oil and Gas Company Martin B Well No. 1, located in Unit F of Section 31, Township 24 South, Range 37 East, the open-hole interval of which is 2852 feet to 3187 feet, and the El Paso Natural Gas Company Wells Federal Well No. 1, located in Unit I of Section 5, Township 25 South, Range 37 East, the perforated interval of which is 3100 feet to 3195 feet, both of which are classified as Jalmat Gas Wells, are each hereby granted an exception to the vertical limits of the Jalmat Gas Pool for that portion of the producing interval which is currently open in the Seven Rivers formation.

(5) That the Secretary-Director of the Commission is hereby authorized to approve an exception to the vertical limits of the Jalmat Gas Pool for any other well classified as a Jalmat Gas Well which may prove to have, on the effective date of this order, a portion of its producing interval open to the Seven Rivers formation.

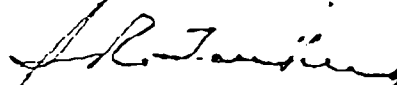
-4-

CASE NO. 5368  
Order No. R-4929

(6) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

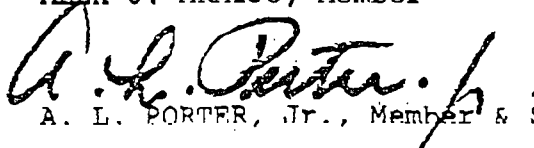
DONE at Santa Fe, New Mexico, on the day and year herein-  
above designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member



A. L. PORTER, Jr., Member & Secretary

S E A L

jr/

SDX Resources, Inc.  
PO Box 5061  
Midland, TX 79704

Folded line over top of envelope to  
the right of the return address

**CERTIFIED**

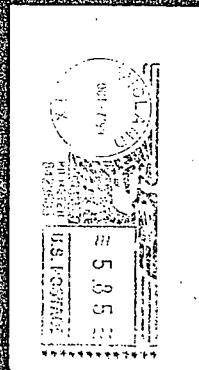
Z 208 776 317

**MAIL**

Doyle Hartman  
PO Box 10426  
Midland, TX 79702

RECEIVED  
MIDLAND TX

PPS CLASS



OFFSET OPERATORS

**WELLS FEDERAL #22**

Doyle Hartman  
PO Box 10426  
Midland, TX 79702

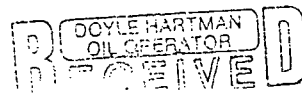
Arco  
PO Box 1089  
Eunice, NM 88231-1089

Permian Resources  
PO Box 590  
Midland, TX 79702

Seay Exploration  
407 N. Big Spring, #200  
Midland, TX 79701

Phillips  
4001 Penbrook  
Odessa, TX 79762

GP II  
713 W. Wadley  
Midland, TX 79705



OCT 12 1999

SDX RESOURCES, INC.

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

Sept.08, 1999

NMOCD  
2040 South Pacheco Street  
Santa Fe, NM 87505

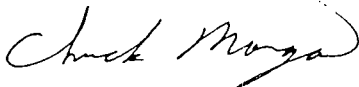
Attention: Mr. Mike Stogner

RE: Wells Fed. #23	Wells Fed. # 22
Sec. 5, T25S, R37E	Sec. 5, T25S, R37E
1886' FNL, 758' FWL	660' FNL, 1780 FWL
Lea County, New Mexico	Lea County, New Mexico

Dear Mr. Stogner,

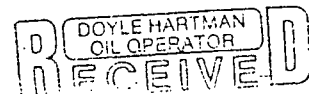
SDX Resources, Inc. is the operator of the Wells Fed. #4 and # 15 wells located in units F and D of sec. 5 T25S R37E of Lea Co., N.M.. These wells are dedicated to a 160 acre non-standard gas proration unit created by NSL-1821 (5/17/84), consisting of the NW/4 of sec. 5. SDX is planning to drill the Wells Fed. #22 & 23 wells on the same 160 acre proration unit at the above-mentioned locations. This reduced spacing is necessary to promote efficient drainage of the proration unit. The Wells # 22 & 23 will also be a non-standard locations because the locations were moved due to their proximity to existing 7-Rivers oil wells. SDX request that this letter serve as application to simultaneously dedicate this 160 acre non-standard gas proration unit to the existing Wells Fed. #4, # 15, and the proposed #22 & 23 wells, and as application for administrative approval of the non-standard locations. BLM form 3160 and OCD form C-102 for the #22 & 23 wells, 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

Enclosures



OCT 12 1999

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTSUBMIT IN TRIP LITE\*  
(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 <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. LC-055546	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR SDX Resources, Inc.			7. UNIT AGREEMENT NAME	
3. ADDRESS AND TELEPHONE NO. PO Box 5061, Midland, TX 79704			8. FARM OR LEASE NAME, WELL NO. Wells Federal #22	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 660' FNL 1780' FWL, Unit C At proposed prod. zone Same			9. API WELL NO.	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 2 miles NE of Jal, NM			10. FIELD AND POOL, OR WILDCAT Jalmat Gas	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drg. unit line, if any) 660'			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 5, T25S, R37E	
16. NO. OF ACRES IN LEASE 918			12. COUNTY OR PARISH Lea	
17. NO. OF ACRES ASSIGNED TO THIS WELL 160			13. STATE NM	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1335			19. PROPOSED DEPTH 3200	
20. ROTARY OR CABLE TOOLS* Rotary			21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3245' GR	
22. APPROX. DATE WORK WILL START* 10/15/99				

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"	24#	600'	350 sx
7-7/8"	4-1/2" - 5-1/2"	9.5 - 17#	3200'	400 sx Lite + 200 sx C

Plan to drill 12-1/4" hole to appx 600'. 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. Perf Yates gas zone & stimulate as necessary for optimum production.

## Specific Program:

- Exhibit #1: BOP Diagram
- Exhibit #2: Survey Plat
- Exhibit #3: Existing & Proposed Road Map
- Exhibit #4: Producing Well Area Map
- Exhibit #5: Drill Site Layout

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 Bonnie Otusotea TITLE Regulatory Tech. DATE 09/22/99  
(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.



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT 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 <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. LC-055546	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR SDX Resources, Inc.			7. UNIT AGREEMENT NAME	
3. ADDRESS AND TELEPHONE NO. PO Box 5061, Midland, TX 79704			8. FARM OR LEASE NAME, WELL NO. Wells Federal #23	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1886' FNL 758' FWL, Unit E At proposed prod. zone Same			9. API WELL NO.	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 2 miles NE of Jal, NM			10. FIELD AND POOL, OR WILDCAT Jalmat Gas	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT (Also to nearest drlg. unit line, if any) 758' 758'			11. SEC., T., R., M., OR BLK AND SURVEY OR AREA Sec. 5, T25S, R37E	
16. NO. OF ACRES IN LEASE 918			12. COUNTY OR PARISH Lea	
17. NO. OF ACRES ASSIGNED TO THIS WELL 160			13. STATE NM	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1116'			20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3237			22. APPROX. DATE WORK WILL START* 10/15/99	

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"	24#	600'	350 sx
7-7/8"	4-1/2 - 5-1/2"	9.5 - 17#	3200'	400 sx Lite + 200 sx C

Plan to drill 12-1/4" hole to appx 600'. 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. Perf Yates gas zone & stimulate as necessary for optimum production.

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24. SIGNED Bonnie Ottwater TITLE Regulatory Tech. DATE 09/23/99

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

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CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

\*See Instructions On Reverse Side

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OFFSET OPERATORS

EJ WELLS FEDERAL #25

Seay Exploration Co.  
407 N. Big Spring #200  
Midland, TX 79701

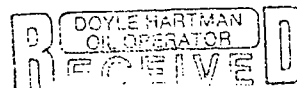
Gruy Petroleum  
ATTN: Zeno Ferris  
PO Box 140907  
Irving, TX 75014-0907

Doyle Hartman  
PO Box 10426  
Midland, TX 79702

Permian Resources  
PO Box 590  
Midland, TX 79702

GP II  
731 W. Wadley  
Midland, TX 79705

Phillips  
4001 Penbrook  
Odessa, TX 79762



OCT 12 1999

SDX RESOURCES, INC.

P.O. BOX 5061

MIDLAND, TEXAS 79704

(915) 685-1761

Sept. 9, 1999

NMOCD

2040 South Pacheco Street

Santa Fe, NM 87505

Attention: Mr. Mike Stogner

RE: EJ Wells Fed. #25  
Sec. 5, T25S, R37E  
2180' FSL, 1980 FWL  
Lea County, New Mexico

Dear Mr. Stogner,

SDX Resources, Inc. is the operator of the EJ Wells Fed. #13 and #16 wells located in unit L of sec. 5 T25S R37E of Lea Co., N.M.. These wells are dedicated to a 120 acre non-standard gas proration unit created by NSL #1823 (6/22/84) and consisting of units K,L,& M of sec. 5. SDX is planning to drill the EJ Wells Fed. #25 well on the same 120 acre proration unit at the above-mentioned location. This will be a non-standard location as the location has been moved due to the wells proximity to a pipeline and an existing 7-Rivers oil well.. SDX request that this letter serve as application to simultaneously dedicate this 120 acre non-standard proration unit to the EJ Wells Fed. #13, # 16, and the #25 wells, and as application for administrative approval of the non-standard location. BLM form 3160 and OCD form C-102 for the #25 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

Enclosures



OCT 12 1999

**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**

**SUBMIT IN TRIPLICATE\***  
(Other instructions on  
reverse side)

**FORM APPROVED**  
OMB NO. 1004-0136  
Expires: February 28, 1995

**APPLICATION FOR PERMIT TO DRILL OR DEEPEN**

<b>1a. TYPE OF WORK</b> DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>			<b>5. LEASE DESIGNATION AND SERIAL NO.</b> LC-055546	
<b>b. TYPE OF WELL</b> OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME</b>  	
<b>2. NAME OF OPERATOR</b> SDX Resources, Inc.			<b>7. UNIT AGREEMENT NAME</b>  	
<b>3. ADDRESS AND TELEPHONE NO.</b> PO Box 5061, Midland, TX 79704			<b>8. FARM OR LEASE NAME, WELL NO.</b> EJ Wells Federal #25	
<b>4. LOCATION OF WELL</b> (Report location clearly and in accordance with any State requirements *) At surface 2180' FSL, 1980' FWL, Unit K At proposed prod. zone Same			<b>9. API WELL NO.</b>  	
<b>14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*</b> 2.5 miles NE of Jal, NM			<b>10. FIELD AND POOL, OR WILDCAT</b> Jalmat Gas	
<b>15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.</b> (Also to nearest drlg. unit line, if any) 660			<b>11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA</b> Sec. 5, T25S, R37E	
<b>16. NO. OF ACRES IN LEASE</b> 918			<b>12. COUNTY OR PARISH</b> Lea	
<b>17. NO. OF ACRES ASSIGNED TO THIS WELL</b> 120			<b>13. STATE</b> NM	
<b>18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.</b>			<b>19. PROPOSED DEPTH</b> 3200	
<b>20. ROTARY OR CABLE TOOLS</b> Rotary			<b>21. APPROX. DATE WORK WILL START*</b> 10/15/99	
<b>21. ELEVATIONS</b> (Show whether DF, RT, GR, etc.) 3217			 	

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"	24#	600'	350 sx
7-7/8"	4-1/2 - 5-1/2"	9.5 - 17#	3200'	400 sx Lite + 200 sx C

Plan to drill 12-1/4" hole to appx 600'. 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. Perf Yates gas zone & stimulate as necessary for optimum production.

Specific Program:

- Exhibit #1: BOP Diagram
- Exhibit #2: Survey Plat
- Exhibit #3: Existing & Proposed Road Map
- Exhibit #4: Producing Well Area Map
- Exhibit #5: Drill Site Layout

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 Bonnie Atwater TITLE Regulatory Tech.      DATE 09/23/99

(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.

OFFSET OPERATORS

STATE A 32 #6

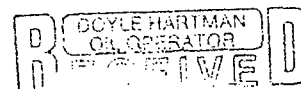
Arco  
PO Box 1089  
Eunice, NM 88231-1089

Gruy Petroleum  
ATTN: Zeno Ferris  
PO Box 140907  
Irving, TX 75014-0907

Lewis B. Burleson, Inc.  
PO Box 2479  
Midland, TX 79702

Doyle Hartman  
PO Box 10426  
Midland, TX 79702

Saga Petroleum Ltd. Liability Co  
415 W. Wall, #835  
Midland, TX 79701



OCT 12 1999

SDX RESOURCES, INC.

