

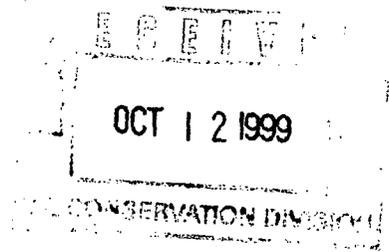
NSP 11/1/99
SD

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: Wells B5 Fed. # 3
Sec. 5, T25S, R37E
1860 FNL, 660 FEL
Lea County, New Mexico

Standard

Dear Mr. Stogner,

SDX Resources, Inc. is the operator of the Wells B5 Fed. # 1 & 2 wells located in units A & G of sec. 5 T25S R37E of Lea Co., N.M.. These wells are dedicated to a 160 acre non-standard gas proration unit consisting of the NE/4 of sec. 5 created by USGS Communitization Agreement No. 14-08-001-3889 (approved 4-1-57) and approved by NSP 370. A plat detailing the agreement is accompanies this letter. SDX is planning to drill the Wells B5 Fed. # 3 well on the same 160 acre proration unit at the above-mentioned location. SDX request that this letter serve as application to simultaneously dedicate this 160 acre unit to the Wells B5 Fed. # 1, 2 and # 3 wells. BLM form 3160 and OCD form C-102 for the #3 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

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

State of New Mexico
 Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

Form C-102
 Revised February 21, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code	³ Pool Name
		79240	Jalmat, TN, YT, 7R
⁴ Property Code	⁵ Property Name		⁶ Well Number
23983	El Paso Wells Federal		2
⁷ OGRID No.	⁸ Operator Name		⁹ Elevation
020451	SDX Resources, Inc.		3225

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Lot 3	4	25S	37E		660	North	1980	West	Lea

¹¹ 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

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
160			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p><i>Chuck Morgan</i></p> <p>Signature Chuck Morgan</p> <p>Printed Name Engineer</p> <p>Title May 5, 1999</p> <p>Date</p>
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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 belief.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>

**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

kr

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. LG-055546 LC052956	
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"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR SDX Resources, Inc.			7. UNIT AGREEMENT NAME 14-08-0001-3889 Com Agmt	
3. ADDRESS AND TELEPHONE NO. PO Box 5061, Midland, TX 79704			8. FARM OR LEASE NAME, WELL NO. Wells B-5 #3	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1860' FNL & 660' FEL, Unit H 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 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.		19. PROPOSED DEPTH 3200	20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3240			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 Otwater* 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.

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form No. 1
Supersedes O.C.C. Form No. 1-6-75

All distances must be from the outer boundaries of the Section

Operator DOYLE HARTMAN		Lease WELLS "B5"		Acres 2	
Section G	Section 5	Township 25 SOUTH	Range 37 EAST	County LEA	
Distance from the Outer Boundary of Well: 1552 feet from the NORTH line and		2230 feet from the EAST line			
Ground Level Elevation 3249.1	Producing Formation Yates	Pool Jalmat (Gas)	Total Well Acreage 160*		

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (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?

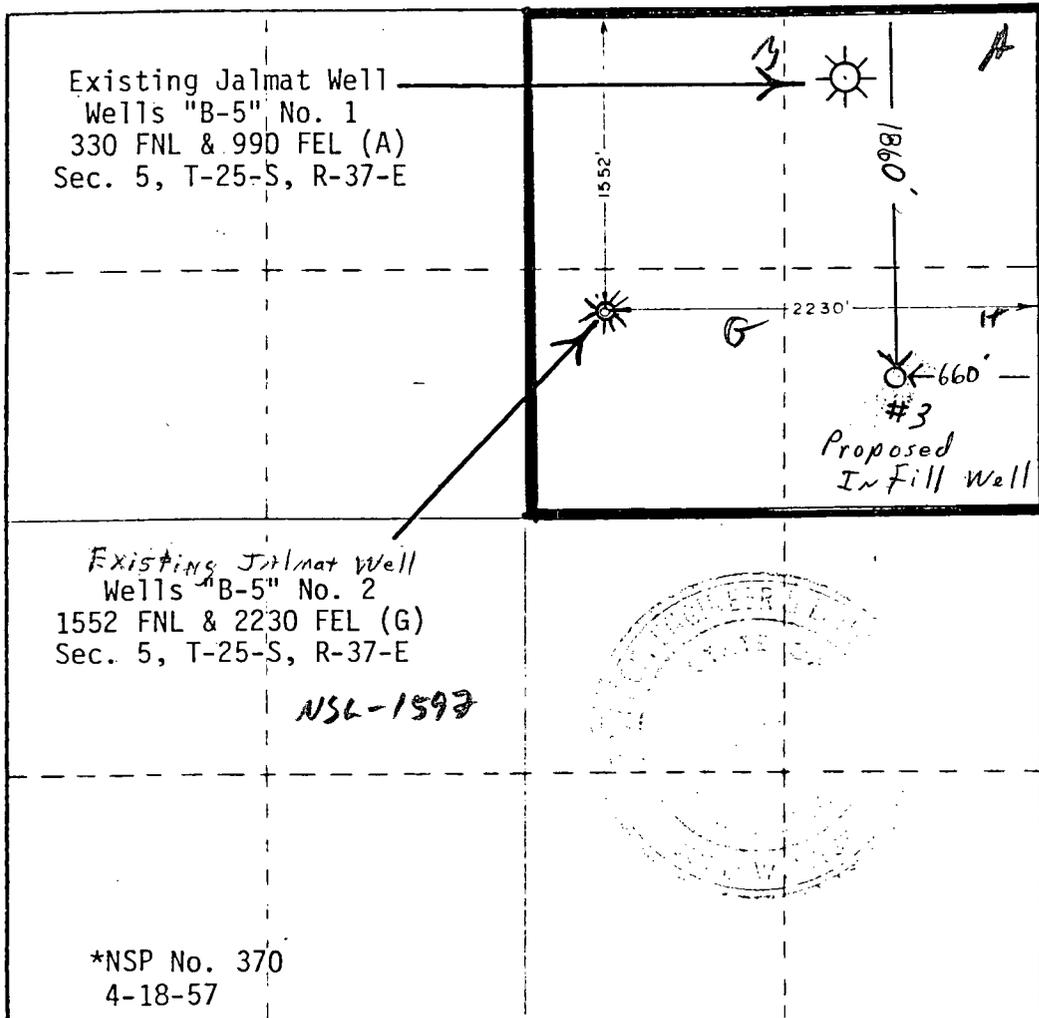
Communitization Agreement
(14-08-0001-3889)

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 (on 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. Romero

Position
Engineer

For my
Doyle Hartman

Date
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 676**
PATRICK A. ROMERO 6868
Ronald J. Eidson 3239

District I
1625 N. French Dr., Hobbs, NM 88240

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

Form C-102
Revised March 17, 1999

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name		
⁴ Property Code		⁵ Property Name			⁶ Well Number	
WELLS B-5 FEDERAL					3	
⁷ OGRID No.		⁸ Operator Name			⁹ Elevation	
SDX RESOURCES, INC.					3240.	

