NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

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

October 21, 1998

SDX Resources, Inc. P. O. Box 5061 Midland, Texas 79704 Attention: Chuck Morgan Telefax No. (915) 685-0533

M-T Petroleum, Inc. 127 N.W. Avenue "A" Andrews, Texas 79714 Attention: Max Mainord

Corrected

Administrative Order NSP-1796

Dear Messrs. Morgan and Mainord:

Due to inadvertence the descriptions of the two authorized 80-acre and 40-acre non-standard gas spacing and proration units within the Jalmat Gas Pool approved by Division Administrative Order NSP-1796, dated October 14, 1998, were incorrect and the two numbered sub-paragraphs under the statement "It is our understanding that" on page one of this order shall be amended at this time to read as follows:

- "(1) SDX Resources, Inc. recently drilled and completed its Enco State Well No. 1 (API No. 30-025,24057) at a standard gas well location 660 feet from the North and East lines (Unit A) of Section 32 within the Jalmat Gas Pool and that the 80 acres comprising the E/2 NE/4 of Section 32 is to be dedicated to this well; furthermore,
- (2) the remaining 40 acres comprising the NE/4 SE/4 of Section 32 is to be dedicated to the above-described M-T Petroleum, Inc. Humble "L" State Well No. 3."

Further, all other provisions of said order shall remain in full force and effect until further notice.

Sincerely,

Lori Wrotenbery

Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs

New Mexico State Land Office - Santa Fe

File: NSP-1796