P.O. BOX 5061

MIDLAND, TEXAS 79704

(915) 685-1761

Sept. 16, 1999

NMOCD  
2040 South Pacheco Street  
Santa Fe, NM 87505

Attention: Mr. Mike Stogner

RE: State A 32 # 6  
Sec. 32, T24S, R37E  
1880 FNL, 760 FWL  
Lea County, New Mexico

Dear Mr. Stogner,

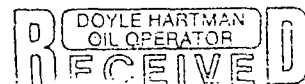
SDX Resources, Inc. is the operator of the State A 32 # 4 well located in unit F and the State A 32 # 5 well located in unit D of sec. 32 T24S R37E of Lea Co., N.M.. These wells are dedicated to a 120 acre non-standard proration unit consisting of the NW/4 NW/4 and the S/2 NW/4 of sec. 32 created by administrative order NSP-1087 and expanded by SD-99-1. Completion problems on the #5 well have prompted SDX to drill a third well. SDX is planning to drill the State A 32 # 6 well on the same 120 acre non-standard proration unit as the #4 & 5 wells. SDX request that this letter serve as application to simultaneously dedicate this 120 acre NSP unit to the State A 32 # 4, 5, and #6 wells. Information detailing NSP-1087, SD-99-1, a C-101 & 102 for the #6 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

Enclosures



OCT 12 1999

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

<sup>1</sup> Operator Name and Address SDX Resources, Inc. PO Box 5061 Midland, TX 79704 915/685-1761		<sup>2</sup> GRID Number 020451
		<sup>3</sup> API Number 30 - 0
<sup>4</sup> Property Code 23976	<sup>5</sup> Property Name State A 32	<sup>6</sup> Well No. 6

<sup>7</sup>Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West Line	County
E	32	24S	37E		1880	North	760	West	Lea

<sup>8</sup>Proposed 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
<sup>9</sup> Proposed Pool 1 Jalmat, T-Y-7R					<sup>10</sup> Proposed Pool 2				

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 3242
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 3500	<sup>18</sup> Formation Yates	<sup>19</sup> Contractor Capstar	<sup>20</sup> Spud Date 10-15-99

<sup>21</sup>Proposed 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#	500	450 sx	Surface
7-7/8"	4-1/2"	9.5#	3500	700 sx	Surface

<sup>22</sup>Describe 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.

Drill 12-1/4" hole to 500'. Set 8-5/8" csg & cmt to surface. RU BOP. Drill 7-7/8" hole to 3500'. Set 4-1/2" csg & cmt to surface.  
RD rotary & BOP. Perf Yates & fracture stimulate & place Yates on test.

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <u>Bonnie Atwater</u>		OIL CONSERVATION DIVISION	
Printed name: Bonnie Atwater		Approved By:	
Title: Regulatory Tech. 9/23/99		Title:	
		Approval Date:	Expiration Date:

OFFSET OPERATORS

JALMAT FEDERAL COM. #2

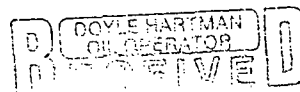
Doyle Hartman  
PO Box 10426  
Midland, TX 79702

Phillips  
4001 Penbrook  
Odessa, TX 79762

Prime Operating  
2900 Wilcrest Dr, #475  
Houston, TX 77042

Midland Operating  
3300 North "A" St, Ste 2-104  
Midland, TX 79705

Gruy Petroleum  
ATTN: Zeno Ferris  
PO Box 140907  
Irving, TX 75014-0907



OCT 12 1999



SDX RESOURCES, INC.

P.O. BOX 5061

MIDLAND, TEXAS 79704

(915) 685-1761

Sept. 17, 1999

NMOCD

2040 South Pacheco Street

Santa Fe, NM 87505

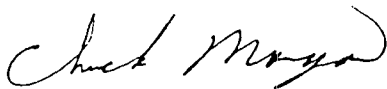
Attention: Mr. Mike Stogner

RE: Jalmat Federal Com # 2  
Sec. 31, T24S, R37E  
1650' FSL, 760 FWL  
Lea County, New Mexico

Dear Mr. Stogner,

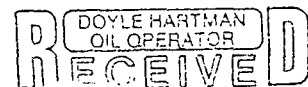
SDX Resources, Inc. is the operator of the Federal Jalmat Com # 1 well located in unit D of sec. 6 T25S R37E of Lea Co., N.M.. The well is dedicated to a 120 acre non-standard gas proration unit SCR 434 and consist of the NW/4 NW/4 Sec. 6 T25S R37 E, W/2 SW/4 Sec. 31 T24S R37E. SDX is planning to drill the Jalmat Federal Com # 2 well on the same 120 acre proration unit at the above-mentioned location. This will be a non-standard location as the location has been moved due to the wells proximity to a pipeline. SDX request that this letter serve as application to simultaneously dedicate this 120 acre non-standard proration unit to the Jalmat Federal Com # 1, and # 2 wells, and as application for administrative approval of the non-standard location. BLM form 3160 and OCD form C-102 for the #2 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

Enclosures



OCT 12 1999

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

APPLICATION FOR PERMIT TO DRILL OR DEEPEN			5. LEASE DESIGNATION AND SERIAL NO. NM-12610	
1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			7. UNIT AGREEMENT NAME SCR 434	
2. NAME OF OPERATOR SDX Resources, Inc.			8. FARM OR LEASE NAME, WELL NO. Jalmat Federal Com #2	
3. ADDRESS AND TELEPHONE NO. PO Box 5061, Midland, TX 79704			9. API WELL NO.	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1650' FSL 760' FWL Unit L At proposed prod. zone Same			10. FIELD AND POOL, OR WILDCAT Jalmat Gas	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 3 miles N of Jal, NM			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 31, T24S, R37E	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any)		560	16. NO. OF ACRES IN LEASE 120	17. NO. OF ACRES ASSIGNED TO THIS WELL 120
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		2240	19. PROPOSED DEPTH 3200	20. ROTARY OR CABLE TOOLS Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3241				22. APPROX. DATE WORK WILL START* 11/01/99
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"	24#	600'	350 sx
7-7/8"	4-1/2 - 5-1/2"	9.5 - 17#	3200'	400 sx Lite + 200 sx C

Plan to drill 12-1/4" hole to appx 600'. 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. Perf Yates gas zone & stimulate as necessary for optimum production.

Specific Program.

- Exhibit #1: BOP Diagram  
Exhibit #2: Survey Plat  
Exhibit #3: Existing & Proposed Road Map  
Exhibit #4: Producing Well Area Map  
Exhibit #5: Drill Site Layout

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 Bonnie Alvarado TITLE Regulatory Tech. DATE 09/23/99

(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.

~~NSC~~ (SD) 11/1/99

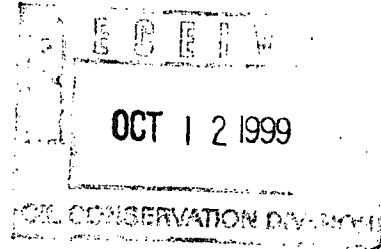
SDX RESOURCES, INC.

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

Sept.08, 1999

NMOCD  
2040 South Pacheco Street  
Santa Fe, NM 87505

Attention: Mr. Mike Stogner



RE: ~~Wells Fed. #23~~  
Sec. 5, T25S, R37E  
1886' FNL, 758' FWL  
Lea County, New Mexico

~~Wells Fed. #22~~  
Sec. 5, T25S, R37E  
660' FNL, 1780 FWL  
Lea County, New Mexico

Dear Mr. Stogner,

SDX Resources, Inc. is the operator of the Wells Fed. #4 and # 15 wells located in units F and D of sec. 5 T25S R37E of Lea Co., N.M.. Theses wells are dedicated to a 160 acre non-standard gas proration unit created by NSL-1821 (5/17/84),consisting of the NW/4 of sec. 5. SDX is planning to drill the Wells Fed. #22 & 23 wells on the same 160 acre proration unit at the above-mentioned locations. This reduced spacing is necessary to promote efficient drainage of the proration unit. The Wells # 22 & 23 will also be a non-standard locations because the locations were moved due to their proximity to existing 7-Rivers oil wells. SDX request that this letter serve as application to simultaneously dedicate this 160 acre non-standard gas proration unit to the existing Wells Fed. #4, # 15, and the proposed #22 & 23 wells, and as application for administrative approval of the non-standard locations. BLM form 3160 and OCD form C-102 for the #22 & 23 wells, 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

Enclosures

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

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

At surface 660' FNL 1780' FWL, Unit C

At proposed prod. zone

Same

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

2 miles NE of Jal, NM

## 15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drilg. unit line, if any)

660'

## 16. NO. OF ACRES IN LEASE

918

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

160

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

1335

## 19. PROPOSED DEPTH

3200

## 20. ROTARY OR CABLE TOOLS

Rotary

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

3245' GR

## 22. APPROX. DATE WORK WILL START\*

10/15/99

## 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"	24#	600'	350 sx
7-7/8"	4-1/2 - 5-1/2"	9.5 - 17#	3200'	400 sx Lite + 200 sx C

Plan to drill 12-1/4" hole to appx 600'. 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. Perf Yates gas zone & stimulate as necessary for optimum production.

## Specific Program:

Exhibit #1: BOP Diagram  
Exhibit #2: Survey Plat  
Exhibit #3: Existing & Proposed Road Map  
Exhibit #4: Producing Well Area Map  
Exhibit #5: Drill Site Layout

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 09/22/99

(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.

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

cm

APPLICATION FOR PERMIT TO DRILL OR DEEPEN			5. LEASE DESIGNATION AND SERIAL NO. LC-055546	
1a. TYPE OF WORK <b>DRILL</b> <input checked="" type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			7. UNIT AGREEMENT NAME	
2. NAME OF OPERATOR SDX Resources, Inc.			8. FARM OR LEASE NAME, WELL NO. Wells Federal #23	
3. ADDRESS AND TELEPHONE NO. PO Box 5061, Midland, TX 79704			9. API WELL NO.	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. *) At surface 1886' FNL 758' FWL, Unit E At proposed prod. zone Same			10. FIELD AND POOL, OR WILDCAT Jalmat Gas	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 2 miles NE of Jal, NM			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 5, T25S, R37E	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)		758' 758'	16. NO. OF ACRES IN LEASE 918	17. NO. OF ACRES ASSIGNED TO THIS WELL 160
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		1116'	19. PROPOSED DEPTH 3200	20. ROTARY OR CABLE TOOLS Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3237			22. APPROX. DATE WORK WILL START* 10/15/99	

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"	24#	600'	350 sx
7-7/8"	4-1/2 - 5-1/2"	9.5 - 17#	3200'	400 sx Lite + 200 sx C

Plan to drill 12-1/4" hole to appx 600'. 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. Perf Yates gas zone & stimulate as necessary for optimum production.

## Specific Program:

- Exhibit #1: BOP Diagram  
Exhibit #2: Survey Plat  
Exhibit #3: Existing & Proposed Road Map  
Exhibit #4: Producing Well Area Map  
Exhibit #5: Drill Site Layout

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 <u>Bonnie Ottwater</u>		TITLE <u>Regulatory Tech.</u>	DATE <u>09/23/99</u>
(This space for Federal or State office use)				

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

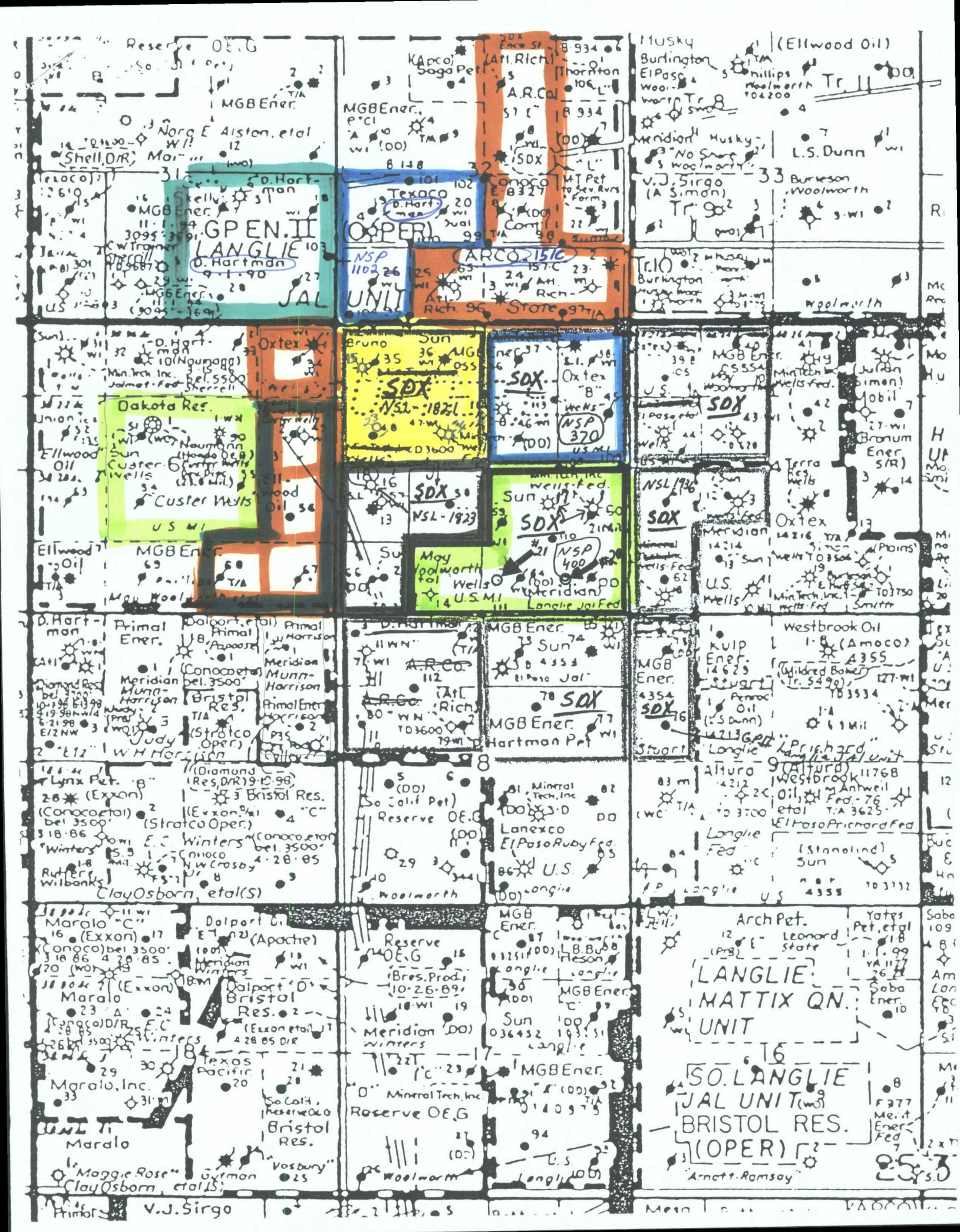
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
CONDITIONS OF APPROVAL, IF ANY:

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.







