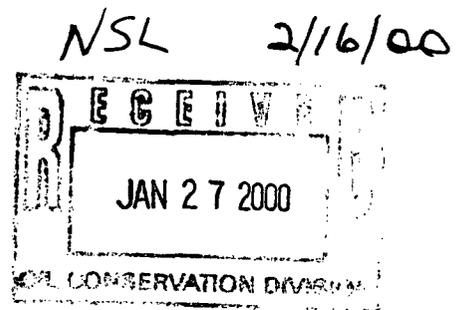




**Cross Timbers Oil Company**

January 26, 2000

FEDERAL EXPRESS



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

Re: Request for Administrative Approval of an Unorthodox Location  
Basin Fruitland Coal Pool  
Stedje Gas Com #2R  
N/2 Section 27-30N-12W  
San Juan County, New Mexico

Gentlemen:

Cross Timbers Operating Company hereby requests administrative approval of the following unorthodox location:

Well Name: Stedje Gas Com #2R  
Pool: Basin Fruitland Coal  
Location: 1,085' FNL & 660' FEL  
Acreage Dedication: N/2 Section 27-30N-12W, containing 320 acres, more or less  
County/State: San Juan County, New Mexico  
Pool Rules: 790' from lease lines

Attached is the following support and documentation for said application:

1. C-102 Plat
2. Geologic discussion
3. Copy of certified letter sent to offset operators/owners
  - A. Plat of offset operators
  - B. List of offset operators

Cross Timbers received NSL Order #4195 for the #2 well located 1,175' FNL & 675' FEL.

We look forward to your approval and please call me at (817) 885-2336 with any questions.

Your very truly,

Edwin S. Ryan, Jr.

cc: Bobby Smith - CTOC - Midland

NMCOD - Aztec District Office  
1000 Rio Brazos Road  
Aztec, New Mexico 87410

Offset Operators

District I  
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised February 21, 1994

District II  
PO Drawer DD, Artesia, NM 88211-0719

Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

District III  
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

AMENDED REPORT

District IV  
PO Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code 71629		3 Pool Name BASIN FRUITLAND COAL	
4 Property Code		5 Property Name STEDJE GAS COM			6 Well Number 2R
7 GRID No. 167067		8 Operator Name CROSS TIMBERS OPERATING COMPANY			9 Elevation 5476'

10 Surface Location

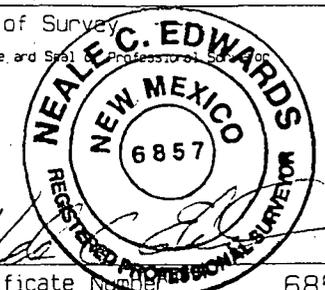
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	27	30N	12W		1085	NORTH	660	EAST	SAN JUAN

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	13 Joint or Infill	14 Consolidation Code	15 Order No.
--------------------	--------------------	-----------------------	--------------

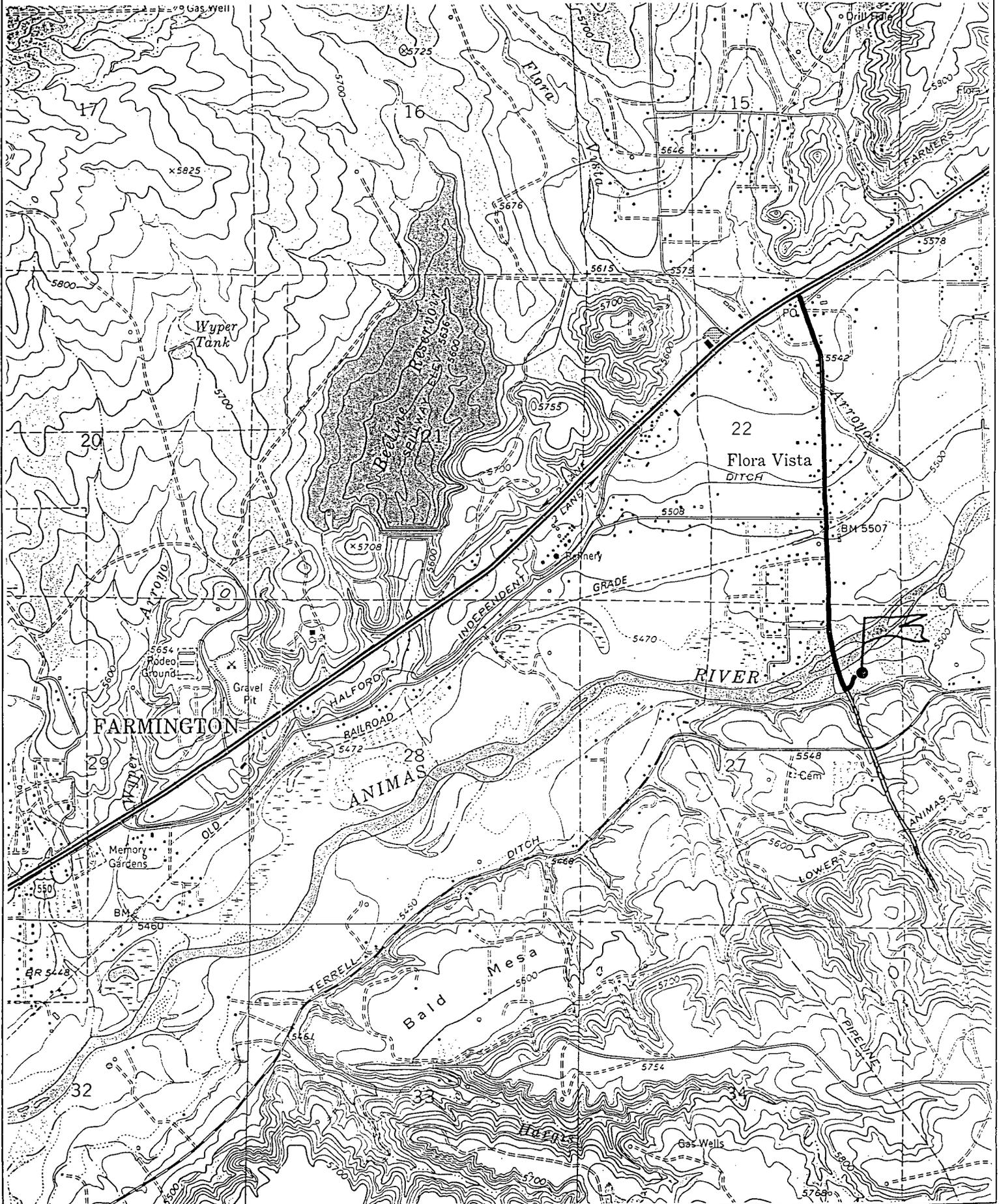
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16 5186.28' (CALC'ED)	27	1085' 660'	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.
			Signature Gary L. Markestad Printed Name Vice-President / Production Title Date
2547.41' (CALC'ED)	27	5249.64'	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.
			JANUARY 5, 2000 Date of Survey Signature and Seal of Professional Surveyor  Certificate Number 6857
2631.41' (MEAS)	27	5074.08'	

