



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

BETTY RIVERA

Cabinet Secretary

September 18, 2002

Lori Wrotenbery

Director

Oil Conservation Division

XTO Energy, Inc.
810 Houston Street
Fort Worth, Texas 76102-6298

Attention: George A. Cox

Re: Administrative application of XTO Energy, Inc. (application reference No. pKRV0-223248911) to again amend Division Administrative Order NSL-103-A.

Dear Mr. Cox:

I have reviewed your application dated August 15, 2002 and determined it to be incomplete. So that the Division can properly proceed with issuing a final order for this directionally drilled well, please proceed accordingly:

- (1) Coordinate with the geologist in the Aztec district office of the Division in determining both the tops and bases of the Otero-Chacra Pool (82329), Blanco-Mesaverde Pool (72319), and Basin-Dakota Pool (71599) within the wellbore of your Schwerdtfeger "A" Well No. 3-F (API No. 30-045-31051), located on the surface 2385 feet from the North line and 2580 feet from the West line (Unit F) of Section 6, Township 2 North, Range 8 West, NMPM, San Juan County, New Mexico;
- (2) Determine the subsurface location of this wellbore at all six points [see Division Rule 111.A (8)];
- (3) Provide a detailed explanation why the Gallup formation in this well is a "wildcat gas" interval spaced on 160 acres and not an extension of the Baca-Gallup Oil Pool (3745) with 40-acre oil spacing (see Division Rule 104.A);
- (4) Coordinating again with the geologist in the Aztec district office of the Division in determining both the tops and bases of the Gallup formation or Undesignated Baca-Gallup Oil Pool, whichever is applicable, within this wellbore and provide me with the subsurface location at both depths; and
- (5) Supplement your refilling with a copy of the directional survey.

The subject application is hereby dismissed and is being returned to you at this time.

Sincerely

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Farmington
Kathy Valdes, NMOCD - Santa Fe
Steve Hayden, NMOCD - Aztec
James Bruce, Legal Counsel for XTO Energy, Inc. - Santa Fe