

DOYLE HARTMAN

Oil Operator

500 NORTH MAIN

P.O. BOX 10426

MIDLAND, TEXAS 79702

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Via Hand-Delivery and Facsimile (915) 685-0533

December 10, 1999

SDX Resources, Inc.
511 W. Ohio Ave., Suite 601 (79701)
P.O. Box 5061
Midland, Texas 79704

SDX Natural Gas Partners, LLC
511 W. Ohio Ave., Suite 601 (79701)
P.O. Box 5061
Midland, Texas 79704

Attn: Stephen G. Sell, Manager/President
Chuck Morgan, Petroleum Engineer

Attn: Stephen G. Sell, Manager/President
John D. Pool, Manager

Re: SDX RESOURCES, INC.
Federal Jalmat Com No. 2
1650' FSL & 760' FWL
Section 31 T-24-S, R-37-E
Jalmat Gas Pool
Lea County, New Mexico
Rotary 3200 T/Y/SR
API No. 30-025-34779

Case 12301

Gentlemen:

Reference is made to SDX Resources, Inc.'s (SDX's) letter of December 10, 1999 (copy enclosed), which was written in response to our letter to SDX of December 9, 1999.

Please be advised that our computed drainage area value of 217 acres, for your Federal Jalmat Com No. 1 well, was carefully calculated starting with the material balance equation for a volumetric reservoir. As for $\Phi \cdot h \cdot S_g$, the value of 12.5' is a computer generated number utilizing the Federal Jalmat Com No. 1 open-hole logs digitized on 0.5' increments. The pressure data is from both public sources and Doyle Hartman's daily field estimate system for the period 1983 through early 1989, which data was previously furnished by us to your predecessor-in-interest (EPNG/Meridian/Burlington), and therefore should be in your files.

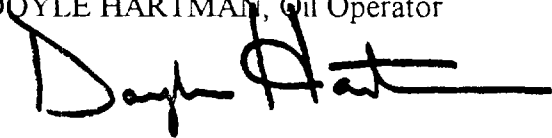
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Consequently, before you quickly disagree with our drainage area computations for your Federal Jalmat Com No. 1, we respectfully suggest that you go through the same detailed steps that we have taken to arrive at our computed value of 217 acres.

Moreover, the fact that you disagree with our computed drainage area value of 217 acres further emphasizes why it is essential that infill drilling applications go through a public hearing process, when opposition exists, with a finding of facts and order being rendered by the NMOCD only after all of the facts and data have been presented by both sides.

Very truly yours,

DOYLE HARTMAN, Oil Operator

A handwritten signature in black ink, appearing to read 'Doyle Hartman', with a long horizontal stroke extending to the right.

Doyle Hartman

enclosures

rds
wp7\corresp.dh\sdx3offset wells

cc: St. Anselm 99-A Partners, LLP
St. Anselm Exploration Company, Managing Partner
1401 17th Street, Suite 1400
Denver, CO 80218
Attn: Anna M.R. Wells, President
Mark S. Palmer, Vice President
Michael A. Zakroff, Secretary/Treasurer

William S. Montgomery, Jr.
4210 Lorraine
Dallas, TX 75205-3706

Wesley D. Bownds, Sr. Vice President
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Lori Wrotenbery, Director
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Michael Stogner, Chief Hearing Officer
New Mexico Oil Conservation Division
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Commissioner of Public Lands
State of New Mexico
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Santa Fe, NM 87504

Zeno Ferris
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Richard R. Frazier, President & Chief Operating Officer
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Harold Swain

DOYLE HARTMAN, Oil Operator (Midland)
Linda Land
Don Mashburn
Steve Hartman
Sheila Potts