CROSS TIMBERS OPERATING COMPANY STEDJE GAS COM #2R

1085' FNL & 660' FEL, SECTION 27, T30N, R12W, N.M.P.M.

SAN JUAN COUNTY, NEW MEXICO



**Stedge Gas Com #2R**  
(Stedge Gas Com #2 Replacement Well)  
1,085' FNL & 660' FEL  
Section 27 - T30N-R12W  
San Juan County, New Mexico

**GEOLOGIC SUMMARY**

The Stedge Gas Com #2R is a proposed 1,800' Fruitland Coal test to be located 1,085' FNL and 660' FEL of section 27-T30N-R12W, San Juan County, New Mexico. To date, Cross Timbers Oil Company has drilled two Fruitland Coal wells in section 27; the Duff Gas Com "C" #2 in the SW/4 and the Stedge Gas Com #2 in the NE/4.

The Duff Gas Com "C" #2 established the first Fruitland Coal production in the section. The Stedge Gas Com #2, which has an estimated 23' of basal Fruitland Coal (open hole logs were not run), was unsuccessfully completed in the coal. Based on the results of the Duff Gas Com #2 well in the SW/4 of the section, the evaluation of the cased hole log of the Stedge Gas Com #2 and the evaluation of the open hole log from the Stedge Gas Com #1E, a deeper well also in the NE/4, Cross Timbers believes that it is necessary to redrill the Stedge Gas Com #2 to successfully complete the Fruitland Coal in this spacing unit.

The new well will be approximately 91' north of the Stedge Gas Com #2. The unorthodox location is requested because of surface restrictions which prohibit the placement of a well at a legal location in the NE/4 of the section. These restrictions are primary due to existing and proposed housing developments. The unorthodox location will also allow Cross Timbers to utilize existing surface equipment from the Cross Timbers operated Stedge Gas Com #1E Dakota well.

*DMJ*  
1-26-00



## Cross Timbers Oil Company

January 26, 2000

TO: Offset Operators - See Attached

Re: Unorthodox Location  
Stedje Gas Com #2R  
N/2 Section 27-30N-12W  
San Juan County, New Mexico

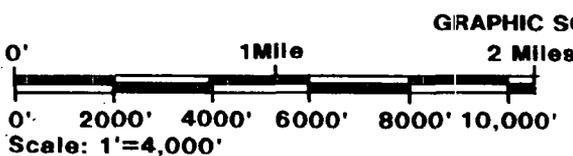
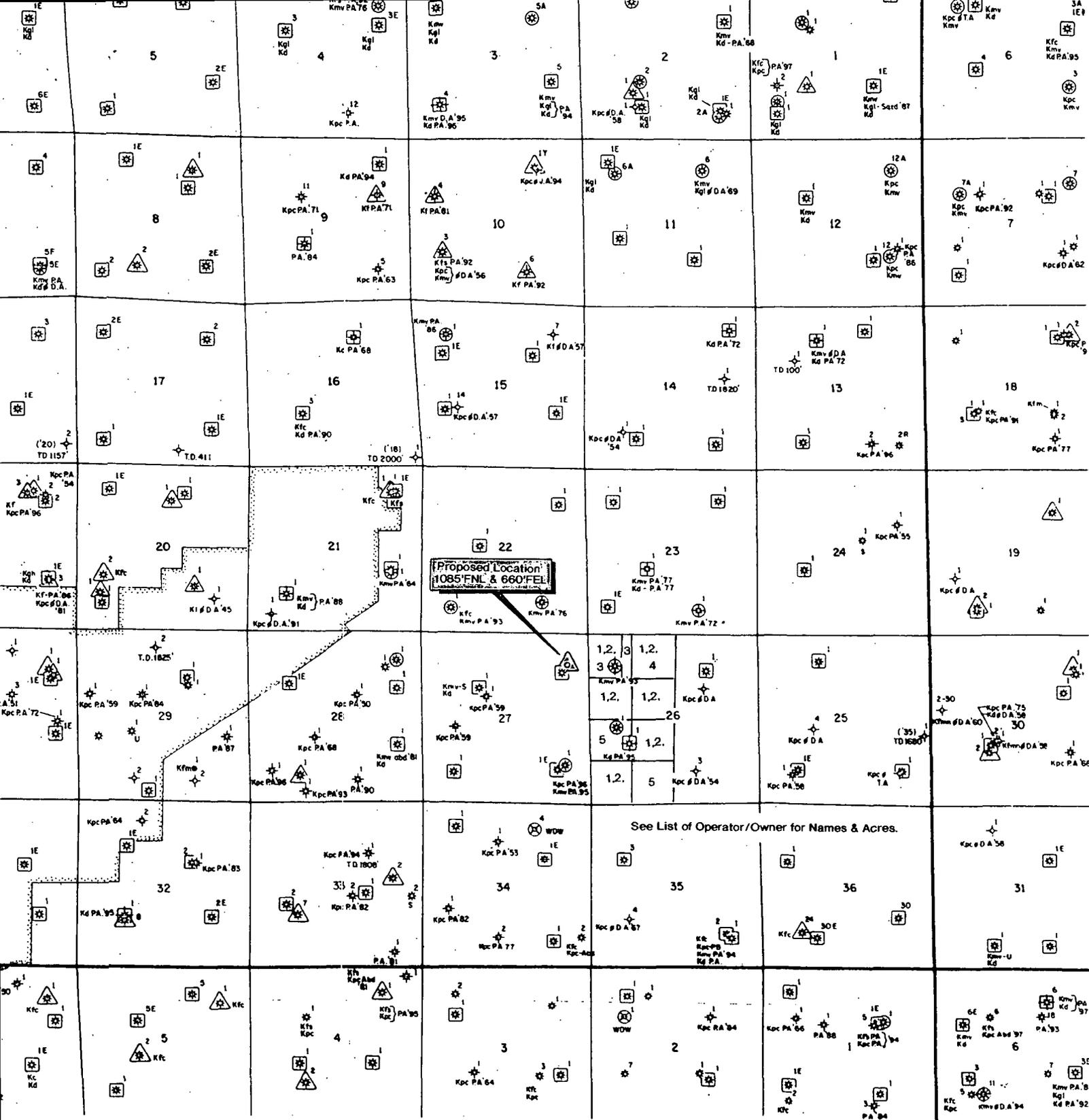
Gentlemen:

Cross Timbers Operating Company filed the attached administrative approval of the above Unorthodox Location with the New Mexico Conservation Division on January 26, 2000. If you object to the application, you must file a written objection with the Oil Conservation Division within twenty (20) days of the date the application was filed.

Should you have any questions please feel free to call me at (817) 885-2336.

Yours very truly,

Edwin S. Ryan, Jr.  
Vice President - Land



**Stedje Gas Com 2R**  
**N/2 Section 27-30N-12W**  
**San Juan County, New Mexico**

**OFFSET OPERATORS/OWNERS  
UNORTHODOX LOCATION  
STEDJE GAS COM #2  
N/2 SECTION 27-30N-12W  
SAN JUAN COUNTY, NEW MEXICO**

W/2 Section 26-30N-12W

- |   |   |   |   |
|---|---|---|---|
| 1 | Conoco, Inc.<br>600 N. Dairy Ashford<br>DU-3092<br>Houston, Texas 77079                 | 5                                       | Robert L. Bayless<br>P.O. Box 1541<br>Farmington, New Mexico 87499    |
| 2 | Burlington Resources Oil & Gas Company<br>P.O. Box 4289<br>Farmington, New Mexico 87499 | 5                                       | J. Gregory Merrion<br>610 Reilly Ave.<br>Farmington, New Mexico 87401 |
| 3 | Allen K. Brown<br>3407 Patterson<br>Amarillo, Texas 79109                               | <b>See Map For Corresponding Number</b> |   |
| 3 | Edward L. Burt<br>P.O. Box 2277<br>Ruidoso, New Mexico 88345-2277                       |   |   |
| 3 | John A. Burt<br>3611 SW Evengside Drive<br>Topeka, Kansas 66614-3837                    |   |   |
| 3 | Mary Katherine Jones<br>2020 N. Peppertree Circle<br>Carlsbad, New Mexico 88240         |   |   |
| 3 | Jeanne B. Neel<br>16205 S. 39 <sup>th</sup> Place<br>Phoenix, Arizona 85044             |   |   |
| 4 | Bank of America, Trustee<br>303 Roma<br>Albuquerque, New Mexico 87102                   |   |   |
| 4 | Padilla Land & Cattle Company<br>446 Road 300<br>Aztec, New Mexico 87410                |   |   |
| 4 | County of San Juan<br>100 S. Oliver Drive<br>Aztec, New Mexico 87410                    |   |   |

**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:

Allen K. Brown  
3407 Patterson  
Amarillo, Texas 79109

WR - 1/26/00 - Stedje GC #2R

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)

 Yes**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:

Burlington Resources Oil & Gas Co.  
P.O. Box 4289  
Farmington, New Mexico 87499

WR - 1/26/00 - Stedje GC #2R

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)

 Yes**SENDER: COMPLETE THIS SECTION**

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- 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:

Conoco, Inc.  
600 N. Dairy Ashford, DU-3092  
Farmington, New Mexico 87499  
Houston, Texas 77079  
WR - 1/26/00 - Stedje GC #2R

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)

 Yes**Z 137 270 163****Z 137 270 162****Z 137 270 161**

**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:

Edward L. Burt  
P.O. Box 2277  
Ruidoso, New Mexico 88345-2277

WR - 1/26/00 - Stedje GC #2R

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)

 Yes**Z 137 270 164**

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

**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:

John A. Burt  
3611 SW Evengside Drive  
Topeka, Kansas 66614-3837

WR - 1/26/00 - Stedje GC #2R

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)

 Yes**Z 137 270 165**

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

**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:

Mary Katherine Jones  
2020 N. Peppertree Circle  
Carlsbad, New Mexico 88240

WR - 1/26/00 - Stedje GC #2R

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)

 Yes**Z 137 270 166**

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

**SENDER: COMPLETE THIS SECTION**

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- 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:

Jeanne B. Neel  
16205 S. 39<sup>th</sup> Place  
Phoenix, Arizona 85044

WR - 1/26/00 - Stedje GC #2R

## 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  
 Addressee

 D. Is delivery address different from item 1?  Yes  
 If 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)  Yes

Z 137 270 167

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

**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:

Bank of America, Trustee  
303 Roma  
Albuquerque, New Mexico 87102

WR - 1/26/00 - Stedje GC #2R

## 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  
 Addressee

 D. Is delivery address different from item 1?  Yes  
 If 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)  Yes

Z 137 270 168

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

**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:

Padilla Land & Cattle Company  
446 Road 300  
Aztec, New Mexico 87410

WR - 1/26/00 - Stedje GC #2R

## 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  
 Addressee

 D. Is delivery address different from item 1?  Yes  
 If 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)  Yes

Z 137 270 169

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

**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:

J. Gregory Merrion  
610 Reilly Avenue  
Farmington, NM 87401

WR - 1/26/00 - Stedje GC #2R

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  
 Addressee

 D. Is delivery address different from item 1?  Yes  
 If 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)  Yes

Z 137 270 17B

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

**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:

Robert L. Bayless  
P.O. Box 1541  
Farmington, NM 87499

WR - 1/26/00 - Stedje GC #2R

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  
 Addressee

 D. Is delivery address different from item 1?  Yes  
 If 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)  Yes

Z 137 270 171

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

**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:

County of San Juan  
100 S. Oliver Drive  
Aztec, New Mexico 87410

WR - 1/26/00 - Stedje GC #2R

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  
 Addressee

 D. Is delivery address different from item 1?  Yes  
 If 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)  Yes

Z 137 270 170

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

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

January 11, 1999

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

**Telefax No. (817) 870-1671**

*Administrative Order NSL-4195*

Dear Mr. Ryan:

Reference is made to your application dated December 18, 1998 for an off-pattern non-standard Basin-Fruitland coal gas well location for your proposed Stedje Gas Com. Well No. 2 (API No. 30-045-29738) to be drilled 1175 feet from the North line and 675 feet from the East line (Unit A) of Section 27, Township 30 North, Range 12 West, NMPM, San Juan County, New Mexico. The N/2 of Section 27 is to be dedicated to this well in order to form a standard 320-acre gas spacing and proration unit for the Basin Fruitland Coal (Gas) Pool.

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,

A large, stylized handwritten signature in black ink, appearing to read "Lori Wrotenbery".

Lori Wrotenbery  
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec  
New Mexico State Land Office - Santa Fe



**NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT**

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

January 31, 2000

**Cross Timbers Operating Company  
810 Houston Street - Suite 2000  
Fort Worth, Texas 76102-6298**

**Attention: Edwin S. Ryan, Jr.**

*Re Application dated January 26, 2000 for an unorthodox coal gas well location within the Basin-Fruitland Coal (Gas) Pool for the proposed Stedje Gas Com. Well No. 2-R to be drilled as a replacement well 1085 feet from the North line and 660 feet from the East line (Unit A) of Section 27, Township 30 North, Range 12 West, NMPM, San Juan County, New Mexico. A standard 320-acre lay-down gas spacing and proration unit comprising the N/2 of Section 27 is the proposed acreage to be dedicated to this well.*

Dear Mr. Ryan:

In order for me to complete my review of your application additional information is needed concerning the well currently occupying the 320-acre gas spacing and proration unit that is the N/2 of Section 27. What is the current status of Cross Timbers' existing Stedje Gas Com. Well No. 2 (API No. 30-045-29738), located an unorthodox coal gas well location (approved by Division Administrative Order NSL-4195 dated January 11, 1999) 1175 feet from the North line and 675 feet from the East line (Unit A) of Section 27? Also what does Cross Timbers intend to do with this well?

Sincerely,

Michael E. Stogner  
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Aztec  
U. S. Bureau of Land Management - Farmington  
Jim Bruce, Legal Counsel for Cross Timbers Operating Company - Santa Fe

Submit 3 Copies  
to Appropriate  
District Office

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-103  
Revised 1-1-89

**OIL CONSERVATION DIVISION**

2040 Pacheco St.  
Santa Fe, NM 87505

**DISTRICT I**  
P.O. Box 1980, Hobbs NM 88241-1980

**DISTRICT II**  
P.O. Drawer DD, Artesia, NM 88210

**DISTRICT III**  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO.  
30-045-29738

5. Indicate Type of Lease  
STATE  FEE

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK OR  
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"  
(FORM C-101) FOR SUCH PROPOSALS.)  
RECEIVED  
NOV - 1 1999  
Lease Name or Unit Agreement Name  
Stedje Gas Com

1. Type of Well:  
OIL WELL  GAS WELL  OTHER   
OIL CON. DIV  
DIST. 3

2. Name of Operator  
Cross Timbers Operating Company  
8. Well No.  
2

3. Address of Operator  
2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401  
9. Pool name or Wildcat  
Basin Fruitland Coal (71629)

4. Well Location  
Unit Letter A : 1,175 Feet From The North Line and 675 Feet From The East Line  
Section 27 Township 30N Range 12W NMPM San Juan County  
10. Elevation (Show whether DF, RKB, RT, GR, etc.)  
5,474' GR 5,478' KB

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <u>Surface Commingle Gas Production</u> <input checked="" type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Surface comingled Stedje Gas Com #2 gas production with Stedje Gas Com #1E gas production effective 10/2/99 per Commingling Order PC-1002.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Ray Martin TITLE Operations Engineer DATE 10/27/99  
TYPE OR PRINT NAME Ray Martin TELEPHONE NO. (505)324-1090

(This space for State Use)

APPROVED BY Ernie Busch DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE NOV 4 1999  
CONDITIONS OF APPROVAL, IF ANY:

Amended Report to match well test on C-104.