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	5	25-S	37-E		1860	NORTH	660	EAST	LEA

¹¹ 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

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16					<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p>	
					Signature	
					Printed Name	
					Title	
Date		<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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 belief.</p>				
Date of Survey						
Signature and Seal of Professional Engineer		<p>DATE: AUGUST 31, 1999</p>				
Name		<p>NEW MEXICO REGISTERED PROFESSIONAL ENGINEER 5412</p>				
County		<p>LEA</p>				

El Paso Natural Gas Company

El Paso, Texas
April 1, 1957

to Hobbs 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.

April 1, 1957

Page #2

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 Application, 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

April 1, 1957

Page #3

STATE OF TEXAS Y
 Y SS.:
COUNTY OF EL PASO Y

On this 5th day of April, 1957, before me personally appeared R. L. Hamblin, to me known to be the person who executed the foregoing letter and states that the foregoing statements are true to the best of his knowledge and belief.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on this day and year first above written.

My Commission Expires:

June 1, 1957

Registered Mail

cc:

New Mexico Oil Conservation Commission (3)
P. O. Box 871
Santa Fe, New Mexico

First Chicago Corporation
First National Bank Building
Chicago 90, Illinois

Anderson Prichard Oil Corporation
Liberty Bank Building
Oklahoma City, Oklahoma

Indian Petroleum Company
391 Sutter Street
San Francisco 8, California

Co-operative Refinery Association
P. O. Box 2359
Kansas City, Missouri

R. Olsen Oil Company
Liberty Bank Building
Oklahoma City, Oklahoma

Westates Petroleum Corporation
391 Sutter Street
San Francisco 8, California

Plains Production Company
1110 Tower Petroleum Building
Dallas, Texas

Helen Adams
Notary Public in and for El Paso County,
State of Texas

HELEN ADAMS
Notary Public, in and for El Paso County, Texas
My Commission expires June 1, 1957

Mr. R. Olsen
Liberty Bank Building
Oklahoma City, Oklahoma

Sinclair Oil and Gas Company
P. O. Box 1470
Midland, Texas

Stanolind Oil and Gas Company
P. O. Box 591
Tulsa, Oklahoma

Western Natural Gas Company
1006 Main Street
Houston, Texas

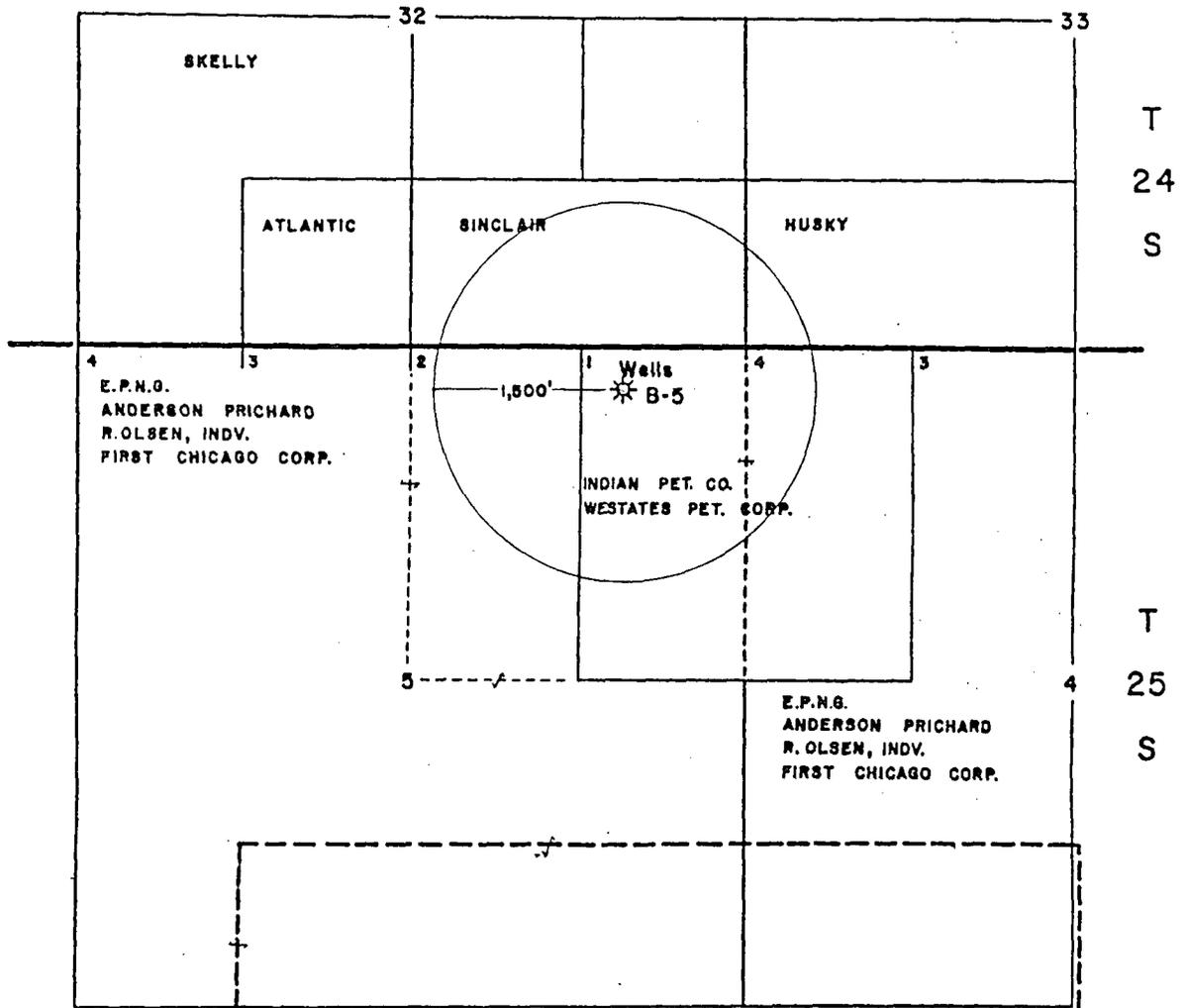
Langlie Unit Planning Committee
c/o Anderson Prichard Oil Corporation
Liberty Bank Building
Oklahoma City, Oklahoma
Attention: Mr. C. T. McClure

