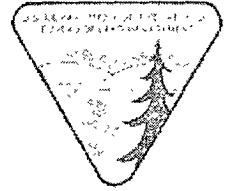




DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 E. Greene St.
Carlsbad, NM 88220-6292



MAR 25 2008
OCD-ARTESIA

In Reply Refer To:
31624
NMNM048344

March 19, 2008

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

Your Applications for Permit to Drill (APDs), for the following wells have expired because drilling has not commenced within one year of the approval date as stated in the General Requirements for Oil and Gas Operations on Federal Leases.

NMNM048344	Kersey Williams A Fed #8	1650'N & 430'E	Sec 28, T17S, R28E	<u>3001534673</u>
NMNM048344	Williams A Fed #7	2060'S & 2260'W	Sec 29, T17S, R28E	<u>3001534207</u>

If drilling operations have commenced on the referenced well, please contact this office at (505) 234-5972 and send all necessary reports (spud, casing/cementing, etc., one original and four copies) to this Office, so we may correct our records.

If the well has not been spudded, but site construction activities have occurred, please contact this office at the above telephone number for surface reclamation instructions.

If you wish to drill this well at a later date, please submit a complete application (1 original and 4 copies) to this Office. Since the original APD has expired, the resubmitted APD will be subject to all the processing requirements including the 30-day posting requirement. Please note on the resubmitted APD that it was previously approved and we will review the expired file for information which will help expedite the processing. If you have any questions please contact Cheryle Ryan at (505) 234-5949.

Sincerely,

/s/ JD Whitlock Jr

FOR Don Peterson
Assistant Field Manager
Fluid Minerals

bcc:
BLM I&E (CFO/HFO)
NMOCD (Artesia/Hobbs)
NM (513, L. Askwig)