Submit to Appropriate District Office  
State Lease - 6 copies  
Fee Lease - 5 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-105  
Revised 1-1-89

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION

2040 Pacheco St.  
Santa Fe, NM 87505

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

WELL API NO. 30-045-29738
5. Indicate Type Of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____	7. Lease Name or Unit Agreement Name Stedje Gas Com
b. Type of Completion: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF RESVR <input type="checkbox"/> OTHER _____	8. Well No.
2. Name of Operator Cross Timbers Operating Company	9. Pool name or Wildcat Basin Fruitland Coal (71629)
3. Address of Operator 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401	

RECEIVED  
SEP 27 1999  
OIL CON. DIV.  
DIST. 3

4. Well Location  
Unit Letter A : 1,175 Feet From The N Line and 675 Feet From The E Line  
Section 27 Township 30N Range 12W NMPM San Juan County

10. Date Spudded 6/7/99	11. Date T.D. Reached 6/11/99	12. Date Compl.(Ready to Prod.) 7/29/99	13. Elevations(DF & RKB, RT, GR, etc.) 5,474' GR 5,478' KB	14. Elev. Casinghead 5,474'
15. Total Depth 1,739'	16. Plug Back T.D. 1,709'	17. If Multiple Compl. How Many Zones?	18. Intervals Drilled By Rotary Tools X Cable Tools	
19. Producing Interval(s), of this completion - Top, Bottom, Name 1,408'-1,629' Fruitland Coal				20. Was Directional Survey Made N
21. Type Electric and Other Logs Run GR/CCL/CNL				22. Was Well Cored N

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
7"	20#	162'	8-3/4"	65 sx Circ to surf	
4-1/2"	10.5#	1,736'	6-1/4"	265 sx Circ to surf	

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-3/8"	1.683'	

26. Perforation record (interval, size, and number)  
1,408'-17', 1,462'-64', 1,467'70' (4 jspf ttl 56 - 0.34" holes) & 1,599'-1,629' (2 jspf ttl 60 - 0.34" holes).

27. ACID, SHOT, FRACTURE, CEMENT, SOEEZE, ETC.	
DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
1,408' - 1,470'	48,302 g XL gel wtr & 47,951# sd
1,599' - 1,629'	500 g 15% acid; 86,438 g XL gel wtr & 135,705# sd

28. PRODUCTION

Date First Production		Production Method (Flowing, gas lift, pumping - Size and type pump) Rod pump				Well Status (Prod. or Shut-in) Prod	
Date of Test 7/30/99	Hours Tested 24	Choke Size 2"	Prod'n For Test Period	Oil - Bbl. 0	Gas - MCF 0	Water - Bbl. 27	Gas - Oil Ratio -
Flow Tubing Press. 30	Casing Pressure 0	Calculated 24-Hour Rate	Oil - Bbl. 0	Gas - MCF 0	Water - Bbl. 27	Oil Gravity - API -(Corr.) -	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)  
No prod.

Test Witnessed By  
Tony Sternberger

30. List Attachments  
GR/CCL/CNL log: Deviation Survey

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature Ray Martin Printed Name Ray Martin Title Operations Eng. Date 9/16/99

# INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

## INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

### Southeastern New Mexico

### Northeastern New Mexico

T. Anhy _____	T. Canyon _____	T. Ojo Alamo _____	T. Penn. "B" _____
T. Salt _____	T. Strawn _____	T. Kirtland-Fruitland <u>1,302'</u>	T. Penn. "C" _____
B. Salt _____	T. Atoka _____	T. Pictured Cliffs <u>1,638'</u>	T. Penn. "D" _____
T. Yates _____	T. Miss _____	T. Cliff House _____	T. Leadville _____
T. 7 Rivers _____	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen _____	T. Silurian _____	T. Point Lookout _____	T. Elbert _____
T. Grayburg _____	T. Montoya _____	T. Mancos _____	T. McCracken _____
T. San Andres _____	T. Simpson _____	T. Gallup _____	T. Ignacio Otzte _____
T. Glorieta _____	T. McKee _____	Base Greenhorn _____	T. Granite _____
T. Paddock _____	T. Ellenburger _____	T. Dakota _____	T. _____
T. Blinebry _____	T. Gr. Wash _____	T. Morrison _____	T. _____
T. Tubb _____	T. Delaware Sand _____	T. Todilto _____	T. _____
T. Drinkard _____	T. Bone Springs _____	T. Entrada _____	T. _____
T. Abo _____	T. _____	T. Wingate _____	T. _____
T. Wolfcamp _____	T. _____	T. Chinle _____	T. _____
T. Penn _____	T. _____	T. Permian _____	T. _____
T. Cisco (Bough C) _____	T. _____	T. Penn "A" _____	T. _____

### OIL OR GAS SANDS OR ZONES

No. 1, from \_\_\_\_\_ to \_\_\_\_\_ No. 3, from \_\_\_\_\_ to \_\_\_\_\_  
 No. 2, from \_\_\_\_\_ to \_\_\_\_\_ No. 4, from \_\_\_\_\_ to \_\_\_\_\_

### IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from \_\_\_\_\_ to \_\_\_\_\_ feet \_\_\_\_\_  
 No. 2, from \_\_\_\_\_ to \_\_\_\_\_ feet \_\_\_\_\_  
 No. 3, from \_\_\_\_\_ to \_\_\_\_\_ feet \_\_\_\_\_

### LITHOLOGY RECORD ( Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology	From	To	Thickness in Feet	Lithology

District I  
 PO Box 1980, Hobbs, NM 88241-1980  
 District II  
 PO Drawer DD, Artesia, NM 88211-0719  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals & Natural Resources Department

**OIL CONSERVATION DIVISION**  
 2040 South Pacheco  
 Santa Fe, NM 87505

Form C-10  
 Revised October 18, 1998  
 Instructions on back  
 Submit to Appropriate District  
 5 Copies

AMENDED REPORT

**I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT**

<sup>1</sup> Operator name and Address Cross Timbers Operating Company 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401		<sup>2</sup> OGRID Number 167067
		<sup>3</sup> Reason for Filing Code New Well
<sup>4</sup> API Number 30-0 45-29738	<sup>5</sup> Pool Name Basin Fruitland Coal	<sup>6</sup> Pool Code 71629
<sup>7</sup> Property Code	<sup>8</sup> Property Name Stedje Gas Com	<sup>9</sup> Well Number 2

**II. <sup>10</sup> Surface Location**

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
A	27	30N	12W		1175	N	675	E	San Juan