Huskey Oil Company
309 Wilkinson-Foster Building
Midland, Texas

Mr. Julian E. Simon
1025 Fort Worth National Bank Building
Fort Worth, Texas

Plan - Any?
yes

R 37 E



LANGLIE UNIT

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

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

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>
Grid 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	Sound Level Elev. <u>3251'</u>	Producing Formation <u>Yates</u>	Pool <u>Jalmat Gas</u>	Dedicated Acreage: <u>240</u> Acres
--	-----------------------------------	-------------------------------------	---------------------------	--

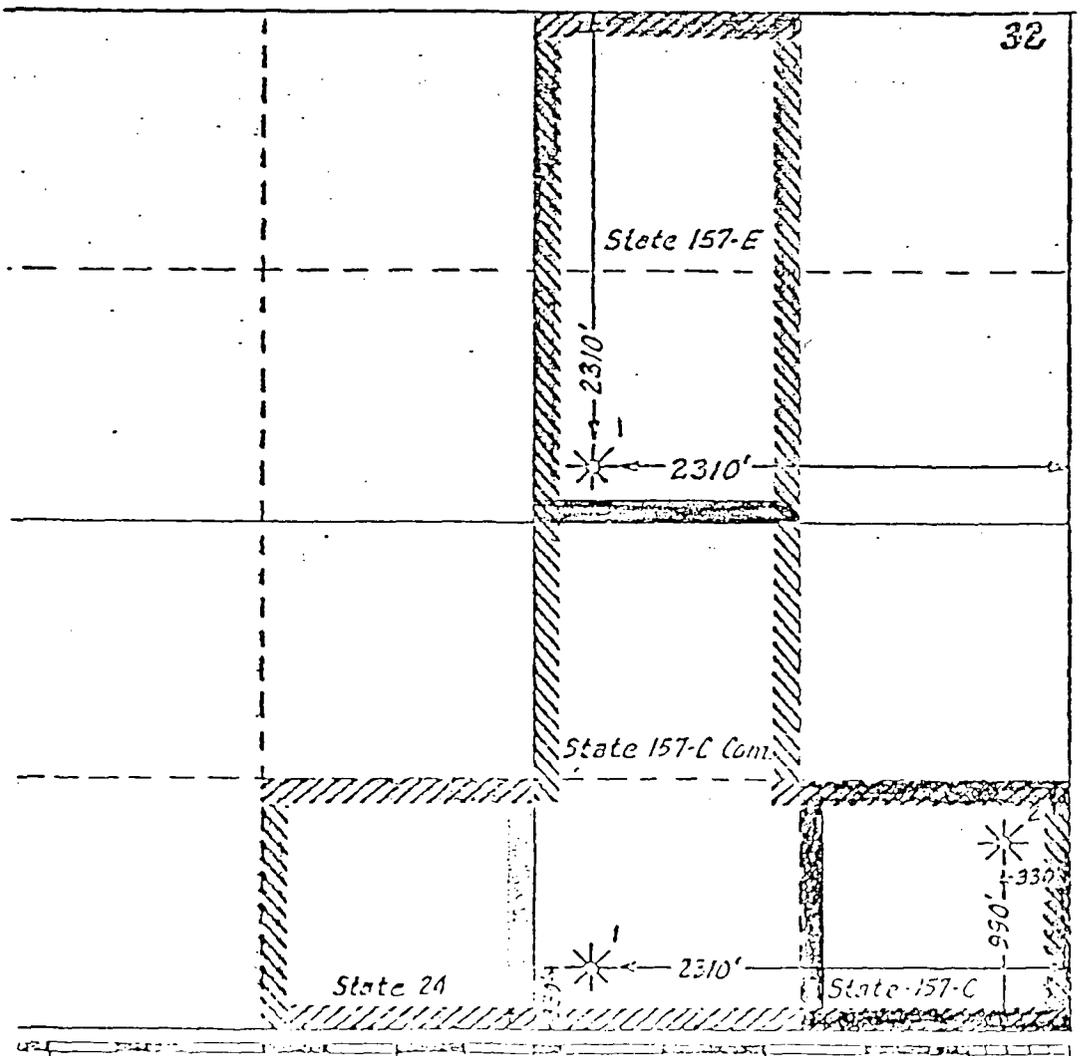
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is 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. Soderstrom</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 11-2
 Supersedes O-128
 Effective 11-65

