



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 E. Greene St.
P. O. Box 1778
Carlsbad, New Mexico 88221-1778

IN REPLY REFER TO:

3162.4

LC-029387-B, LC-066087-A,

NM-12610, LC-055546,

DEC -7 2000

SDX Resources Inc.

P O Box 5061

Midland, TX 79704

Dear Operator:

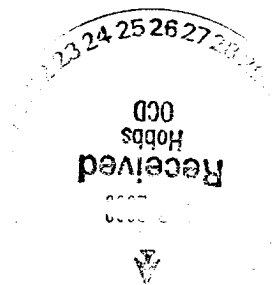
Your Application for Permit to Drill (APD), for the following wells has expired because drilling has not commenced within one year of the approval date as stated in the General Requirements for Oil and Gas Operations on Federal Leases.

LC-029387-B	8-Shugart C	990'/S & 2310'/E	Sec. 30-T18S-R31E	approved 5/6/98 and extension approved 5/11/99
LC-066087-A	2-Santa Nina A Fed.	670'/N & 834'/W	Sec. 7-T19S-R30E	approved 11/19/99 and extension approved 12/2/99
NM-12610	2-Jalmat Fed. Com.	1650'/S & 760'/W	Sec. 31-T24S-R37E	approved 10/26/99
LC-055546	22-Wells Fed	660'/N & 1780'/W	Sec. 5-T25S-R37E	approved 10/25/99
LC-055546	3-Wells B-5	1860'/N & 660'/E Unit H	Sec. 5-T25S-R37E	approved 11/3/99 30-025-34759
LC-055546	23-Wells Fed.	1886'/N & 758'/W	Sec. 5-T25S-R37E	approved 10/25/99
LC-055546	25-EJ Wells Fed.	2180'/S & 1980'/W	Sec. 5-T25S-R37E	approved 10/25/99

If drilling operations have commenced on the referenced well, please contact this office at (505) 234-5972 and send all necessary reports (spud, casing/cementing, etc., 1 original and 5 copies) to the Roswell Field Office, 2909 West Second Street, Roswell, New Mexico 88202, so we may correct our records.

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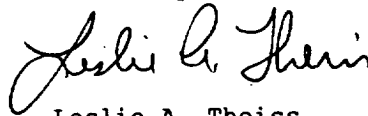
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If the well has not been spudded, but site construction activities have occurred, please contact this office at the above telephone number for surface reclamation instructions.

If you wish to drill this well at a later date, please submit a complete application (1 original and 5 copies) to the Roswell Field Office. Since the original APD has expired, the resubmitted APD will be subject to all the processing requirements including the 30-day posting requirement. Please note on the resubmitted APD that it was previously approved and we will review the expired file for information which will help expedite the processing.

Sincerely,

A handwritten signature in cursive script, reading "Leslie A. Theiss".

Leslie A. Theiss
Carlsbad Field Office

cc: BLM-I&E (CFO & Hobbs)
NMOCD (Artesia & Hobbs)
L Askwig (RFO)

Received
Hobbs
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