

NSL 7/24/00



June 29, 2000

CERTIFIED MAIL:
Mr. Michael E. Stogner
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

OIL CONSERVATION DIV.
00 JUL -3 AM 11:42

RE: Application for Administrative Approval of Unorthodox Location
Cross Timbers Operating Company's T.L. Rhodes C #3E Well
580' FWL and 1,415' FNL (SW/4 NW/4)
Unit E, Section 31, T28N-R11W
San Juan County, New Mexico
Kutz-Gallup Formation

Dear Mr. Stogner:

Cross Timbers Operating Company hereby requests administrative approval for an unorthodox location for the above referenced well. Attached for your reference are the following exhibits:

1. Well location plat (NMOCD Form C-102)
2. Ownership map
3. List of Offset Owners

The above captioned well was drilled and completed on March 8, 1985 as a N2 , 320 acre producing Dakota unit. Cross Timbers Operating Company would like to move up the hole in the wellbore and recomplete the well in the Kutz-Gallup Formation. The rules state that the well should be located no closer than 330' to the boundary of a quarter-quarter section for a 40 acre Unit. The existing location will not conform to current footage requirements. A new well would not be economically feasible to drill for just the Kutz-Gallup formation. The current wellbore is in acceptable condition for the recompletion attempt with no additional work being required. By moving up the hole to the Kutz-Gallup formation, Cross Timbers would be able to minimize environmental impact in obtaining additional production and protection of correlative rights.

By certified mail, a copy of this application and request for administrative approval has been sent to all of the Kutz-Gallup formation working interest owners and offset operators listed on the attached list.

Cross Timbers would like to request your Administration Approval for the unorthodox location based on the above information. Should you need any additional information please feel free to contact me at (817) 885-2454.

Sincerely,

CROSS TIMBERS OPERATING COMPANY



George A. Cox, CPL
Landman

Enclosures

cc: Gary Markestad
Loren Fothergill
Jeff Patton

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 S. 1st Street, Artesia, NM 88210-2834
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-26200		² Pool Code 36550		³ Pool Name Kutz Gallup	
⁴ Property Code		⁵ Property Name T. L. Rhodes C			⁶ Well Number 3E
⁷ OGRID No.		⁸ Operator Name Cross Timbers Operating Company			⁹ Elevation 6,001' GL

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
E	31	28 N	11 W		1,415'	North	580'	West	San Juan