used
 Gully Pt. Husky Woolworth #1

All distances must be from the outer boundaries of the Section

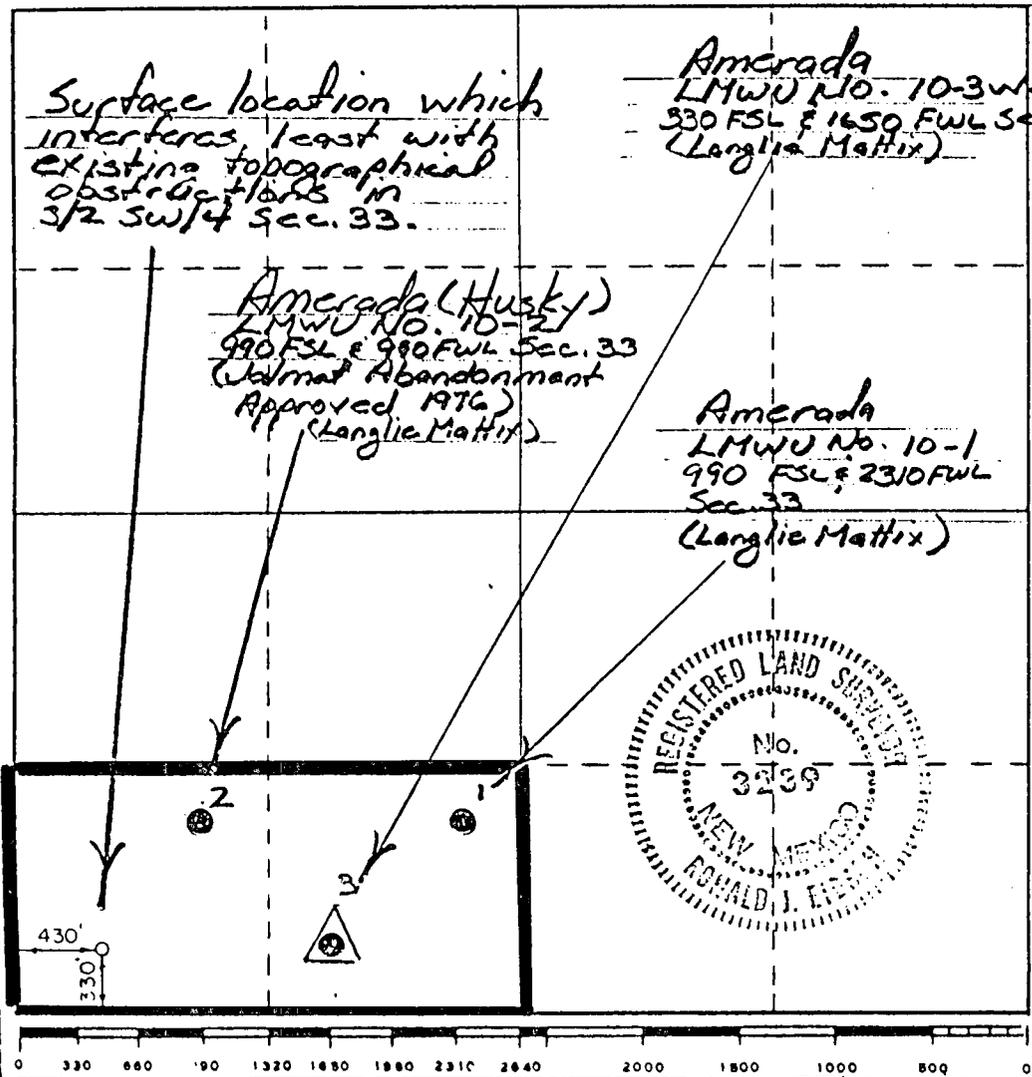
Operator Doyle Hartman		Lease Husky		Well No. 1
Unit Letter M	Section 33	Township 24 South	Range 37 East	County Lea
Actual Footage Location of Well: 430 feet from the West line and 330 feet from the South line				
Ground Level Elev. 3251.9	Producing Formation Yates-Seven Rivers	Pool Jalmat	Dedicated Acreage 80 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure 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. Nermyr
Position	Petroleum Engineer
Company	Doyle Hartman
Date	August 14, 1981
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	August 13, 1981
Registered Professional Engineer and/or Land Surveyor	
Ronald J. Eidson	
Certificate No.	JOHN W. WEST 876 PATRICK A. ROMERO 6663 Ronald J. Eidson 3239



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

March 12, 1999

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

Administrative Order SD-99-4

Dear Mr. Morgan:

Reference is made to your application dated March 5, 1999. SDX Resources, Inc. ("SDX") is hereby authorized to simultaneously dedicate gas production from the Jalmat Gas Pool to the previously approved non-standard 160.45-acre gas spacing and proration unit ("GPU") comprising Lots 3 and 4 and the S/2 NW/4 (NW/4 equivalent) of Section 4, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico (approved by Division Administrative Order NSP-1209, dated August 21, 1980) from the: (i) existing El Paso Wells Federal Well No. 1 (API No. 30-025-26951) located at a standard gas well location 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 4; and (ii) proposed El Paso Wells Federal Well No. 2 to be drilled at a standard gas well location 660 feet from the North line and 1980 feet from the West line (Lot 3/Unit C) of Section 4.

SDX is permitted to produce the allowable assigned this existing non-standard 160-acre GPU from both wells in any proportion.

Sincerely,



Lori Wrotenberg
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
U. S. Bureau of Land Management - Carlsbad
File: NSP-1209

NE MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

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

Now SPX

All distances must be from the outer boundaries of the Section

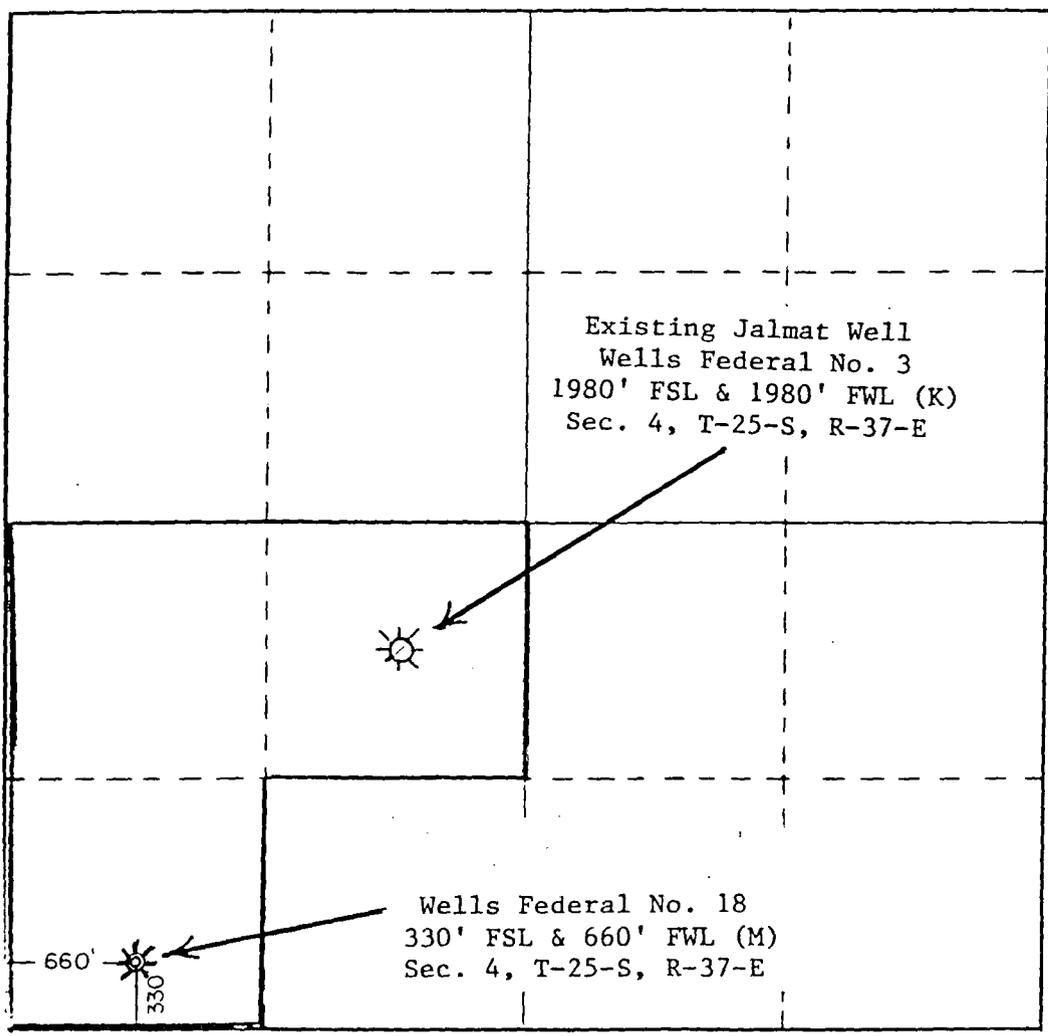
Operator DOYLE HARTMAN			Lease WELLS FEDERAL			Well No. 18		
Unit Letter M	Section 4	Township 25 SOUTH	Range 37 EAST	County LEA				
Actual Footage Location of Well: 330 feet from the SOUTH line and 660 feet from the WEST line								
Ground Level Elev. 3189.9	Producing Formation YATES-SEVEN RIVERS			Pool JALMAT (GAS)	Dedicated Acreage: 120			Acres