**<sup>11</sup> Bottom Hole Location**

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
<sup>12</sup> Lse Code	<sup>13</sup> Producing Method Code Rod pump	<sup>14</sup> Gas Connection Date	<sup>15</sup> C-129 Permit Number	<sup>16</sup> C-129 Effective Date	<sup>17</sup> C-129 Expiration Date				

**III. Oil and Gas Transporters**

<sup>18</sup> Transporter OGRID	<sup>19</sup> Transporter Name and Address	<sup>20</sup> POD	<sup>21</sup> O/G	<sup>22</sup> POD ULSTR Location and Description
007057	El Paso Field Services 614 Reilly Ave. Farmington, NM 87401	2824000	G	

RECEIVED  
 AUG 03 1999  
 OIL CON. DIV.  
 DISTRICT 3

**IV. Produced Water**

<sup>23</sup> POD 2824001	<sup>24</sup> POD ULSTR Location and Description
------------------------------	--

**V. Well Completion Data**

<sup>25</sup> Spud Date 6/7/99	<sup>26</sup> Ready Date 7/29/99	<sup>27</sup> TD 1739'	<sup>28</sup> PBDT 1709'	<sup>29</sup> Perforations 1408' - 1629'	<sup>30</sup> DHC, DC, MC Single
<sup>31</sup> Hole Size	<sup>32</sup> Casing & Tubing Size	<sup>33</sup> Depth Set	<sup>34</sup> Sacks Cement		
8-3/4"	7", 20#, J-55	162'	65		
6-1/4"	4-1/2", 10.5#, J-55	1736'	265		
	2-3/8", 4.7#, J-55	1683'			

**VI. Well Test Data**

<sup>35</sup> Date New Oil	<sup>36</sup> Gas Delivery Date	<sup>37</sup> Test Date 8-11-99 7/30/99	<sup>38</sup> Test Length 24	<sup>39</sup> Tbg. Pressure 30	<sup>40</sup> Csg. Pressure 200 0
<sup>41</sup> Choke Size 2"	<sup>42</sup> Oil 210	<sup>43</sup> Water 27 63	<sup>44</sup> Gas TSTM	<sup>45</sup> AOF TSTM	<sup>46</sup> Test Method Rod pump

<sup>47</sup> I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Ray Martin*

Printed name: Ray Martin

Title: Operations Engineer

Date: 7/30/99 Phone: 324-1090

Approved by: *[Signature]*

Title: SUPERVISOR DISTRICT # 3

Approval Date: SEP - 9 1999

<sup>48</sup> If this is a change of operator fill in the OGRID number and name of the previous operator

Previous Operator Signature	Printed Name	Title	Date
-----------------------------	--------------	-------	------

Submit to Appropriate District Office  
 State Lease - 6 copies  
 Fee Lease - 5 copies

State of New Mexico  
 Energy, Minerals and Natural Resources Department

Form C-105  
 Revised 1-1-89

DISTRICT I  
 P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION

2040 Pacheco St.  
 Santa Fe, NM 87505

DISTRICT II  
 P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
 1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO.  
 30-045-29738

5. Indicate Type Of Lease  
 STATE  FEE

6. State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: OIL WELL  GAS WELL  DRY  OTHER

1b. Type of Completion: NEW WELL  WORK OVER  DEEPEN  PLUG BACK  DIFF RESVR  OTHER

Lease Name or Unit Agreement Name  
 Stedje Gas Com

2. Name of Operator  
 Cross Timbers Operating Company

Well No.  
 2

3. Address of Operator  
 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401

9. Pool name or Wildcat  
 Basin Fruitland Coal (71629)

4. Well Location  
 Unit Letter A : 1,175 Feet From The N Line and 675 Feet From The E Line

Section 27 Township 30N Range 12W NMPM San Juan County

10. Date Spudded 6/7/99  
 11. Date T.D. Reached 6/11/99  
 12. Date Compl.(Ready to Prod.) 7/29/99  
 13. Elevations(DF & RKB, RT, GR, etc.) 5,474' GR 5,478' KB  
 14. Elev. Casinghead 5,474'

15. Total Depth 1,739'  
 16. Plug Back T.D. 1,709'  
 17. If Multiple Compl. How Many Zones?  
 18. Intervals Drilled By  
 Rotary Tools X  
 Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name  
 1,408' - 1,629' Fruitland Coal

20. Was Directional Survey Made  
 N

21. Type Electric and Other Logs Run  
 GR/CCL/CNL

22. Was Well Cored  
 N

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
7"	20#	162'	8-3/4"	65 sx Circ to surf	717' ✓
4-1/2"	10.5#	1,736'	6-1/4"	265 sx Circ to surf	436' ✓

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	25. TUBING RECORD	SIZE	DEPTH SET	PACKER SET
						2-3/8"	1,683'	

26. Perforation record (interval, size, and number)  
 1,408' - 17', 1,462' - 64', 1,467' - 70' (4 jspf ttl 56 - 0.34" holes) & 1,599' - 1,629' (2 jspf ttl 60 - 0.34" holes).

27. ACID, SHOT, FRACTURE, CEMENT, SOEEZE, ETC.  
 DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED  
 1,408' - 1,470' 48,302 g XL gel wtr & 47,951# sd  
 1,599' - 1,629' 500 g 15% acid; 86,438 g XL gel wtr & 135,705# sd

28. PRODUCTION

Date First Production  
 Production Method (Flowing, gas lift, pumping - Size and type pump)  
 Rod pump  
 Well Status (Prod. or Shut-in)  
 Prod

Date of Test 8/11/99  
 Hours Tested 24  
 Choke Size 2"  
 Prod'n For Test Period  
 Oil - Bbl. 0  
 Gas - MCF 0  
 Water - Bbl. 63  
 Gas - Oil Ratio -

Flow Tubing Press. 0  
 Casing Pressure 200  
 Calculated 24-Hour Rate  
 Oil - Bbl. 210  
 Gas - MCF 0.75714  
 Water - Bbl. 63  
 Oil Gravity - API (Corr.) -