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

May 17, 1984

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

Attention: Michelle Hembree, Administrative Assistant

Administrative Order NSL-1821 (SD)

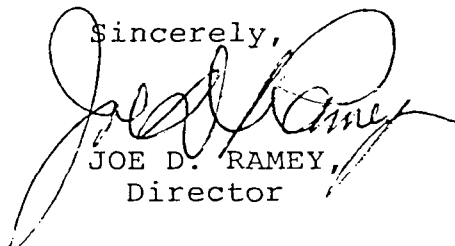
Gentlemen:

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 proportion.

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



R1670 MAY 17, 1984

NSR-1812

Now SOX

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-128  
Effective 1-1-85

All distances must be from the outer boundaries of the Section

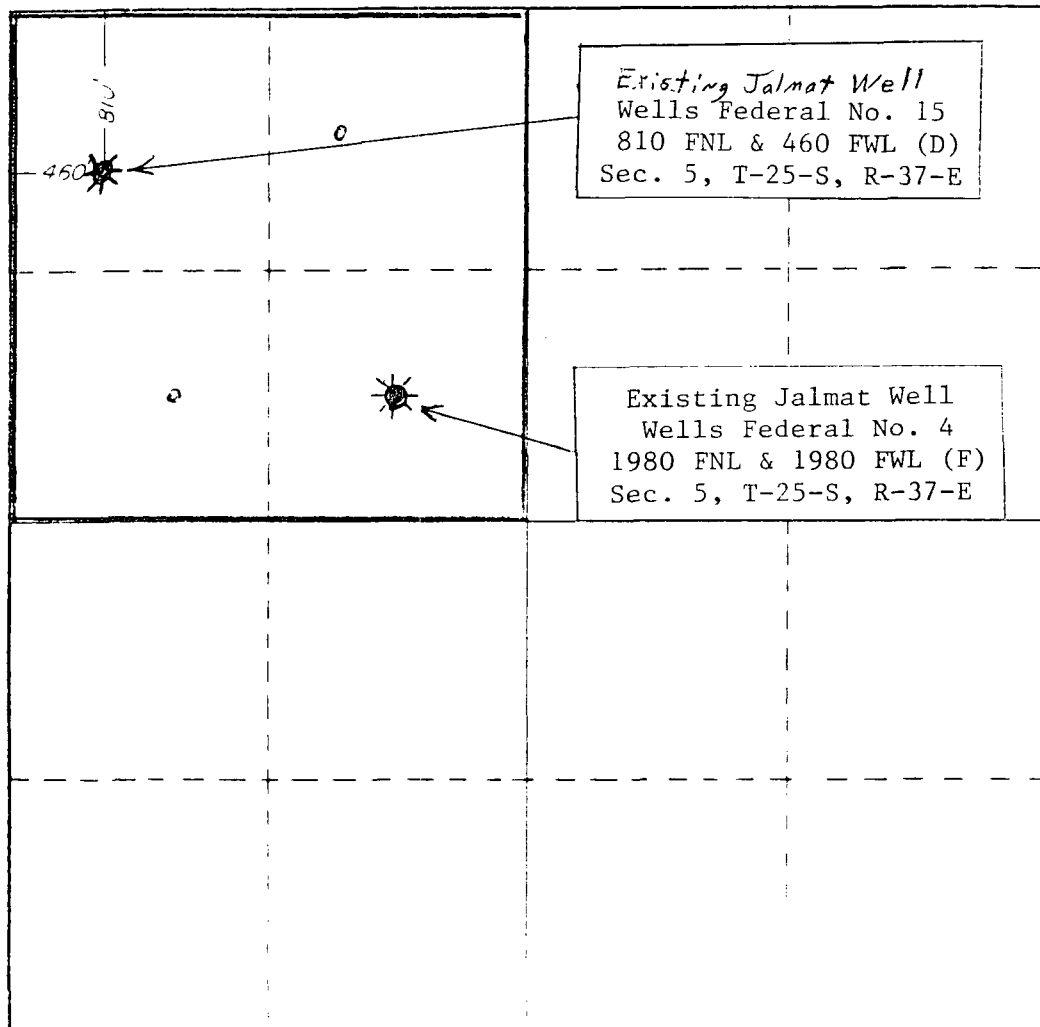
Operator DOYLE HARTMAN			Lessee WELLS FEDERAL		Well No. 15
Post Letter H	Section 5	Township 25S	Range 37E	County LEA	
Actual Footage Location of Well: 810 feet from the NORTH line and 460 feet from the WEST line					
Ground Level Elev. 5231.5	Producing Formation YATES-SEVEN RIVERS		Pool JALMAT (GAS)		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. Nemy*

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  
4/22/84

Registered Professional Engineer  
and Field Surveyor

*John W. White*

Printed Name: John W. White  
505  
1000



# WELL LOCATION AND ACREAGE DEDICATION

Supp. Res. C-12a  
Effective 1-4-65

*New Doyle Hartman*

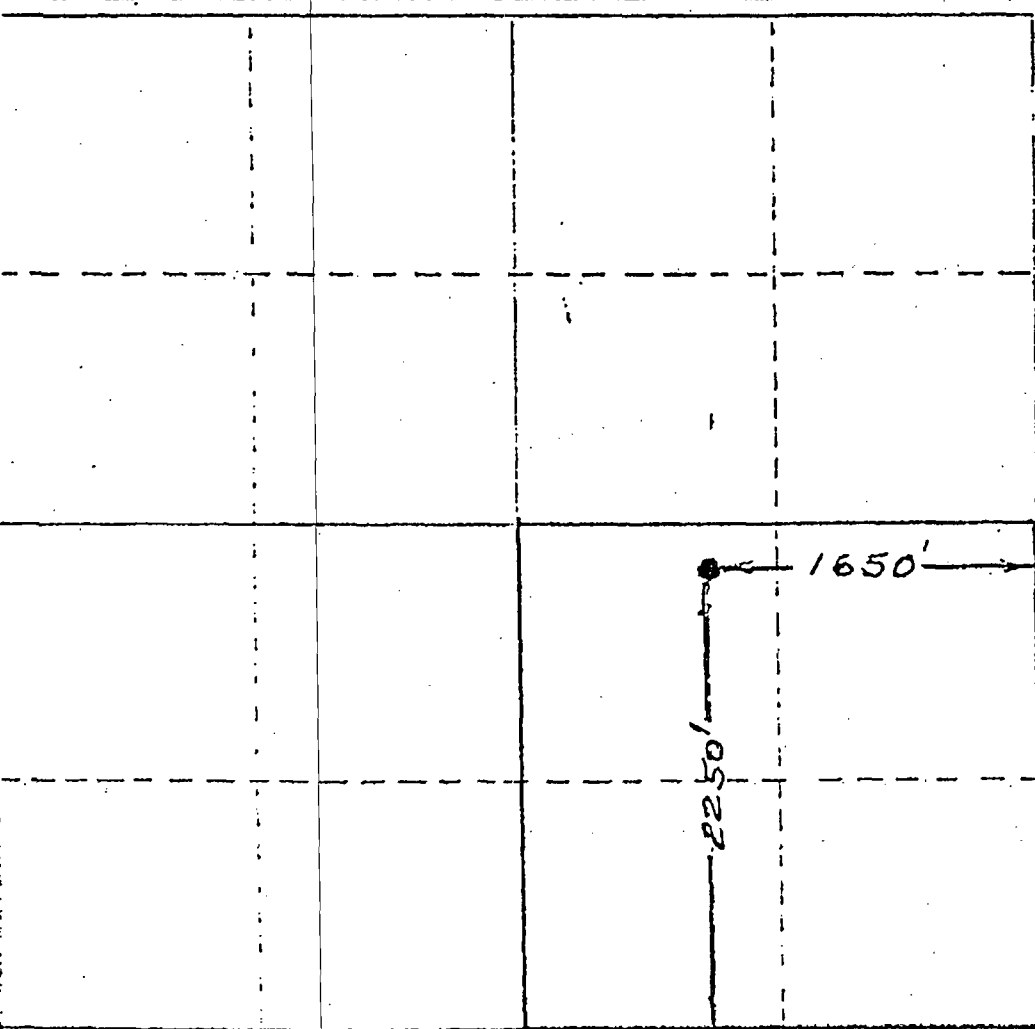
Operator <b>GETTY OIL COMPANY</b>		Lease <b>J.W. Sherrell</b>		Well No. <b>5</b>	
14 Letter <b>J</b>	Section <b>31</b>	Township <b>24S.</b>	Range <b>37E.</b>	County <b>Ica</b>	
Well Postage Location of Well: 2250 feet from the <b>South</b> line and 1650 feet from the <b>East</b> line 3224 feet Level Elev. Producing Formation <b>Yates</b> Pool <b>Jalmat Yates (Gas)</b> Dedicated Acreage: <b>160</b> Acres					

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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 *David C. Baker*  
 Position **Area Superintendent**  
 Company **Getty Oil Company**  
 Date **1-24-79**

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 Survey **22 Feb 1979**  
 Registered Professional Engineer and/or Land Surveyor  
**JONES**  
**3640**  
**STATE OF ARIZONA**  
**CERTIFICATE OF LAND SURVEYOR**

C-1/14/99

14:14

5053935388

OIL REPORTS

008

Submit to Appropriate  
District Office  
State Lease - 6 copies  
Fee Lease - 5 copies

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

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

State of New Mexico  
Energy, Minerals and Natural Resources Department  
**OIL CONSERVATION DIVISION**  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

Form C-105  
Revised 1-1-89

WELL API NO.  
**30-025-26070**

5. Indicate Type of Lease

STATE ☐

FEE ☒

6. State Oil & Gas Lease No.

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

1a. Type of Well:

OIL WELL ☐

GAS WELL ☒

DRY ☐

OTHER ☐

b. Type of Completion:

NEW WELL ☐

WORK OVER ☐

DEEPEN ☐

PLUG BACK ☐

DIFF RESVR ☒

OTHER ☐

Additional Perfs

7. Lease Name or Unit Agreement Name

J.W. Sherrell

2. Name of Operator

Doyle Hartman

8. Well No.

9

3. Address of Operator

P.O. Box 10426 Midland, Texas 79702

9. Pool name or Wildcat

Jalmat (Tansil-Yates-7R)

4. Well Location

Unit Letter **J**: **2250** Feet From The **South** Line and **1650** Feet From The **East** Line

Section **31** Township **24-S** Range **37-E** NMPM Lea County

10. Date Spudded

6-29-78 orig

11-5-89 recomp

11. Date T.D. Reached

9-9-78 orig

12. Date Compl. (Ready to Prod.)

orig 9-16-78

recomp 11-15-89

13. Elevations (DFA & RKB, RT, GR, etc.)

3224 GL

14. Elev. Casinghead

3227

15. Total Depth

3250

16. Plug Back T.D.

3219

17. If Multiple Compl. How Many Zones?

-

18. Intervals Drilled By

Rotary Tools

0-3250

Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name

Yates - 7 Rivers

20. Was Directional Survey Made

No

21. Type Electric and Other Logs Run

Original DLL, MLL, GRC, CDL, CN

22. Was Well Cored

No

**CASING RECORD (Report all strings set in well) \* Same as Original**

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8	23 #/ft	495	12 1/4"	400 sxs	Circ
5 1/2	15.5 #/ft	3247	7 7/8"	720 sxs	Circ

**24. LINER RECORD**

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	25. TUBING RECORD	SIZE	DEPTH SET	PACKER SET
						2 3/8	3171" RKB	None

26. Perforation record (Interval, size, and number) 1 SPF  
Old Perfs-2928,43,52,62,66,73,79,84,89,96  
3000,06,11,23,31,44,52,60,65,78, & 88  
21 (.42") Shots

New Perfs Added (11-13-89)-2908,38,46,53,70,74,78.5, & 3016 1 SPF

**27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.**

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
2928 - 3088	3000 gals 15% NEFE

**28. PRODUCTION**

Date First Production		Production Method (Flowing, gas lift, pumping - Size and type pump)					Well Status (Prod. or Shut-in)	
11-15-89		Pumping 8.5 spm x 54" strong x 1 1/4" insert pump					Shut-in	
Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl	Gas - MCF	Water - Bbl	Gas - Oil Ratio	
11-16-89	24	32/64		Trace	257	29		
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl	Gas - MCF	Water - Bbl	Oil Gravity - API - (Corr.)		
CSG 36 psig	SICP 86 psig		Trace	257	29			

9. Disposition of Gas (Sold, used for fuel, vented, etc.)

Vented


Test Witnessed By

H. Swain

0. List Attachments

I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature



Printed Name

Mike Stewart

Title

Engineer

Date 12-6-89

## WELL LOCATION AND ACREAGE DEDICATION PLAT

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

New: Doyle Hartman All distances must be from the outer boundaries of the Section.