- Outline the acreage dedicated to the subject well by colored pencil or hachure 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 Existing C.A. SW-1147

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. Norman
Position Engineer
Company Doyle Hartman
Date Nov 21, 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 OCTOBER 16, 1984
Registered Professional Engineer and/or Land Surveyor
John W. West
Certificate No. JOHN W. WEST. 676
RONALD J. FIDSON 3239

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONY ANAYA
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

December 3, 1984

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

Attention: Michelle Hembree

Amended
Administrative Order NSL-1936

Gentlemen:

Reference is made to your application for a non-standard location and simultaneous dedication for your Wells Federal Well No. 18 located 330 feet from the South line and 660 feet from the West line N/2 SW/4 and SW/4 SW/4 of Section 4, Township 25 South, Range 37 East, Jalmat Gas Pool, Lea County, New Mexico.

By authority granted me under the provisions of Rule 104 FI of the Division Rules and Regulations, 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 N/2 SW/4 and SW/4 SW/4 of Section 4 with your Wells Federal Well No. 3 located in Unit K 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,


R. L. STAMETS,
Director

RLS/dp

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

DEC 7 1984

ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISIONTONY ANAYA
GOVERNORPOST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

November 16, 1984

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

Attention: Michelle Hembree

Administrative Order NSL-1936

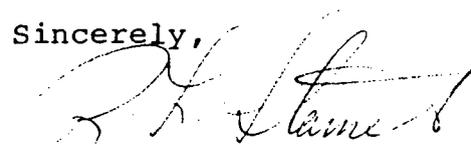
Gentlemen:

Reference is made to your application for a non-standard location and simultaneous dedication for your Wells Federal Well No. 18 located 330 feet from the South line and 660 feet from the West line N/2 SW/4 and SW/4 SW/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 104 FI of the Division Rules and Regulations, 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 N/2 SW/4 and SW/4 SW/4 of Section 5 with your Wells Federal Well No. 3 located in Unit K 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,


R. L. STAMETS,
Director

RLS/dp

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

NOV 21 1984

MAR 11 1999

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

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code 79240	Pool Name Jalmat Gas
Property Code 23990	Property Name WELLS FEDERAL		Well Number 21
GRID No. 020451	Operator Name SDX RESOURCES, INC.		Elevation 3205.

¹⁰ Surface Location

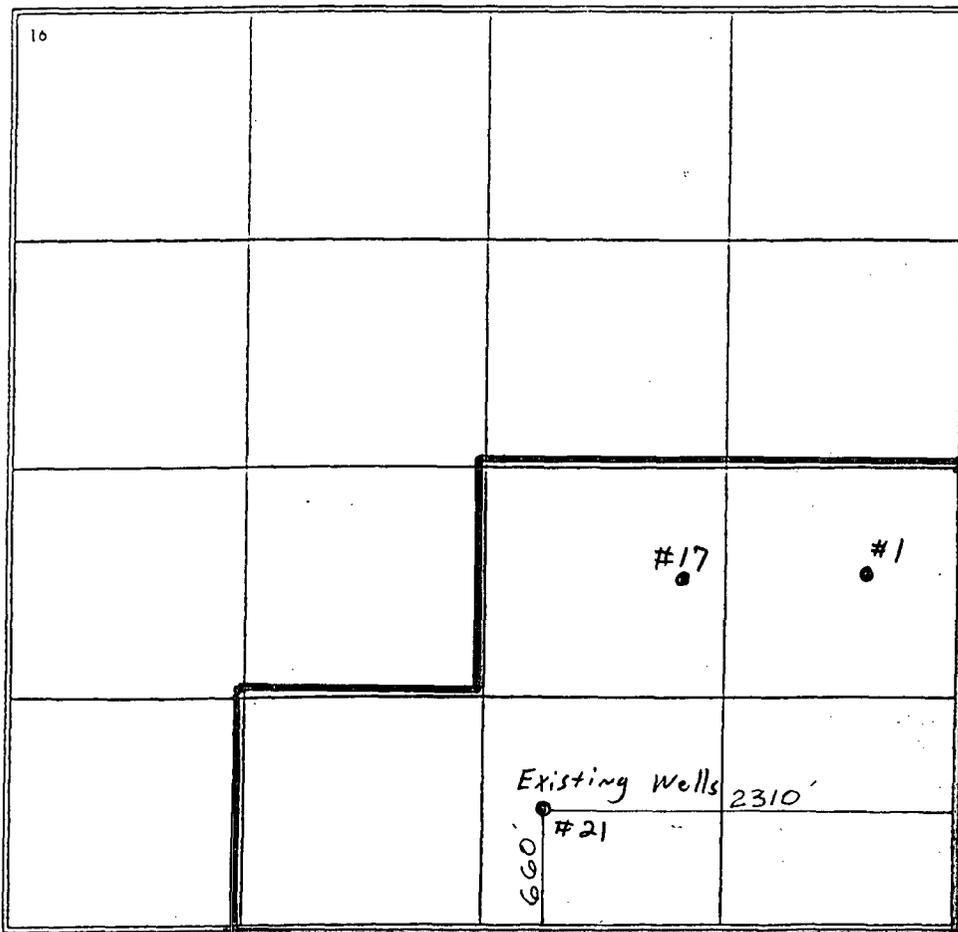
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	5	25-S	37-E		660	SOUTH	2310	EAST	LEA