29. Disposition of Gas (Sold, used for fuel, vented, etc.)  
 No prod.

Test Witnessed By  
 Tony Sternberger

30. List Attachments  
 GR/CCL/CNL log; Deviation Survey

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature Ray Martin Printed Name Ray Martin Title Operations Eng. Date 9/8/99

# INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

## INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

### Southeastern New Mexico

### Northeastern New Mexico

- |                          |                        |                                     |                        |
|--------------------------|------------------------|-------------------------------------|------------------------|
| T. Anhy _____            | T. Canyon _____        | T. Ojo Alamo _____                  | T. Penn. "B" _____     |
| T. Salt _____            | T. Strawn _____        | T. Kirtland-Fruitland <u>1,302'</u> | T. Penn. "C" _____     |
| B. Salt _____            | T. Atoka _____         | T. Pictured Cliffs <u>1,638'</u>    | T. Penn. "D" _____     |
| T. Yates _____           | T. Miss _____          | T. Cliff House _____                | T. Leadville _____     |
| T. 7 Rivers _____        | T. Devonian _____      | T. Menefee _____                    | T. Madison _____       |
| T. Queen _____           | T. Silurian _____      | T. Point Lookout _____              | T. Elbert _____        |
| T. Grayburg _____        | T. Montoya _____       | T. Mancos _____                     | T. McCracken _____     |
| T. San Andres _____      | T. Simpson _____       | T. Gallup _____                     | T. Ignacio Otzte _____ |
| T. Glorieta _____        | T. McKee _____         | Base Greenhorn _____                | T. Granite _____       |
| T. Paddock _____         | T. Ellenburger _____   | T. Dakota _____                     | T. _____               |
| T. Blinbry _____         | T. Gr. Wash _____      | T. Morrison _____                   | T. _____               |
| T. Tubb _____            | T. Delaware Sand _____ | T. Todilto _____                    | T. _____               |
| T. Drinkard _____        | T. Bone Springs _____  | T. Entrada _____                    | T. _____               |
| T. Abo _____             | T. _____               | T. Wingate _____                    | T. _____               |
| T. Wolfcamp _____        | T. _____               | T. Chinle _____                     | T. _____               |
| T. Penn _____            | T. _____               | T. Permian _____                    | T. _____               |
| T. Cisco (Bough C) _____ | T. _____               | T. Penn "A" _____                   | T. _____               |

### OIL OR GAS SANDS OR ZONES

- No. 1, from \_\_\_\_\_ to \_\_\_\_\_      No. 3, from \_\_\_\_\_ to \_\_\_\_\_  
 No. 2, from \_\_\_\_\_ to \_\_\_\_\_      No. 4, from \_\_\_\_\_ to \_\_\_\_\_

### IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

- No. 1, from \_\_\_\_\_ to \_\_\_\_\_ feet \_\_\_\_\_  
 No. 2, from \_\_\_\_\_ to \_\_\_\_\_ feet \_\_\_\_\_  
 No. 3, from \_\_\_\_\_ to \_\_\_\_\_ feet \_\_\_\_\_

### LITHOLOGY RECORD ( Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology	From	To	Thickness in Feet	Lithology

Submit 3 Copies  
to Appropriate  
District Office

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-103  
Revised 1-1-89

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION

2040 Pacheco St.  
Santa Fe, NM 87505

DISTRICT II  
P.O. Box DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO. 30-045-29738
5. INDICATE TYPE OF LEASE STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. STATE OIL & GAS LEASE NO.

**SUNDRY NOTICES AND REPORTS ON WELLS**  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT (FORM C-101) FOR SUCH PROPOSALS.)

LEASE NAME OR UNIT AGREEMENT NAME  
Stedje Gas Com

1. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>	8. WELL NO. #2
2. NAME OF OPERATOR CONOCO INC.	9. POOL NAME OR WILDCAT Basin Fruitland Coal
3. ADDRESS OF OPERATOR 10 DESTA DR., SUITE 100W, MIDLAND, TX 79705-4500	
4. WELL LOCATION Unit Letter <u>A</u> : <u>1175'</u> Feet From The <u>NORTH</u> Line and <u>675'</u> Feet From The <u>EAST</u> Line Section <u>27</u> Township <u>30N</u> Range <u>12W</u> NMPM <u>San Juan</u> County	

10. ELEVATION (Show whether DF, RKB, RT, GR, etc.)  
5474' GL

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIATION WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOBS <input type="checkbox"/>	
OTHER: <u>Change in Construction</u> <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

**Please note 7" casing will be 20#, NOT 23# as previously submitted on APD.**

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: \_\_\_\_\_ TITLE: Agent for Cross Timbers DATE 5-21-99

TYPE OR PRINT NAME: VERLA JOHNSON TELEPHONE NO. (505) 324-3960

(This space for State Use)

APPROVED BY Charlie Thom TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE MAY 24 1999

CONDITIONS OF APPROVAL, IF ANY:

Submit 3 Copies  
to Appropriate  
District Office

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-103  
Revised 1-1-89

**OIL CONSERVATION DIVISION**

**DISTRICT I**  
P.O. Box 1980, Hobbs NM 88241-1980

2040 Pacheco St.  
Santa Fe, NM 87505

**DISTRICT II**  
P.O. Drawer DD, Artesia, NM 88210

**DISTRICT III**  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO.  
30-045-29738

5. Indicate Type of Lease  
STATE  FEE

6. State Oil & Gas Lease No.

**SUNDRY NOTICES AND REPORTS ON WELLS**

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A  
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT  
(FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name  
Stedje Gas Com

1. Type of Well:  
OIL WELL  GAS WELL  OTHER

2. Name of Operator  
Cross Timbers Operating Company

8. Well No.  
2

3. Address of Operator 2700 Farmington Avenue,  
Bldg K, Suite 1, Farmington, NM 87401 (505) 324-1090

9. Pool name or Wildcat  
Basin Fruitland Coal (71629)

4. Well Location  
Unit Letter A : 1175 Feet From The North Line and 675 Feet From The East Line

Section 27 Township 30N Range 12W NMPM San Juan County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)  
GR 5474', KB 5478'

