



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office
1235 La Plata Highway
Farmington, New Mexico 87401

JUN 25 1999

IN REPLY REFER TO:

SF-078480(WF)
3162.3-2(07100)

Cross Timbers Operating Company
Attn.: Jeff Patton
2700 Farmington Ave., Bldg., K., Suite 1
Farmington, New Mexico 87401

Dear Mr. Patton:

Reference is made to the following well on Federal oil and gas lease SF-078480:

**No. 1 Dawson Federal, located 835' FNL and 1150' FWL , Section 26, T.27N., R.8W.,
San Juan County, New Mexico**

We received your miscellaneous and Sundry Notices dated September 10, 1998, and June 11, 1999, to conduct recompletion and commingling operations in the Mesaverde and Dakota Formations in this well. These sundries were in essence after the fact notices which detailed the work conducted on the well. This office has no record of prior approval, written or verbal, being given to conduct this work. As such, you are in violation of 43 CFR 3162.3-2 Subsequent Well Operations, which requires prior approval before recompletion and commingling operations can occur. These are considered minor violations however, this will serve as notice that if this occurs in the future, you will be subject to an assessment. Enclosed you will find the after the fact, processed Sundry Notices.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the assessment described above. Such request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such request shall not result in a suspension of the order(s) unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 et seq.

If you have any questions regarding the above, please contact Jim Lovato @ (505) 599-6367.

Sincerely,

/S/ Duane W. Spencer
Duane Spencer

Team Leader, Petroleum Management Team

Enclosures (Sundry Notices)

bcc:

Well File

DOMR

07100:JLovato:6/25/99:Dawson.violation