¹¹ 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

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
-------------------------------	-------------------------------	----------------------------------	-------------------------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



¹⁷ OPERATOR CERTIFICATION

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

Bonnie Atwater
Signature
Bonnie Atwater
Printed Name
Regulatory Tech
Title
March 4, 1999
Date

¹⁸ SURVEYOR CERTIFICATION

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 belief.

FEBRUARY 18, 1999
Date of Survey
Signature and Seal of Professional Surveyor:
DAN R. REDDY
REGISTERED LAND SURVEYOR ENGINEER
5412
Certificate Number
NM PE&S NO. 5412

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

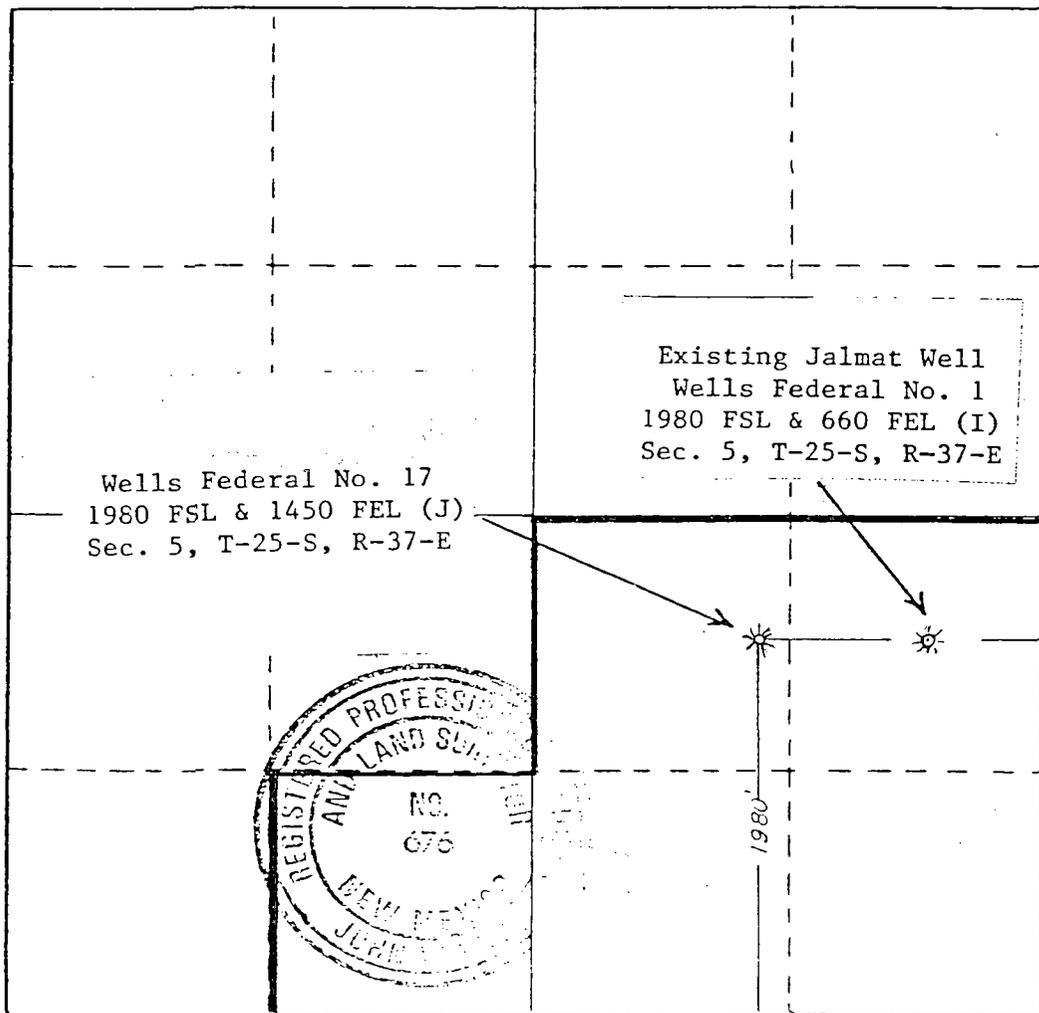
Operator DOYLE HARTMAN		Lease WELLS FEDERAL		Well No. 17
Unit Letter J	Section 5	Township 25S	Range 37E	County LEA
Actual Footage Location of Well: 1450 feet from the EAST line and 1980 feet from the SOUTH line				
Ground Level Elev. 3229.9	Producing Formation YATES-SEVEN RIVERS	Pool JALMAT (GAS)		Dedicated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

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 A. Nanning

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. EIDSON, 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

MAR 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)

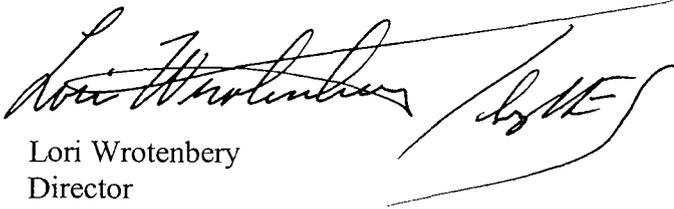
SDX Resources, Inc.

