



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION



BRUCE KING  
GOVERNOR

ANITA LOCKWOOD  
CABINET SECRETARY

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

June 25, 1993

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

Attention: Chuck Morgan

*3rd Addendum to  
Administrative Order NSL-3219*

Dear Mr. Morgan:

Reference is made to your application filed with the Division on June 25, 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. 211 at an unorthodox oil well location 330 feet from the South line and 2462 feet from the East line (Unit O) of Section 14, Township 19 South, Range 28 East, NMPM, East Millman Queen-Grayburg Waterflood Project, East Millman Queen-Grayburg Pool, Eddy County, New Mexico.

3rd Addendum to Administrative Order NSL-3219

SDX Resources, Inc.

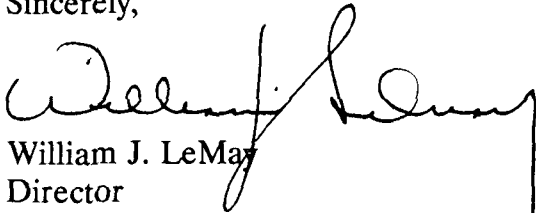
June 25, 1993 -

Page 2

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The SW/4 SE/4 of said Section 14 shall be dedicated to said well forming a standard 40-acre oil spacing and proration unit.

Sincerely,

A handwritten signature in black ink, appearing to read 'William J. LeMay', is written over the typed name and title.

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)