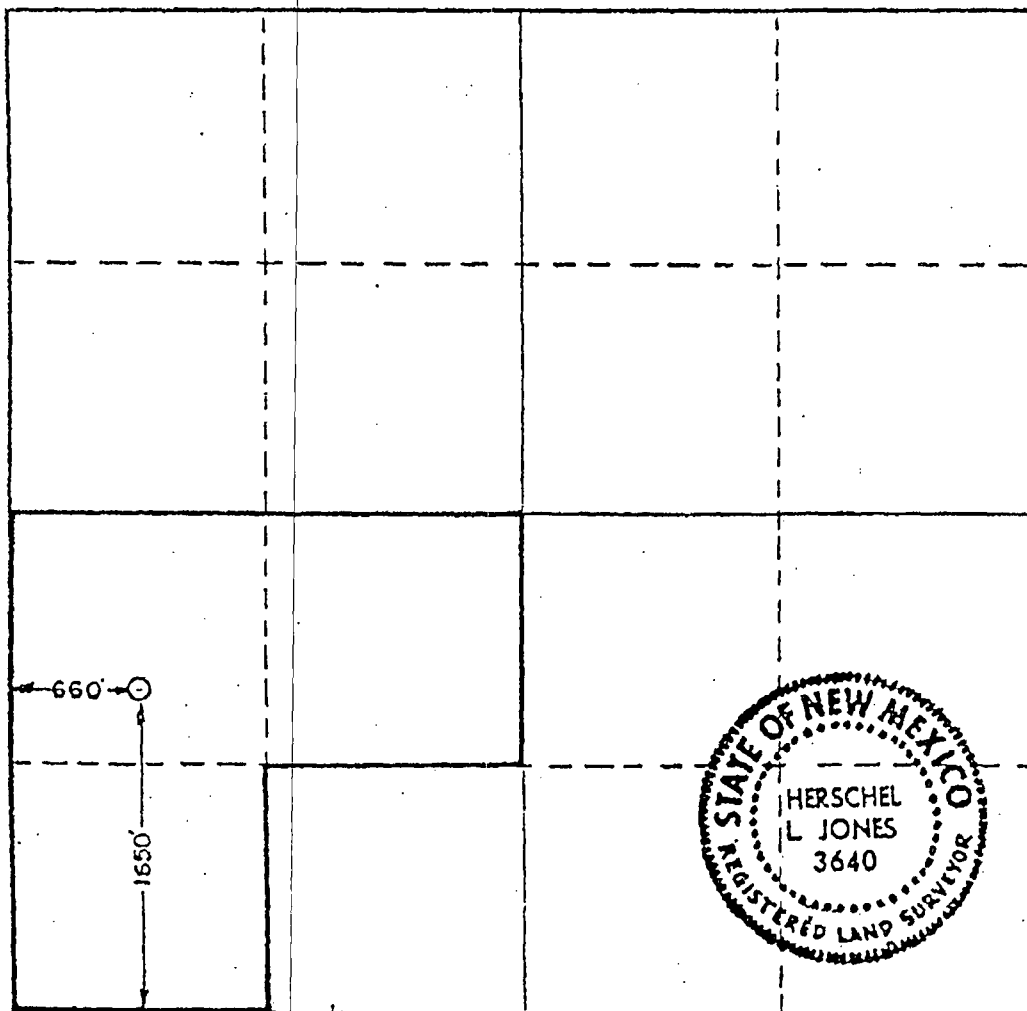
Operator <b>GETTY OIL COMPANY</b>		Lease <b>Skelly "N" State</b>		Well No. <b>4</b>
Unit Letter <b>"L"</b>	Section <b>32</b>	Township <b>24 South</b>	Range <b>37 East</b>	County <b>Lea</b>
Actual Footage Location of Well: <b>1650</b> feet from the <b>South</b> line and <b>660</b> feet from the <b>West</b> line				
Ground Level Elev. <b>3238.6</b>	Producing Formation <b>YATES</b>		Pool <b>JALMAT (YATES)</b>	Dedicated Acreage <b>120</b> 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 **ORIGINAL SIGNED BY  
DALE R. CROCKETT**Position  
**AREA SUPERINTENDENT**Company  
**GETTY OIL COMPANY**Date  
**JUNE 19, 1978**

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  
**June 15, 1978**Registered Professional Engineer  
and/or Land SurveyorCertificate No.  
**3640**

Submit 5 Copies  
Appropriate District Office  
DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

Form C-104  
Revised 1-1-89  
See Instructions  
at Bottom of Page

REQUEST FOR ALLOWABLE AND AUTHORIZATION  
TO TRANSPORT OIL AND NATURAL GAS

58061

Operator <b>Doyle Hartman</b>		Well API No. <b>30-025-25974</b>
Address <b>P. O. Box 10426 Midland, Texas 79702</b>		
Reason(s) for Filing (Check proper box) <input type="checkbox"/> Other (Please explain)		
New Well <input type="checkbox"/>	Change in Transporter of: <input type="checkbox"/> Oil <input type="checkbox"/> Dry Gas <input checked="" type="checkbox"/> Change in Transporter effective <input type="checkbox"/> Condensate <input type="checkbox"/> November 1, 1991	
Recompletion <input type="checkbox"/>		
Change in Operator <input type="checkbox"/>		
(change of operator give name and address of previous operator)		

I. DESCRIPTION OF WELL AND LEASE

Lease Name <b>Skelly M State</b>	Well No. <b>4</b>	Pool Name, including Formation <b>Jalmat (T-Y-7R)</b>	Kind of Lease <b>State, Federal or Fee</b>	Lease No. <b>R-1327</b>
Location Unit Letter <b>L</b> : <b>1650</b> Feet From The <b>South</b> Line and <b>660</b> Feet From The <b>West</b> Line Section <b>32</b> Township <b>24S</b> Range <b>37E</b> , NMFM, Lea County				

II. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)					
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)					
<b>Sid Richardson Carbon &amp; Gasoline Company</b>	<b>201 Main Street, Fort Worth, Texas 76102</b>					
Well produces oil or liquids, or location of tanks.	Unit	Sec.	Twp.	Rge.	Is gas actually connected?	When?

This production is commingled with that from any other lease or pool, give commingling order number.

III. COMPLETION DATA

Designate Type of Completion - (X)	<input checked="" type="checkbox"/> Oil Well	<input type="checkbox"/> Gas Well	<input type="checkbox"/> New Well	<input type="checkbox"/> Workover	<input type="checkbox"/> Deepen	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Same Res'v	<input type="checkbox"/> Diff Res'v
Date Spudded	Date Compl. Ready to Prod.		Total Depth		P.B.T.D.			
Conditions (DF, RKB, RT, GR, etc.)	Name of Producing Formation		Top Oil/Gas Pay		Tubing Depth			
Formations					Depth Casing Shoe			
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET		SACKS CEMENT			

TEST DATA AND REQUEST FOR ALLOWABLE

L WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours.)			
First New Oil Run To Tank	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas - MCF
AS WELL			
Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (prior, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

IV. OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature Patrick K. Worrell  
Printed Name **Patrick K. Worrell** Engineer  
Title  
Date **11/21/91** Telephone No. **915-684-4011**

OIL CONSERVATION DIVISION

Date Approved **NOV 27 1991**

By ORIGINAL SIGNED BY JERRY LEXTON  
DISTRICT SUPERVISOR

Title  
**FOR RECORD ONLY MAY 11 1993**

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

JE APDACA  
GOVERNOR

NICK FRANKLIN  
SECRETARY

August 16, 1978

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-2434

Getty Oil Company  
P. O. Box 730  
Hobbs, New Mexico 88240

Administrative Order NSP-1102 \*

Gentlemen:

Reference is made to your application for approval of a 120-acre non-standard gas proration unit consisting of the following acreage in the Jalmat Yates Pool:

LEA COUNTY, NEW MEXICO  
TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM  
Section 32: N/2 SW/4 and SW/4 SW/4

It is my understanding that this unit is to be dedicated to your Skelly "M" State Well No. 4 located 1650 feet from the South line and 660 feet from the West line of the above-described Section 32.

By authority granted me under the provisions of Rule 5C3 of Order No. R-1670, you are hereby authorized to operate the above-described acreage as a non-standard unit.

Very truly yours,

JOE D. RAMEY,  
Director

JDR/RLS/dr

cc: Oil Conservation Division - Hobbs  
Oil & Gas Engineering Committee - Hobbs  
Central Leasing - State Land Office - Santa Fe

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

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

ARCO

All distances must be from the outer boundaries of the Section.

Atlantic Richfield Company			Lease <u>State 157-E</u>		Well No. <u>1</u>
At Letter <u>G</u>	Section <u>32</u>	Township <u>24S</u>	Range <u>37E</u>	County <u>Lea</u>	

Actual Footage Location of Well:							
<u>2310</u>	feet from the	<u>North</u>	line and	<u>2310</u>	feet from the	<u>East</u>	line
Ground Level Elev. <u>3251'</u>	Producing Formation <u>Yates</u>		Pool <u>Jalmat Gas</u>		Dedicated Acreage: <u>240</u> Acres		

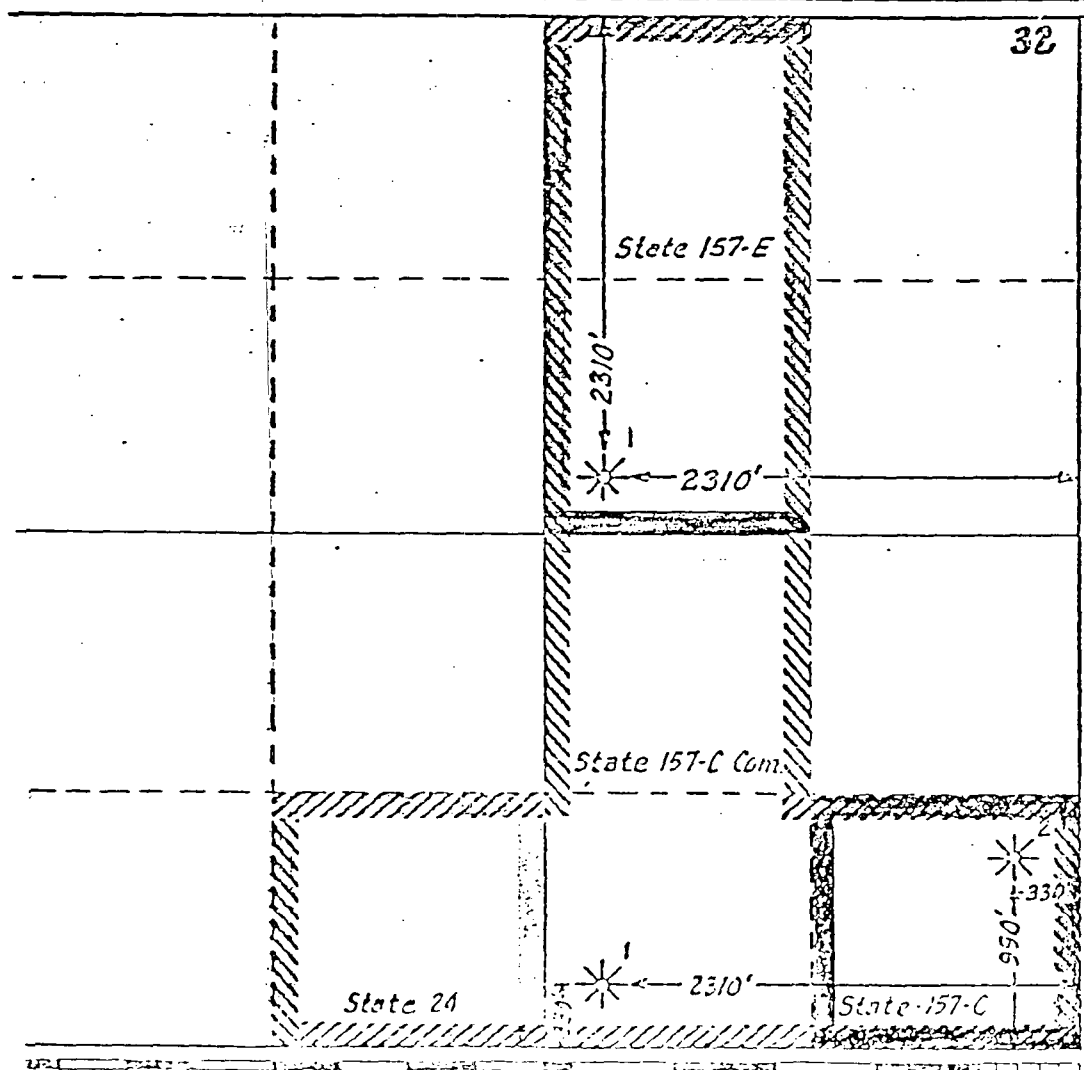
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is 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 Communitization

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.