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,



Lori Wrotenbery
Director

LW/MES/kv

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

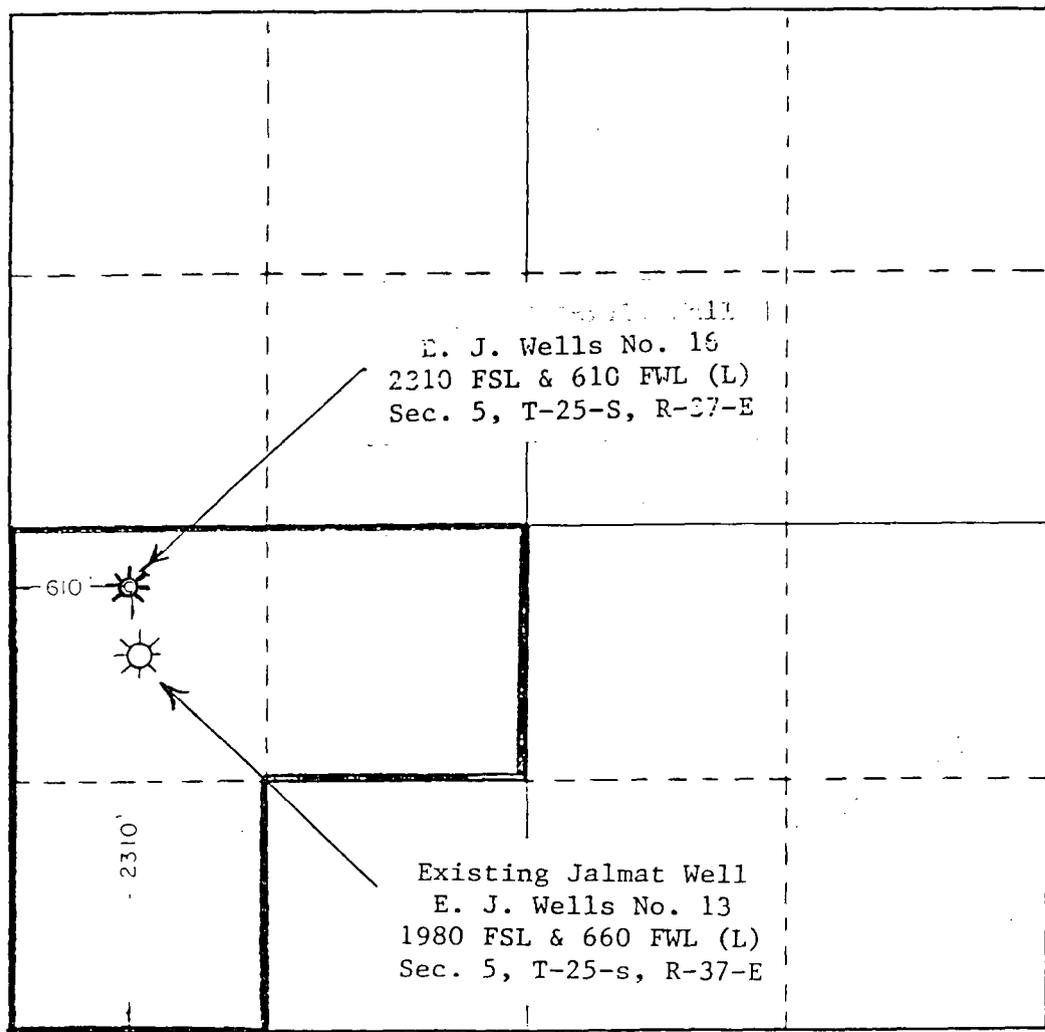
DONALD HARTMAN			Lease E. J. WELLS		Well No. 16
Unit Letter L	Section 5	Township 25 SOUTH	Range 37 EAST	County OKLA	
Actual Footage Location of Well: 2310 feet from the SOUTH line and 610 feet from the WEST line					
Ground Level Elev. 5270'	Producing Formation YATES-SEVEN RIVERS		Pool JALMAT (GAS)		Dedicated Acreage: 120 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or 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

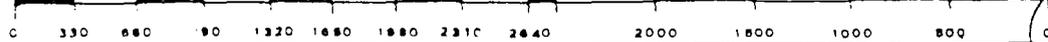
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name: Larry A. Norman
 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: APRIL 20, 1984
 Registered Professional Engineer and/or Land Surveyor:

 Certificate No. JOHN W. WEST, 676
RONALD J. EIDSON, 3239



APR 24 1984



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONY 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:

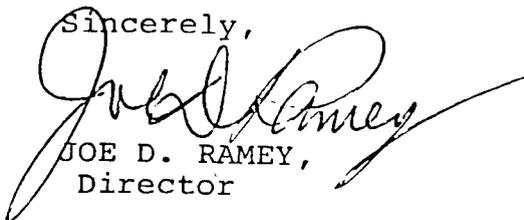
Reference is made to your application for a non-standard location and simultaneous dedication for your E. J. Well No. 16 located 2310 feet from the South line and 610 feet from the West line of Section 5, Township 25 South, Range 37 East, JaLmat Gas Pool, Lea County, New Mexico.

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 cursive script, appearing to read "Joe D. Ramey". The signature is written in dark ink and is positioned above the typed name and title.

