October 15, 1993

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

Attention: Chuck Morgan

4th Addendum to
Administrative Order NSL-3219

Dear Mr. Morgan:

Reference is made to your application filed with the Division on October 8, 1993 for an additional unorthodox oil well location for the purpose of completing an efficient injection/production pattern within the East Millman Queen-Grayburg Waterflood Project Area, comprising all or portions of Sections 11, 14, 15, 22 and 23, Township 19 South, Range 28 East, NMPM, East Millman Queen-Grayburg Pool, Eddy County, New Mexico.
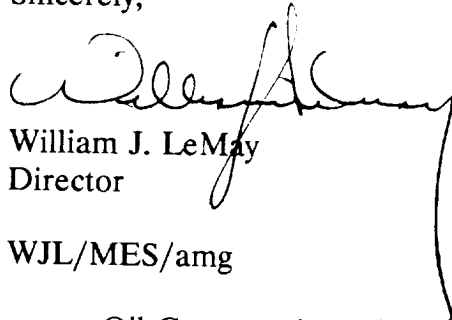
The original Division Administrative Order NSL-3219, dated February 3, 1993, approved fourteen new unorthodox oil well locations within the East Millman Queen-Grayburg Waterflood Project Area, as well as clarified and officially described the horizontal limits of said project area.

At this time, the applicant has made a proper filing pursuant to Division General Rule 104. F. (3) and (4); therefore, by the authority granted me under the provisions of General Rule 104.F.(1), SDX Resources, Inc. is hereby authorized to drill its East Millman Unit Well No. 215 at an unorthodox oil well location 330 feet from the South line and 2590 feet from the West line (Unit N) of Section 15, Township 19 South, Range 28 East, NMPM, East Millman Queen-Grayburg Waterflood Project, East Millman Queen-Grayburg Pool, Eddy County, New Mexico.

The SE/4 SW/4 of said Section 15 shall be dedicated to said well forming a standard 40-acre oil spacing and proration unit.

Sincerely,

William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Artesia
        State Land Office - Santa Fe
        File: PMX-5
                WFX-388
                Case No. 2656 (Artesia)