**R-37-E**



CERTIFICATION	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
Name	<u>Louis C. Soltan</u>
Position	<u>Engineer</u>
Company	<u>Atlantic Richfield Company</u>
Date	<u>November 1, 1974</u>
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	
Registered Professional Engineer and/or Land Surveyor	
Certificate No.	

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-12  
Effective 1-1-65

All distances must be from the outer boundaries of the Section

*Now SDX*

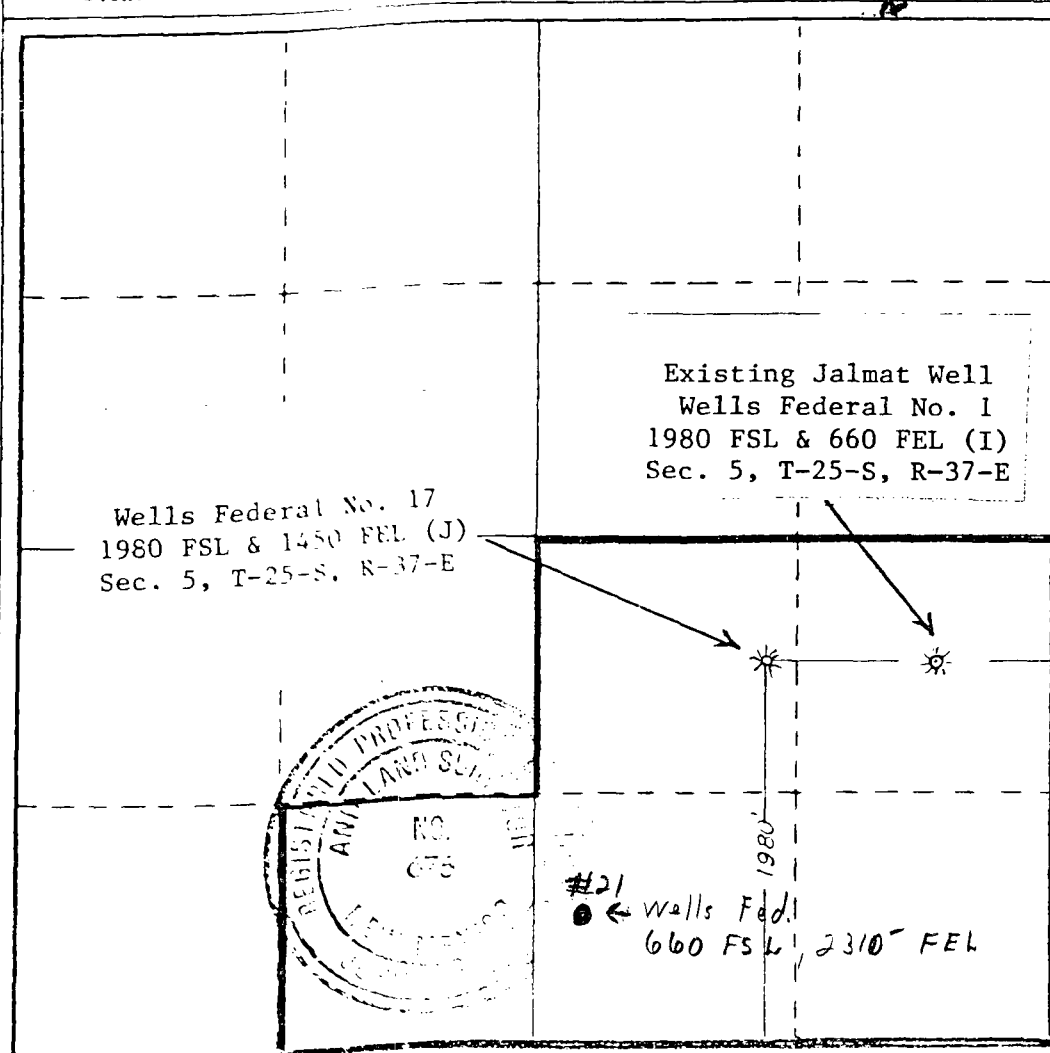
Operator DOYLE HARTMAN		Lease WELLS FEDERAL		Well No. 17
Unit Letter J	Section 5	Township 25S	Range 37E	County LEA
Actual Footage Location of Well 1450 feet from the EAST line and 1980 feet from the SOUTH line				
Ground Level Elev. 3229.9	Producing Formation YATES-SEVEN RIVERS	Pool JALMAT (GAS)	Dedicated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

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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. 676  
RONALD J. EDSON. 3239



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

March 31, 1999

SDX Resources, Inc.  
P. O. Box 5061  
Midland, Texas 79704  
Attention: Chuck Morgan

*Administrative Order NSL-4248(SD)*

Dear Mr. Morgan:

Reference is made to your applications dated March 4, 1999 for two unorthodox Jalmat gas well locations in an existing non-standard 200-acre gas spacing and proration unit ("GPU") for the Jalmat Gas Pool comprising the SE/4 SW/4 and SE/4 of Section 5, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico. This non-standard GPU was established by Division Administrative Order NSP-400, dated November 11, 1957 and had dedicated thereon the Wells Federal Well No. 1 (API No. 30-025-11462), located 1980 feet from the South line and 660 feet from the East line (Unit I) of Section 5.

By amendment to Division Administrative Order NSP-400 (L) (SD), dated August 17, 1984, a second well, the Wells Federal Well No. 17 (API No. 30-025-28850), located at an unorthodox gas well location 1980 feet from the South line and 1450 feet from the East line (Unit J) of Section 5 was approved for this GPU.

By authority granted me under the provisions of Rule 2(d) of the "*Special Rules and Regulations for the Jalmat Gas Pool*", as promulgated by Division Order No. R-8170, as amended, and Division Rule 104.F (2) the following two wells to be drilled at unorthodox Jalmat gas well locations in Section 5 are hereby approved:

**Wells Federal Well No. 20**  
**820' FSL & 1238' FEL (Unit P)**

**Wells Federal Well No. 21**  
**660' FSL & 2310' FEL (Unit O)**

Also, you are hereby authorized to simultaneously dedicate Jalmat gas production from the proposed Wells Federal Wells No. 20 and 21 with the existing Wells Federal Wells No. 1 and 17.



Administrative Order NSL-4248(SD)

SDX Resources, Inc.

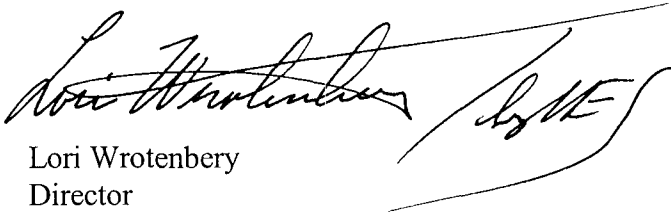
March 31, 1999

Page 2

---

Furthermore, you are hereby permitted to produce the allowable assigned the subject 200-acre GPU from all four wells in any proportion.

Sincerely,

A handwritten signature in black ink, appearing to read "Lori Wrotenbery", followed by a large, stylized flourish or signature mark.

Lori Wrotenbery  
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs  
U. S. Bureau of Land Management - Carlsbad  
File: NSP-400

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Supervised by  
Oil and Gas Division

New SDX

All distances must be from the outer boundaries of the Section

Owner <b>DOYLE HARTMAN</b>			Lease <b>WELLS "B5"</b>		Section <b>2</b>
Section <b>G</b>	Section <b>5</b>	Township <b>25 SOUTH</b>	Range <b>37 EAST</b>	County <b>LEA</b>	
A. 1552 feet from the NORTH line and 2230 feet from the EAST line					
Ground Level Elev <b>3249.1</b>	Producing Formation <b>Yates</b>		Pool <b>Jalmat (Gas)</b>	Section <b>160*</b>	

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?

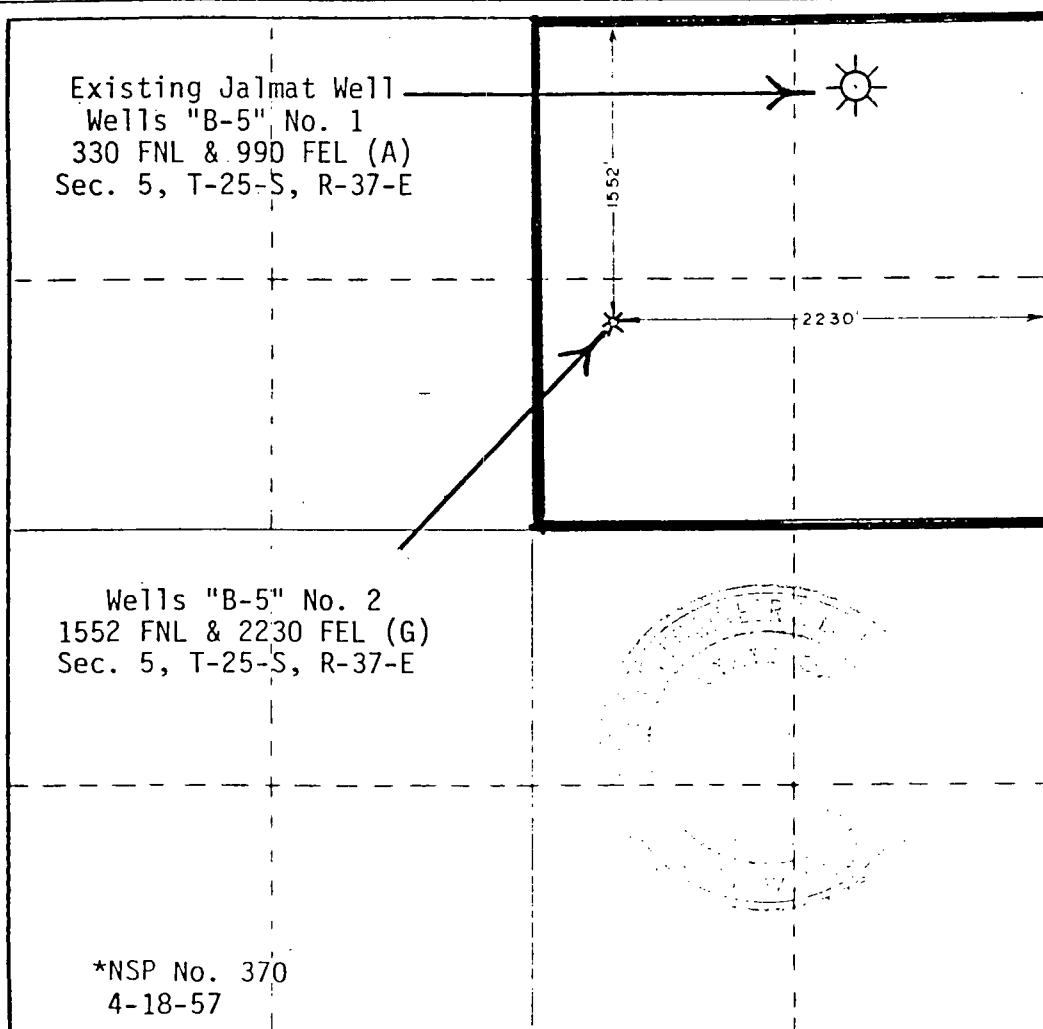
Communitization Agreement  
(14-08-0001-3889)

☒ 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. List 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. 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 878**  
**PATRICK A. ROMERO 6868**  
**Enold J. Edson 3239**

330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600 6930 7260 7590 7920 8250 8580 8910 9240 9570 9900 10230 10560 10890 11220 11550 11880 12210 12540 12870 13200 13530 13860 14190 14520 14850 15180 15510 15840 16170 16500 16830 17160 17490 17820 18150 18480 18810 19140 19470 19800 20130 20460 20790 21120 21450 21780 22110 22440 22770 23100 23430 23760 24090 24420 24750 25080 25410 25740 26070 26400

Well Location and Acreage Dedication Plat

Section A.

