STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

October 1, 1992

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

SG Interests I. Ltd. c/o Maralex Resources, Inc. P.O. Box 421 Blanco, New Mexico 87412

Attention: A.M. O'Hare

Administrative Order NSL-3173

Dear Mr. O'Hare:

Reference is made to your application on behalf of the operator SG Interests I. Ltd., by letter dated September 10, 1992 for a non-standard coal gas well location for the Archunde 29-10-24 Well No. 1 to be located 1030 feet from the North line and 640 feet from the East line (Unit A) of Section 24, Township 29 North, Range 10 West, NMPM, Basin Fruitland Coal (Gas) Pool, San Juan County, New Mexico. The N/2 of said Section 24 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit.

By the authority granted me under the provisions of Rule 8 of the Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool as promulgated by Division Order No. R-8768, as amended, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,

WILLIAM J. LEMA

Director

WJL/MES/jc

cc: Oil Conservation Division - Aztec

NMSLO - Santa Fe



BRUCE KING

GOVERNOR

LARRY KEHOE

SECRETARY

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

April 14, 1981

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

Amoco Production Company Petroleum Center Building 501 Airport Drive Farmington, New Mexico 87401

Attention: Mr. R. W. Schroeder

Administrative Order NSL-1342

Gentlemen:

Reference is made to your application for approval of a non-standard location for your Martinez Gas Com "G" No. 1E located 585 feet from the North line and 1220 feet from the West line of Section 24, Township 29 North, Range 10 West, NMPM, Basin Dakota Field, San Juan County, New Mexico.

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

Sincerely,

JOE D. RAMEY, Director

JDR/RLS/dr

cc: Oil Conservation Division - Aztec

Oil & Gas Engineering Committee - Hobbs

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

June 3, 1999

Cross Timbers Oil Company 810 Houston Street - Suite 2000 Fort Worth, Texas 76102-6298 Attention: Edwin S. Ryan, Jr.

Administrative Order NSL-1342-A

Dear Mr.. Ryan:

Reference is made to the following: (i) your application dated May 12, 1999; and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe: all concerning Cross Timbers Oil Company's ("Cross Timbers") request for an exception to the well location requirements provided within the "Special Rules for the Blanco-Mesaverde Pool," as promulgated by New Mexico Oil Conservation Division ("Division") Order No. R-10987-A, issued in Case No. 12069 dated February 1, 1999, of an unorthodox infill gas well for the existing Martinez Gas Com. "G" Well No. 1-E (API No. 30-045-25568), located 585 feet from the North line and 1220 feet from the West line (Unit D) of Section 24, Township 29 North, Range 10 West, NMPM, Blanco-Mesaverde Pool, San Juan County, New Mexico.

According to the Division's well records, the Martinez Gas Com. Well No. 1-E was drilled in 1983 by Amoco Production Company and completed in the Basin-Dakota Pool. By Division Administrative Order NSL-1342, dated April 14, 1981, this location was approved as an unorthodox infill gas well location in the Basin-Dakota Pool for an existing standard 320-acre lay-down gas spacing and proration unit ("GPU") comprising the N/2 of Section 24, Township 29 North, Range 10 West, NMPM, Blanco-Mesaverde Pool, San Juan County, New Mexico.

Production from the Blanco-Mesaverde Pool is also to be included in an existing standard 320-acre lay-down GPU that comprises the N/2 of Section 24, which is currently dedicated to Cross Timbers' Martinez Gas Com. "G" Well No. 1 (API No. 30-045-12172), located at a standard gas well location 1190 feet from the North line and 790 feet from the East line (Unit A) of Section 24. It is our understanding that Cross Timbers intends to downhole commingle both the Blanco-Mesaverde and Basin-Dakota Pools in the Martinez Gas Com. "G" Well No. 1-E.

The application has been duly filed under the provisions of Division Rules 104.F and 605.B.

By the authority granted me under the provisions of Division Rule 104.F(2), the above-described unorthodox Blanco-Mesaverde infill gas well location for the Martinez Gas Com. "G" Well No. 1-E is hereby approved. Further, both of the aforementioned Martinez Gas Com. "G" Wells No. 1 and 1-E and existing GPU will be subject to all existing rules, regulations, policies, and

Administrative Order NSL-1342-A Cross Timbers Oil Company June 3, 1999 Page 2

procedures applicable to prorated gas pools in Northwest, New Mexico and to the Blanco-Mesaverde Pool.

All provisions of Division Administrative Order NSL-1342 shall remain in full force and affect until further notice.

Sincerely,

Lori Wrotenbery Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec

U. S. Bureau of Land Management - Farmington

File: NSL-1342 /