JOE D. RAMEY,
Director

JDR/RLS/dp

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

Supersedes C-128
Effective 11-65

New SDX

All distances must be from the outer boundaries of the Section

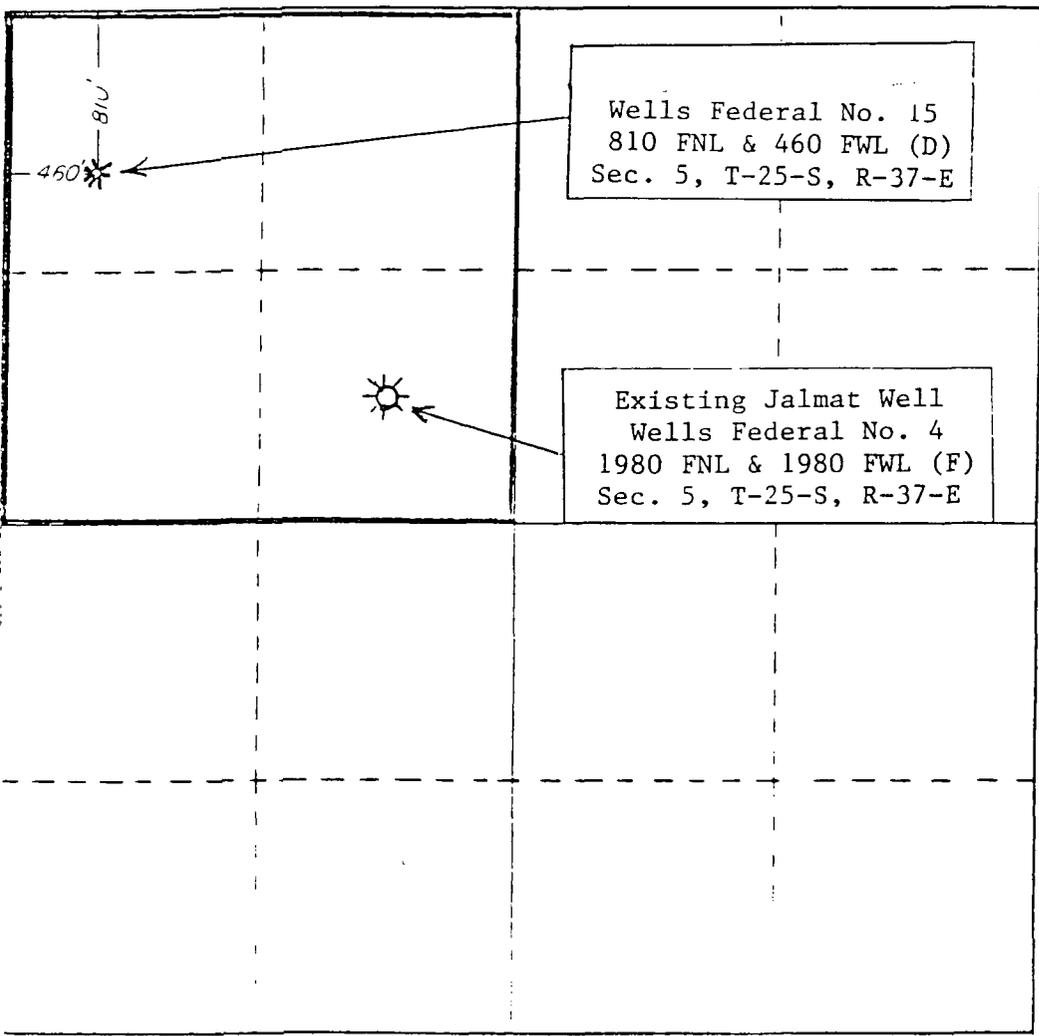
Operator DOYLE HARTMAN		Lease WELLS FEDERAL		Well No. 15	
Plot Letter 1	Section 5	Township 25S	Range 37E	County LEA	
Actual Footage Location of Well:					
810 feet from the NORTH line and		460 feet from the WEST line			
Ground Level Elev. 2231.5	Producing Formation YATES-SEVEN RIVERS	Pool JALMAT (GAS)		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. Nenny

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 Land Surveyor

John W. White



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONY 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 black 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

MAY 24 1984

OFFSET OPERATORS

WELLS B5 FEDERAL #3

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

Arco
PO Box 1089
Eunice, NM 88231-1089

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

11/02/99 17:00:30
OGOMES -TPRI
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 PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

80.09
80.16

160.25

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

11/02/99 17:05:46
OGOMES -TPRI
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 PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

October 13, 1954

Westates Petroleum Corporation
P. O. Box 1381
JAL, NEW MEXICO

Attention: John G. Benton, Division Superintendent

Gentlemen: Administrative Order NSP-14

Reference is made to your application (received September 13, 1954) for approval of an 80-acre non-standard gas proration unit consisting of E/2 NE/4 of Section 5, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico, said unit to be ascribed to your well B-5, No. 1, located 330 feet from the north line and 990 feet from the east line of Section 5, Township 25 South, Range 37 East.

By authority granted me under provisions of Rule 5, Section (b)-6 of the Special Rules and Regulations for the Jalmat Gas Pool, 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 pool rules.

At the same time, present location of the well is approved under the terms of Rule 2 of the Jalmat Pool rules, which stipulates that any well drilled to and producing from the Jalmat Gas Pool prior to the effective date of Order R-520 at a location conforming to the spacing requirements effective at the time said well was drilled shall be considered located in conformance with the rule.

Very truly yours,

W. B. Macey
Secretary - Director

WBM:nr

cc: Oil Conservation Commission
Hobbs

N. M. Oil & Gas Eng. Committee
Hobbs

C
O
P
Y

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

May 9, 1957

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

Attention: Mr. H. L. Hamblin

Administrative Order NSP-370

Gentlemen:

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:

Township 25 South, Range 37 East
NE/4 of Section 5

It is understood that this unit is to be ascribed to your Well "E-5" Well No. 1, located 330 feet from the north line and 990 feet from the east line and Lot 1 of Section 5, Township 25 South, Range 37 East, NMPS, 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 N-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 8 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,

A. L. PONTON, Jr.
Secretary-Director

WMM:og

cc: Oil Conservation Commission, Hobbs, New Mexico
New Mexico Oil & Gas Engineering Commission, Hobbs, New Mexico
El Paso Natural Gas Co., Jal, New Mexico
El Paso Natural Gas Co., El Paso, Texas
Westates Petroleum Corp., 391 Sutter St., San Francisco, 2, Calif.

C

O

P

Y



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

November 5, 1982

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

Doyle Hartman
P. O. Box 10426
Midland, Texas 79702

Attention: Larry A. Nermyr

Administrative Order NSL-1597

Gentlemen:

Reference is made to your application for a non-standard location for your Wells "B-5" Well No. 2 to be located 1552 feet from the North line and 2230 feet from the East line of Section 5, Township 25 South, Range 37 East, Jalmat Gas Pool, Lea County, New Mexico. In addition, you are hereby authorized to simultaneously dedicate a previously approved 160 acre proration unit comprising the NE/4 of Section 5, Township 25 South, Range 37 East, NMPM, Lea County, to the above-described well and your Wells "B-5" Well No. 1 located in Unit A of said Section 5. Further, you are hereby permitted to produce the allowable from any of the wells on the proration unit in any proportion.

By authority granted me under the provisions of Rule 3 of Order No. R-1670, the above-described unorthodox location is hereby approved.

Sincerely,

A handwritten signature in cursive script, appearing to read "Joe D. Ramey".

JOE D. RAMEY,
Director

JDR/RLS/dr

cc: Oil Conservation Division - Hobbs
Oil & Gas Engineering Committee - Hobbs
Minerals Management Service - Hobbs