Date August 2, 1957

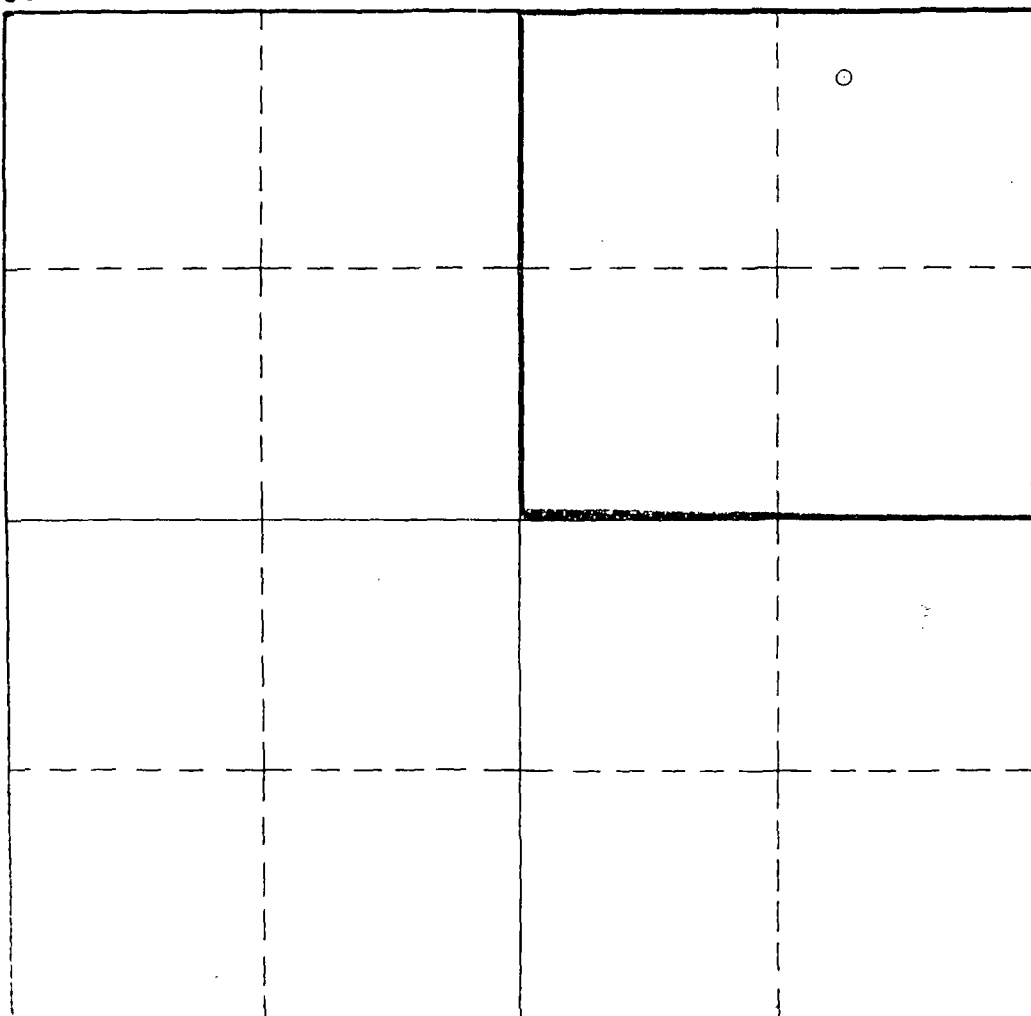
Operator El Paso Natural Gas Company Lease Wells 3-5  
 Well No. 1 Unit Letter A Section 5 Township 25 S Range 37 E NMPM  
 Located 330 Feet From North Line, 990 Feet From East Line  
 County Lea G. L. Elevation 3262 Dedicated Acreage 160 Acres  
 Name of Producing Formation Yates Pool Jalmat

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)

Lloyd R. Baskin  
 (Representative)

Lloyd R. 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)

330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

# El Paso Natural Gas Company

El Paso, Texas  
April 1, 1957

to Holder 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.

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 Applicagion, 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.

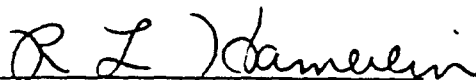
10. El Paso Natural Gas Company intends to use said well as the unit well.

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

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION AT

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

*Now SDX*

All distances must be from the outer boundaries of the Section

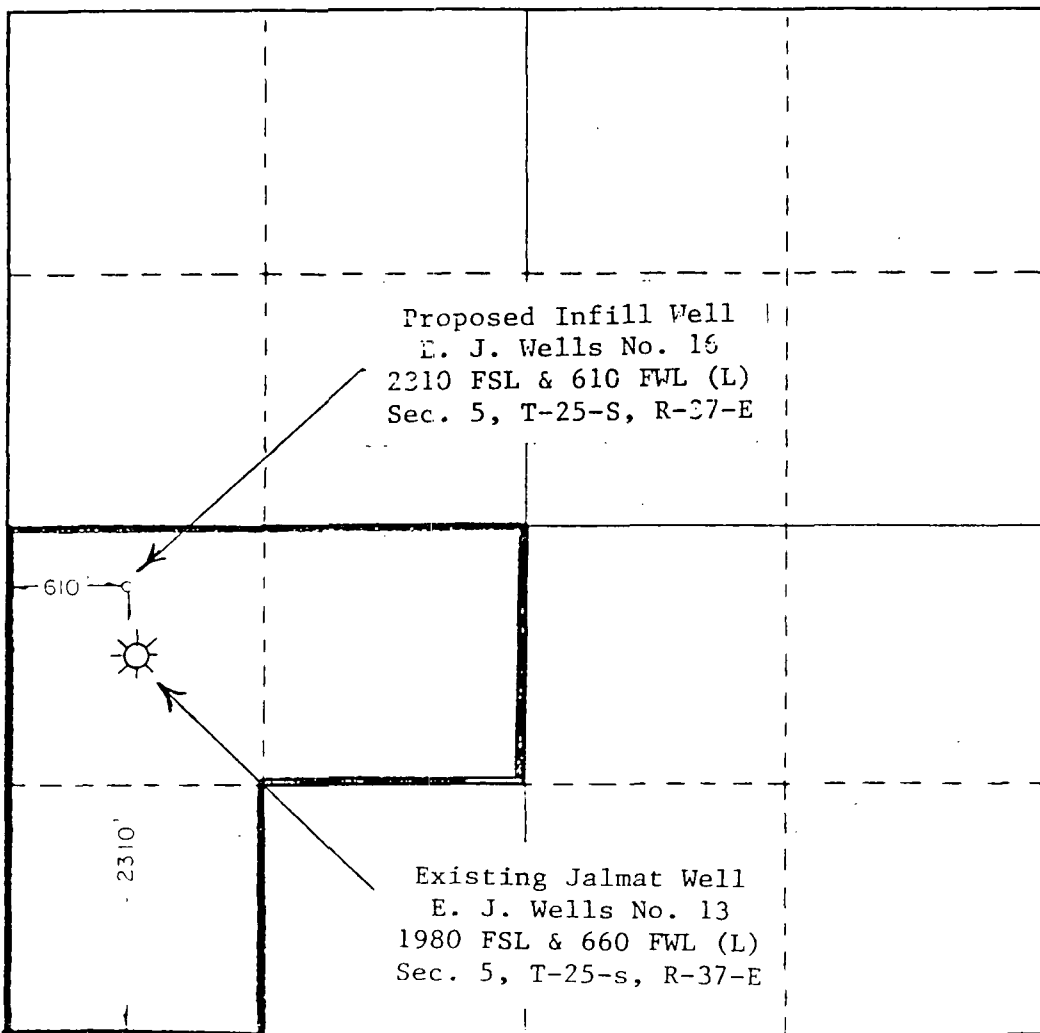
Landowner DOYLE HARTMAN			Lease E. J. WELLS			Well No. 16		
Unit Letter L	Section 5	Township 25 SOUTH	Range 37 EAST	County HOLA				
Actual Footage Location of Well: 2310 feet from the SOUTH line and 610 feet from the WEST line								
Ground Level Elev. 3219.7	Producing Formation YATES-SEVEN RIVERS			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

Registered Professional Engineer and/or Land Surveyor

*[Signature]*

Certificate No. JOHN W. WEST. 676

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:

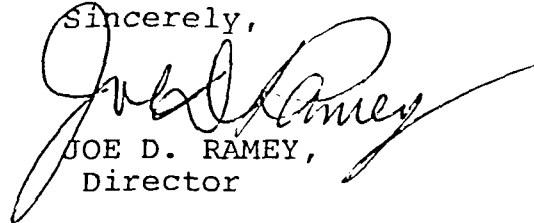
Reference is made to your application for a non-standard location and simultaneous dedication for your E. J. Well No. 16 located 2310 feet from the South line and 610 feet from the West line of Section 5, Township 25 South, Range 37 East, Jalmat Gas Pool, Lea County, New Mexico.

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", with a long, sweeping horizontal line extending to the right.

JOE D. RAMEY,  
Director

JDR/RLS/dp

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



DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210  
DISTRICT III  
600 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

REQUEST FOR ALLOWABLE AND AUTHORIZATION  
TO TRANSPORT OIL AND NATURAL GAS

Operator	Permian Resources, Inc., d/b/a Permian Partners, Inc.	Well API No.	30-025-11467 ✓
Address	P. O. Box 590 Midland, Texas 79702		
Reason(s) for Filing (Check proper box)	<input type="checkbox"/> Other (Please explain)		
New Well <input type="checkbox"/>	Change in Transporter of:		
Recompletion <input type="checkbox"/>	Oil <input type="checkbox"/>	Dry Gas <input type="checkbox"/>	
Change in Operator <input checked="" type="checkbox"/>	Casinghead Gas <input type="checkbox"/>	Condensate <input type="checkbox"/>	
Change of operator give name and address of previous operator	Earl R. Bruno Company P. O. Box 590 Midland, TX 79702		

DESCRIPTION OF WELL AND LEASE				
Well Name	Well No.	Pool Name, including Formation	Kind of Lease State, <input checked="" type="checkbox"/> Federal or Fee	Lease No.
Wells B-6	1	Galmat T. Yates		12052956(E)
Location	Unit Letter A : 330 Feet From The North Line and 330 Feet From The East Line			
Section	Township	Range	NMPM	County
6	25S	37E	Area	

I. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS					
Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/>		Address (Give address to which approved copy of this form is to be sent)			
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/>		Address (Give address to which approved copy of this form is to be sent)			
Mid Richardson Carbon Sealing Co.		201 Main St., St. Louis, MO 63102			
Well produces oil or liquids, or location of tanks.	Unit	Sec.	Twp.	Rge.	Is gas actually connected? When?
					Yes N/A
This production is commingled with that from any other lease or pool, give commingling order number.					

COMPLETION DATA			
Designate Type of Completion - (X)	Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> New Well <input type="checkbox"/> Workover <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Same Res'v <input type="checkbox"/> Diff Res'v <input type="checkbox"/>		
Well Spudded	Date Compl. Ready to Prod.	Total Depth	P.B.T.D.
Measurements (DF, RKB, RT, GR, etc.)	Name of Producing Formation	Top Oil/Gas Pay	Tubing Depth
Formations	Depth Casing Shoe		
TUBING, CASING AND CEMENTING RECORD			
HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT

TEST DATA AND REQUEST FOR ALLOWABLE			
NEW WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours.)			
First New Oil Run To Tank	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Depth of Test	Tubing Pressure	Casing Pressure	Choke Size
Total Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas - MCF

OLD WELL			
Total Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Producing Method (pilot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

OPERATOR CERTIFICATE OF COMPLIANCE	
I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.	
Signature	Title
Randy Bruno	President
Dated Name	Telephone No.
May 17, 1993	915/685-0113
Date	

OIL CONSERVATION DIVISION	
Date Approved JUN 14 1993	
By ORIGINAL SIGNED BY JERRY SEXTON	
DISTRICT I SUPERVISOR	
Title	

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each well in multiple completed wells.

*Permian*

OIL CONSERVATION COMMISSION

NSP 15

Now Wells B-6

Date Nov. 4, 1953

Westates Pet. Corp.  
Operator

E. J. Wells  
Lease

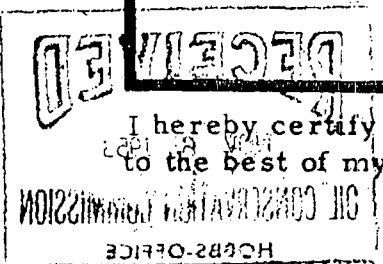
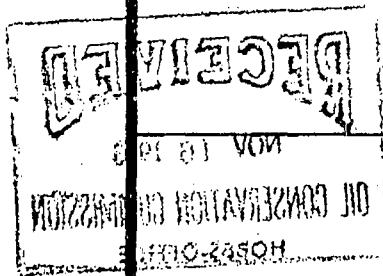
#1 B 6-1  
Well No.

Name of Producing Formation Y - SR Pool Jalco

No. Acres Dedicated to the Well 40

SECTION 6 TOWNSHIP 25 S. RANGE 37 E

40 acres		x
Apr		
to 10		
NSP 15		



I hereby certify that the information given above is true and complete to the best of my knowledge.

Name J. Benton  
Position Div. Supt.  
Representing Westates Pet. Corp.  
Address P. O. Box 1381, Jal, N. M.

Permian Resources, Inc.  
P.O. Box 590  
Midland, TX 79702

(over)

N.M. OIL CONS. COMMISSION  
P.O. BOX 1980  
MORRIS, NEW MEXICO 88240

Form 3160-5  
(June 1990)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Seav Exploration, Inc.

3. Address and Telephone No.

407 N. Big Spring, Suite 200, Midland, TX 79701

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1980 FNL & 1980 FEL, Unit G, Sec. 6, T25S, R37E

FORM APPROVED

Budget Bureau No. 1004-0135

Expires March 31, 1993

5. Lease Designation and Serial No.

LC-055546

6. If Indian, Allotment or Tribal Matter

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Wells WN #1

9. API Well No.

30-025-11466

10. Field and Pool, or Exploratory Area

Jalmat (Yates)

11. County or Parish, State

Lea County, NM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment

☐ Recommission

☐ Plugging Back

☐ Casing Repair

☐ Altering Casing

☒ Other workover old producing

zone.

☐ Change of Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut-Off

☐ Conversion to Injection

☐ Dispose Water

(Note: Report results of operations immediately per Well Completion or Abandonment Notice and Log book.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including completion date of starting any proposed work. If well is permanently drilled, give submission location and measured and true vertical depths for all intervals and screen pertinent to the work.)

Please see attached workover procedure.