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

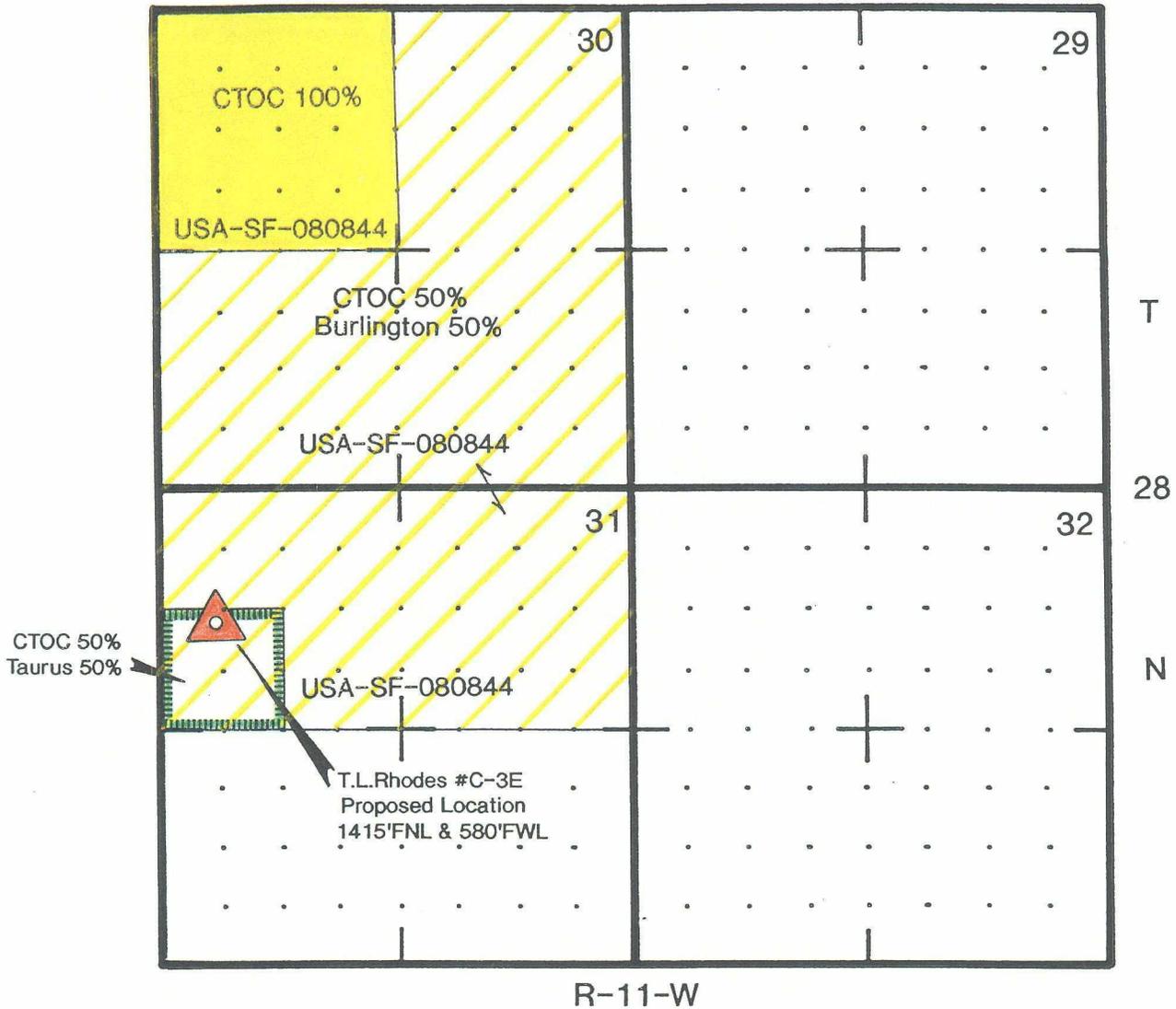
	<p>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><u>Loren W. Fothergill</u> Signature <u>Loren W. Fothergill</u> Printed Name <u>Production Engineer</u> Title <u>June 27 2000</u> Date</p>			
	<p>¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p><u>9/14/84</u> Date of Survey <u>original signed by</u> Signature and Seal of Professional Surveyer: <u>Fred B. Kerr Jr</u></p> <p><u>3950</u> Certificate Number</p>			

SECTION PLAT OF 4 SQUARE MILES

STATE: NEW MEXICO COUNTY: SAN JUAN
 PROSPECT: Ownership in Kutz-Gallup Formation DATE: 6/27/2000
 SECTIONS: 30,31 BLOCK: _____ SURVEY: _____
 ACRES: _____ TOWNSHIP: 28N RANGE: 11W

T.L.Rhodes #C-3E Well

SCALE: 1"=2,000'



OFFSET OPERATORS AND OWNERS NOTIFICATION LIST
T.L. RHODES #C 3E WELL

Burlington Resources Oil & Gas
P.O. Box 4289
Farmington, NM 87499-4289
Attention: Shannon Nichols

Taurus Exploration USA, Inc.
2198 Bloomfield Hwy
Farmington, NM 87404

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Taurus Exploration USA, Inc.
2198 Bloomfield Hwy
Farmington, NM 87404

GC - 6/28/00-TL Rhodes #C 3E

2. Article Number (Copy from service label)

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature

X

 Agent AddresseeD. Is delivery address different from item 1? YesIf YES, enter delivery address below: No

3. Service Type

 Certified Mail Express Mail Registered Return Receipt for Merchandise Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee)

 Yes7000 0520 0023 4430 1520

PS Form 3811, July 1999

Domestic Ret

102595-99-M-1789

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 Certified Mail Express Mail Registered Return Receipt for Merchandise Insured Mail C.O.D.

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 Yes7000 0520 0023 4430 1537

PS Form 3811, July 1999

Domestic Re

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Gentlemen:

Enclosed please find a copy of the above captioned application that has been sent to the NMOCD for administrative approval. Should you not agree with the request, please notify the NMOCD within 20 days of the date of this application. Should you have any questions, concerning the operations, please feel free to contact me at (817) 885-2454.

Sincerely,
CROSS TIMBERS OIL COMPANY

A handwritten signature in black ink, appearing to read "George A. Cox".

George A. Cox, CPL

Landman

Enclosures



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