14. I hereby certify that the foregoing is true and correct.

Signed

*VB Seav*

Title

Owner

Date

5-18-92

(This space for Federal or State office use)

Approved by

*VB Seav*

Title

Petroleum Engineer

Date

5/29/92

Conditions of approval, if any:

Sep 03 99 03:10p

Debbie McKelvey

5053923175

P. 6

Gas Well Plat

OIL CONSERVATION COMMISSION

NSP-218  
Seay Exploration  
Western Natural Gas Co.

Wells on  
Wells

Date November 27, 1953

1

Operator

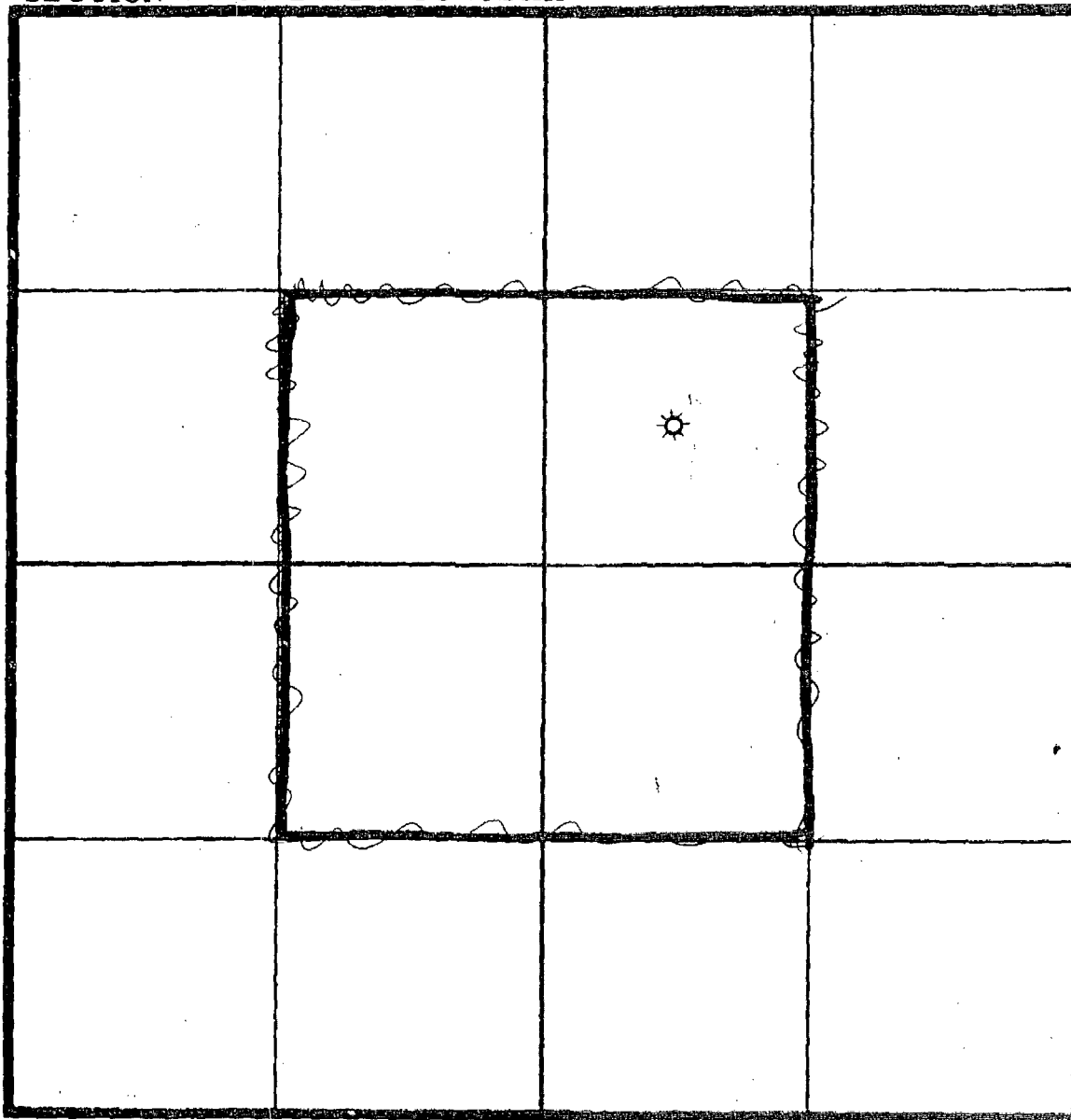
Lease

Well No.

Name of Producing Formation Brown Line-Vates Pool Jalco

No. Acres Dedicated to the Well 160

SECTION 6 TOWNSHIP 25S RANGE 37E



I hereby certify that the information given above is true and complete to the best of my knowledge.

Name R. H. McKey  
Position Division Superintendent  
Representing Western Natural Gas Company  
Address 823 Midland Tower, Midland, Texas

NEW MEXICO  
OIL CONSERVATION COMMISSION

Gas Well Plat.

HOBBS OFFICE OCC

Date February 17, 1955

Phillips Petroleum Company

C.D. Woolworth Group

Operator

Lease

1954 FEB 23 AM 9:26  
Well No.

Name of Producing Formation Yates Gas Pool Jalmat

No. Acres Dedicated to the Well 160

SECTION	6	TOWNSHIP	25-S	RANGE	37-E

I hereby certify that the information given above is true and complete to the best of my knowledge.

Name W. H. Hester

Position District Chief Clerk

Representing Phillips Petroleum Company

Address Box 2105, Hobbs, New Mexico

(over)

NTP-91 gives

160 ACRES

SE/4 NE/4

S/2 SE/4 NE/4 SE/4 of 6

DISTRICT I  
P.O. Box 1980, Hobbs NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

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

## OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

WELL API NO.	30-025-1147800
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name	WOOLWORTH GR.3
8. Well No.	002
9. Pool name or Wildcat	JALMAT-TANSILL-YATES-SR-QN
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	3235.6' DF

SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A  
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"  
(FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:  
OIL WELL ☐ GAS WELL ☒ OTHER

2. Name of Operator  
Phillips Petroleum Company

3. Address of Operator  
4001 Penbrook Street, Odessa, TX 79762

4. Well Location  
Unit Letter H : 1963 Feet From The NORTH Line and 643 Feet From The EAST Line

Section 6 Township 25-S Range 37-E NMPM LEA County

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

### NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐  
OTHER: ☐

### SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☒  
CASING TEST AND CEMENT JOB ☐  
OTHER: PLUG & ABANDON WELL. ☐

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

07/16/96 MIRU SIERRA WS #12, PMP 11 BBL FW DWN TBG, LOCK UP, PMP 82 BBL DWN CSG, STATIC, NU CL I BOP, LD 96 JTS 2.375" PROD TBG, SDON.  
07/17/96 GIH W/CIBP ON 90 JTS 2.375" WS SET @ 2836', MIX 100 BBL 10# BRINE W/50 SX SALT GEL, CIRC W/90 BBLS, PMP PLUG #1 75 SX 2836-2386', TOH W/WS, PU 7" AD-1 RENTAL PKR, GIH T/1009' & SET PKR @ 1009', TST CSG T/350#, 2.375" X 7" ANNULUS WOULD NOT TST, TST BELOW PKR @ 1009' T/500# GOOD, RU WL TRUCK & PERF @ 1275' RD WL TRUCK, ATTEMPT T/ESTAB PI RATE VIA PERFS @ 1275', PRESS UP T/1500#, NO BLEED OFF, NMOC OK'D T/SPOT PLUG F/1325-750+/-, HOLES IN 7" @ 786', LD CSG & PKR, TIH W/WS T/1326', PMP PLUG #2 130 SX 1326-542', WOC & TAG, TOH W/WS, SDON.  
07/18/96 TIH & TAG PLUG #2 @ 695', TOH LD WS, GIH W/1 JT WS & PKR, SET @ 31', RU WL TRUCK & PERF W/85 BBLS 10# GELLED BRINE (MLF), DID NOT CIRC, PMP PLUG #3 24 SX 363'-3',  
(CONTINUED ON BACK)

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

SIGNATURE Donna Carleton TITLE Senior Regulation Analyst DATE 7-22-96

TYPE OR PRINT NAME Larry M. Sanders TELEPHONE NO. (915) 368-1488

(This space for State Use)

APPROVED BY Charlie Perry TITLE OIL & GAS INSPECTOR DATE JAN 28 1997

CONDITIONS OF APPROVAL, IF ANY:

JC

ml

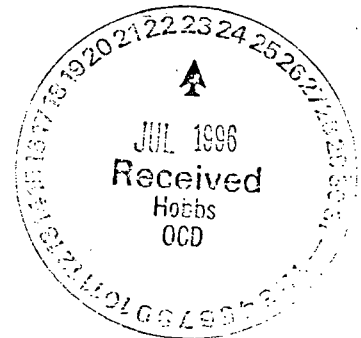
WOOLWORTH G3 #2 CONTINUED

07/18/96

CONTINUED

CMT CIRC T/SURF LEAVING INSIDE OF 7" CSG FULL & 9.625 X 7 ANNULUS FULL, DIG OUT CELLAR, CUT & CAP, INSTALL DRY HOLE MARKER, RDMO SIERRA WS #3 & CMT EQMT, PERFORM RECLAMATION WORK, WELL PA'D.

## COMPLETE DROP FROM REPORT



DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

## OIL CONSERVATION DIVISION

310 Old Santa Fe Trail, Room 206  
Santa Fe, New Mexico 87503

WELL API NO.

30-025-23868

5. Indicate Type of Lease

STATE ☐FEE ☒

6. State Oil &amp; Gas Lease No.

## SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A  
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"  
(FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:

OIL  
WELL ☐GAS  
WELL ☐

OTHER

Injection

2. Name of Operator

GP II Energy, Inc.

3. Address of Operator

P. O. Box 50682 Midland, Tx 79710

4. Well Location

Unit Letter H : 1980 Feet From The N Line and 510 Feet From The E LineSection 6 Township 25S Range 37E NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data  
NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK ☐PLUG AND ABANDON ☐REMEDIAL WORK ☐ALTERING CASING ☐TEMPORARILY ABANDON ☐CHANGE PLANS ☐COMMENCE DRILLING OPNS. ☐PLUG AND ABANDONMENT ☐PULL OR ALTER CASING ☐CASING TEST AND CEMENT JOB ☐OTHER: squeeze perms, add perms ☒OTHER: ☐

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

--On or about February 27, 1996, add perms 3445' - 3511' & 3370' - 3430'. Squeeze perms  
3260' - 3360'. Stimulate

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

SIGNATURE

TITLE

President

DATE 2-20-96

TYPE OR PRINT NAME

George P. Mitchell, II

TELEPHONE NO. 915-684-4748

(This space for State Use)

ORIGINAL SIGNED BY JERRY SEXTON  
DISTRICT I SUPERVISOR

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

FEB 26 1996



District I  
PO Box 1980, Hobbs, NM 88241-1980  
District II  
PO Drawer 111, Artesia, NM 88211-0719  
District III  
1000 Rio Diazos Rd., Aztec, NM 87410  
District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form

Revised February 1

Instructions

Submit to Appropriate District

5

# OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, NM 87504-2088

☐ AMENDED RETURN

## I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

1 Operator name and Address GP II ENERGY, INC. P.O. Box 60682 Midland, TX 79710-1810		2 OGRID Number 8359
4 API Number 30-025-11479		3 Reason for Filing Code ** CHANGE OF Transport
5 Pool Name LANGLIE MATTIX TRIVERS QUEEN	6 Pool Code 3724	7 Property Code 17180
8 Property Name LANGLIE JAL UNIT	9 Well Number 54	

## II. Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
NEISE	6	25S	37E		1930	N	710	E	LEA

## Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
12 Lse Code F	13 Producing Method Code P	14 Gas Connection Date 3/1/93	15 C-129 Permit Number	16 C-129 Effective Date	17 C-129 Expiration Date				

## III. Oil and Gas Transporters

18 Transporter OGRID	19 Transporter Name and Address	20 POD	21 O/G	22 POD ULSTR Location and Description
22628	Texas New Mexico Pipeline Co.	1369810	0	** Transporting Only 7-1-95 thru 9-30-95
20809	Sid Richardson Gas Co.	1369830	G	
20667	Shell Pipeline Co.	1369810	0	** Resumes Transporting 10-1-95

## IV. Produced Water

23 POD 1369850	24 POD ULSTR Location and Description
-------------------	---------------------------------------

## V. Well Completion Data

25 Spud Date	26 Ready Date	27 TD	28 PBTD	29 Perforations
30 Hole Size	31 Casing & Tubing Size	32 Depth Set	33 Sacks Cement	

## VI. Well Test Data

34 Date New Oil	35 Gas Delivery Date	36 Test Date	37 Test Length	38 Tbg. Pressure	39 Csg. Pressure
40 Choke Size	41 Oil	42 Water	43 Gas	44 AOP	45 Test Method

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: *George Mitchell*  
Printed name: George Mitchell  
Title: President  
Date: 8/8/95  
Phone: 915 684 4248

## OIL CONSERVATION DIVISION

Approved by: ORIGINAL SIGNED BY JERRY SEXTON  
DISTRICT I SUPERVISOR

Title:

Approval Date:

SEP 08 1995

If this is a change of operator fill in the OGRID number and name of the previous operator

MERIDIAN OIL INC.

REGULATORY COMP 5/31/95

Previous Operator Signature

Printed Name

Title

Date

OFFSET OPERATORS

**WELLS FEDERAL #22**

Doyle Hartman  
PO Box 10426  
Midland, TX 79702

Arco  
PO Box 1089  
Eunice, NM 88231-1089

Permian Resources  
PO Box 590  
Midland, TX 79702

Seay Exploration  
407 N. Big Spring, #200  
Midland, TX 79701

Phillips  
4001 Penbrook  
Odessa, TX 79762

GP II  
713 W. Wadley  
Midland, TX 79705

CMD :  
OG6IWCM

ONGARD  
INQUIRE WELL COMPLETIONS

10/14/99 14:34:36  
OGOMES -TP0C

API Well No : 30 25 28725 Eff Date : 12-01-1998 WC Status : A  
Pool Idn : 79240 JALMAT;TAN-YATES-7 RVRS (PRO GAS)  
OGRID Idn : 20451 SDX RESOURCES INC  
Prop Idn : 23990 WELLS FEDERAL

Well No : 015  
GL Elevation: 99999

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
B.H. Locn	: 4	5	25S	37E	FTG 810 F N FTG	460 F W	A

Lot Identifier:

Dedicated Acre: 159.95

Lease Type : F

Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC

CMD : ONGARD 10/14/99 14:35:22  
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TP0C

API Well No : 30 25 11465 Eff Date : 12-01-1998 WC Status : A  
Pool Idn : 79240 JALMAT;TAN-YATES-7 RVRS (PRO GAS)  
OGRID Idn : 20451 SDX RESOURCES INC  
Prop Idn : 23990 WELLS FEDERAL

Well No : 004  
GL Elevation: 99999

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
	---	---	-----	-----	-----	-----	-----
B.H. Locn : F	5	25S	37E	FTG 1980 F N	FTG 1980 F W		A

Lot Identifier:  
Dedicated Acre: 159.95  
Lease Type : F  
Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC

CMD :  
OG5SECT

ONGARD  
INQUIRE LAND BY SECTION

10/14/99 14:32:11  
OGOMES -TP0C  
PAGE NO: 1

Sec : 05 Twp : 25S Rng : 37E Section Type : NORMAL

4 39.94  Federal owned U A A	3 40.01  Federal owned U A	2 40.09  Federal owned U A A	1 40.16  Federal owned U A A
E 40.00  Federal owned U A	F 40.00  Federal owned U A A	G 40.00  Federal owned U A A A	H 40.00  Federal owned U A

PF01 HELP  
PF07 BKWD

PF02  
PF08 FWD

PF03 EXIT  
PF09 PRINT

PF04 GoTo  
PF10 SDIV

PF05  
PF11

PF06  
PF12

79.94  
80.01  
159.95

CMD :  
OG5SECTONGARD  
INQUIRE LAND BY SECTION10/14/99 14:32:22  
OGOMES -TP0C  
PAGE NO: 2

Sec : 05 Twp : 25S Rng : 37E Section Type : NORMAL

L 40.00  Federal owned U A A A	K 40.00  Federal owned U A	J 40.00  Federal owned U A A A	I 40.00  Federal owned U A A A A A
M 40.00  Federal owned U A	N 40.00  Federal owned U A	O 40.00  Federal owned U A A A	P 40.00  Federal owned U A

PF01 HELP  
PF07 BKWDPF02  
PF08 FWDPF03 EXIT  
PF09 PRINTPF04 GoTo  
PF10 SDIVPF05  
PF11PF06  
PF12



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

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,

A handwritten signature in dark ink, appearing to read "Joe D. Ramey".

JOE D. RAMEY,  
Director

JDR/bok

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

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

HOBBS, NEW MEXICO

Date March 10, 1957

March 10, 1957

C OIL **El Paso Natural Gas Company**  
P.O. Box 1492  
El Paso, Texas

Proposed NSP 358

Proposed NSI                     

O Attention: Mr. R. L. Hamblin

Administrative Order NSP-358

Gentlemen:

Reference is made to your application dated 2/15/57

Reference is made to your application for approval of a 160-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the following acreage:

P and my recommendations are Township 25 South, Range 37 East  
Lots 3 & 4 & S/2 NW/4 of Section 5

C.R.--E.J.F.

Y It is understood that this unit is to be ascribed to your Wells Federal Well No. 4, located 1980 feet from the North line and 1980 feet from the West line and in the SE/4 NW/4 of Section 5, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.

By authority granted me under provisions of Rule 5, Section (b)-6 of the Special Rules and Regulations for the Jalmat Gas Pool, as set forth in Order R-520, 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 12 of the pool rules, based upon the unit size of 160 acres after submission of proof of communitization to both the Santa Fe and Hobbs Offices.

Very truly yours,

Engineer

A. L. PORTER, JR.  
Secretary-Director

WWM:dea

cc: Oil Conservation Commission, Hobbs, New Mexico  
New Mexico Oil & Gas Engineering Committee, Hobbs, New Mexico  
El Paso Natural Gas Company, Jal, New Mexico  
El Paso Natural Gas Company, El Paso, Texas



**KELLAHIN AND KELLAHIN**

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

W. THOMAS KELLAHIN\*

\*NEW MEXICO BOARD OF LEGAL SPECIALIZATION  
RECOGNIZED SPECIALIST IN THE AREA OF  
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

TELEPHONE (505) 982-4285  
TELEFAX (505) 982-2047

March 8, 2000

Ms. Lori Wrotenbery, Director  
Oil Conservation Division  
2030 South Pacheco  
Santa Fe, New Mexico 87505

Re: NMOCD Cases 12301 and 12302--Applications of SDX Resources, Inc. for unorthodox infill gas well locations, Jalmat Gas Pool, Lea County, New Mexico.

Re: NMOCD Cases 12361 and 12362 Objections of Doyle Hartman to Division Administrative Orders SD 99-14 and SD-99-15 (SDX Resources, Inc.)

Dear Ms. Wrotenbery:

The reference cases now pending hearing before the Division involve various applications by SDX Resources, Inc. for the following five (5) proposed wells in the Jalmat Gas Pool:

(a) OCD Case 12361: SDX's State A-32 Well No. 6, to be drilled at a standard location in Unit E, Section 32, T24S, R37E which was approved by the Division on November 8, 1999 by Administrative Order SD-99-14;

(b) OCD Case 12362: SDX's Wells Federal Well No. 22 and Well No. 23, both to be drilled at standard locations in Unit C and E, respectively, Section 5, T25S, R37E which were approved by the Division on November 8, 1999 by Administrative Order SD-99-15;

(c) OCD Case 12301: SDX's E. J. Wells No 25, in Unit K of Section 5, T25S, R37E to be drilled at an unorthodox location but not encroaching towards Hartman's GPU; and

Ms. Lori Wrotenbery, Director

March 8, 2000

-Page 2-

(d) OCD Case 12302: SDX's Jalmat Federal Com Well No. 2, in Unit L of Section 31, T25S, R37E to be drilled at an unorthodox location encroaching some 62 feet towards Hartman's GPU.

On behalf of SDX Resources, Inc. I wish to inform you that SDX Resources, Inc. does not intend to pursue the drilling of these wells at this time. Accordingly, please vacate Administrative Orders SD-99-14 and 99-15 and dismiss cases 12301 and 12302.

Very truly yours,

A handwritten signature in black ink, appearing to read 'W. Thomas Kellahin', with a long horizontal flourish extending to the right.

W. Thomas Kellahin

cc: David R. Catanach,  
Division Examiner  
Lyn Hebert, Esq.  
Attorney for the Division  
J. E. Gallegos, Esq.  
Attorney for Doyle Hartman  
William F. Carr, Esq.  
Attorney for Raptor Resources Inc.  
SDX Resources Inc.  
Attn: Steve Sell



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

January 5, 2000

W. Thomas Kellahin, Esq.  
Kellahin & Kellahin  
P.O. Box 2265  
Santa Fe, NM 87504-2265

Attorneys for SDX Resources, Inc.

J.E. Gallegos, Esq.  
Michael J. Condon, Esq.  
Gallegos Law Firm  
460 St. Michael's Drive  
Santa Fe, NM 87505

Attorneys for Doyle Hartman, Oil Operator

William F. Carr, Esq.  
Campbell, Carr, Berge & Sheridan, P.A.  
P.O. Box 2208  
Santa Fe, NM 87504-2208

Attorneys for Raptor Resources, Inc.

RE: Clarification of December 22, 1999 letter from Rand Carroll

Gentlemen:

Paragraph (i) of the above-referenced letter refers to Division actions regarding SDX and Raptor wells. This letter clarifies which wells and/or applications are affected by that letter and what actions will be taken by the Division.

Cases No. 12301, 12302, 12303 and 12304 will be continued to the March 16, 2000 docket, the docket after the docket at which the Division's application to review the Jalmat Special Pool Rules will be heard.

Hartman's objections/protests to Orders No. SD 99-14 and SD 99-15 will be set for hearing as an application of Hartman for rescission of those orders. This application will also be set for hearing on March 16, 2000.

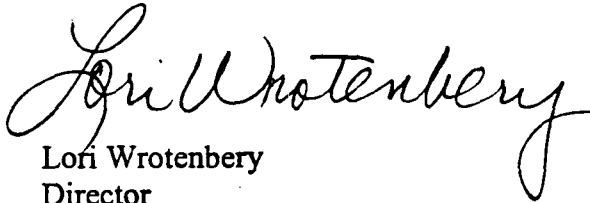
The NSL orders issued to Raptor in which notice should have been given to Hartman as an offset operator but was not are reopened pursuant to Rule 1207.D. and will also be set for hearing on March 16, 2000. Such NSL orders include Orders No. NSL 2872-C(SD), NSL 2723-D(SD), NSL 2723-E and NSL 2816-C(SD). Hartman must notify the Division of any additional NSL applications in this category.

No wells other than the wells that are the subject of the above-referenced cases and orders are affected by the December 22, 1999 letter.

Approvals for all Jalmat infill wells on a density of less than 160 acres per well have been held since December 23, 1999 and will continue to be held pending the March 2, 2000 hearing.

The Division trusts that the parties will actively participate at the Jalmat Pool operators meeting on January 25, 2000 at the OCD District Office in Hobbs and that an agreeable solution can be worked out regarding further development of the Jalmat Pool.

Sincerely,



Lori Wrotenbery  
Director

c: Don Kane, Esq., Gorsuch & Kirgis LLP  
Rand Carroll, OCD Legal Counsel  
Michael E. Stogner, OCD Hearing Examiner  
David Catanach, OCD Hearing Examiner  
Mark Ashley, OCD Hearing Examiner  
Chris Williams, OCD Hobbs District Supervisor



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

December 22, 1999

W. Thomas Kellahin, Esq.  
Kellahin & Kellahin  
P.O. Box 2265  
Santa Fe, NM 87504-2265

Attorneys for SDX Resources, Inc.

J.E. Gallegos, Esq.  
Michael J. Condon, Esq.  
Gallegos Law Firm  
460 St. Michael's Drive  
Santa Fe, NM 87505

Attorneys for Doyle Hartman, Oil Operator

William F. Carr, Esq.  
Campbell, Carr, Berge & Sheridan, P.A.  
P.O. Box 2208  
Santa Fe, NM 87504-2208

Attorneys for Raptor Resources, Inc.

RE: Cases No. 12301 and 12302 ---Applications of SDX Resources, Inc. for  
unorthodox infill gas well locations in the Jalmat Gas Pool  
Cases No. 12303 and 12304---Applications of Raptor Resources, Inc. for  
unorthodox infill gas well locations in the Jalmat Gas Pool

Gentlemen:

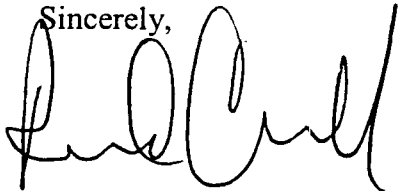
At the prehearing conference held on Tuesday, December 21, the Division took the following actions:

- (i) the APDs and other approvals for the SDX and Raptor wells complained of by Hartman were rescinded with the applications to be stayed pending the March 2, 2000, hearing on the Jalmat Special Pool Rules;
- (ii) a new case will be docketed by the Division for March 2, 2000, to review the Jalmat Special Pool Rules;

- (iii) a Jalmat Pool operators meeting will be held on Tuesday, January 25 at the OCD Hobbs District Office to review the Jalmat Special Pool Rules with SDX, Raptor and Hartman to attend, with the possibility of a second operators meeting to be held prior to the March 2, 2000, hearing;
- (iv) a notice will be issued to all Jalmat Pool operators placing a moratorium on all new Jalmat infill wells on a greater density than 160 acres pending the March 2 hearing; and
- (v) the above-referenced applications as well as the Motions to Quash will be stayed pending the March 2 hearing.

If you have any questions, please feel free to call me at 827-8156. I will be out of the office until January 4, 2000.

Sincerely,

A handwritten signature in black ink, appearing to read "Rand Carroll". The signature is stylized with large, flowing loops and a long horizontal stroke at the end.

Rand Carroll

c: Lori Wrotenbery, OCD Director  
Michael E. Stogner, OCD Hearing Examiner  
David Catanach, OCD Hearing Examiner  
Mark Ashley, OCD Hearing Examiner  
Chris Williams, OCD Hobbs District Supervisor