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

**NOTICE OF INTENTION TO:**

PERFORM REMEDIAL WORK  PLUG AND ABANDON   
TEMPORARILY ABANDON  CHANGE PLANS   
PULL OR ALTER CASING   
OTHER:

**SUBSEQUENT REPORT OF:**

REMEDIAL WORK  ALTERING CASING   
COMMENCE DRILLING OPNS.  PLUG AND ABANDONMENT   
CASING TEST AND CEMENT JOB   
OTHER: Spud and all casing

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

6/7/99 MIRU Wayne Smith drlg Rig #1. Spudded 8-3/4" hole @ 3:00 pm (MST), 6/7/99. Drld to 170' & RU and ran 7", 20#, J-55, STC csg and set @ 162'. RU Cementers, Inc. and cmt'd w/65 sx C1 B cmt containing 2% CaCl (15.6 ppg, 1.18 cuft/sx). Total cmt 76.7 cuft. Plug down @ 8:30 pm 6/7/99. Displaced cmt w/5 BFW. Circ 23 sx of cmt to surface. Did not drop plug. WOC 15 3/4 hrs. NU, test BOP and csg to 1000 psig, OK. Drld out cmt w/6-1/4" bit. Drilled 6-1/4" hole to 1739', TD. RU and ran 4-1/2", 10.5#, J-55 csg and set @ 1736'. RU BJ Services and cmt'd csg w/165 sx 35/65 Poz B cmt w/6% gel. 5#/sx gilsonite & 1/4#/sx celloflake (12.4 pg, 1.92 cuft/sx), followed w/100 sx C1 B cmt w/5#/sx gilsonite, 1/4# sx celloflake (15.6 ppg, 1.19 cuft/sx). Displ w/27 bbls FW. PD @ 4:30 pm (MST), 6/11/99. Bumped plug to 1500 psig, 680 psig over final displ. Float held. Circ 61 sx cmt to surf. Ttl cmt volume 436 cuft. ND BOP, set slips, cut off 4-1/2" csg. RR @ 12:00 noon, 6/12/99. WOC.

Administrative Order NSL-4195.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Bobby L. Smith TITLE Drilling/Operations Manager DATE 6/15/99

TYPE OR PRINT NAME Bobby L. Smith TELEPHONE NO. 915/682-8873

(This space for State Use)

APPROVED BY [Signature] DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE JUN 21 1999

CONDITIONS OF APPROVAL, IF ANY:

# ORIGINAL

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Box DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

## OIL CONSERVATION DIVISION

2040 Pacheco St.  
Santa Fe, NM 87505

WELL API NO. 30-045-29738
5. INDICATE TYPE OF LEASE STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. STATE OIL & GAS LEASE NO. FEE
7. LEASE NAME OR UNIT AGREEMENT NAME STEDJE GAS COM
8. WELL NO. #2
9. POOL NAME OR WILDCAT BASIN FRUITLAND COAL

**SUNDRY NOTICES AND REPORTS ON WELLS**  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT (FORM C-101) FOR SUCH PROPOSALS.")

1. TYPE OF WELL:  
OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR  
CROSS TIMBERS

3. ADDRESS OF OPERATOR  
2700 Farmington Ave., Bldg K, Ste. 1 Farmington, NM 87402 505-324-1090

4. WELL LOCATION  
Unit Letter A : 1175' Feet From The North Line and 675' Feet From The East Line  
Section 27 Township 30N Range 12W NMPM SAN JUAN County

10. ELEVATION (Show whether DF, RKB, RT, GR, etc.)  
5474' G. L.

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input checked="" type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOBS <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

The Stedje Gas Com #2 will have 7" casing, 20# weight not 23# as previously submitted on APD.  
The depth will of casing will be 160' not 200' as previously submitted on APD.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Debra Sittner TITLE: AGENT FOR CROSS TIMBERS DATE: 6/7/99

TYPE OR PRINT NAME: DEBRA SITTNER, Permitting Supervisor TELEPHONE NO. (505) 324-3965

(This space for State Use)

APPROVED BY: Eric Bosch TITLE: DEPUTY OIL & GAS INSPECTOR, DIST. 33 DATE: 6-11-99 JUN 11 1999

CONDITIONS OF APPROVAL, IF ANY:

Submit 3 Copies  
to Appropriate  
District Office

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-103  
Revised 1-1-89

**OIL CONSERVATION DIVISION**

2040 Pacheco St.  
Santa Fe, NM 87505

**DISTRICT I**  
P.O. Box 1980, Hobbs NM 88241-1980

**DISTRICT II**  
P.O. Drawer DD, Artesia, NM 88210

**DISTRICT III**  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO.  
30-045-29738

5. Indicate Type of Lease  
STATE  FEE

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A  
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT TO DRILL OR DEEPEN OR PLUG BACK TO A  
(FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:  
OIL WELL  GAS WELL  OTHER

2. Name of Operator  
Cross Timbers Operating Company

3. Address of Operator 2700 Farmington Avenue,  
Bldg K, Suite 1, Farmington, NM 87401 (505) 324-1090

4. Well Location  
Unit Letter A : 1175 Feet From The North Line and 675 Feet From The East Line

Section 27 Township 30N Range 12W NMPM San Juan County  
10. Elevation (Show whether DF, RKB, RT, GR, etc.)  
GR 5474', KB 5478'

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: _____ <input type="checkbox"/>		OTHER: <u>Spud and all casing</u> <input checked="" type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

6/7/99 MIRU Wayne Smith drlg Rig #1. Spudded 8-3/4" hole @ 3:00 pm (MST), 6/7/99. Drld to 170' & RU and ran 7". 20#, J-55, STC csg and set @ 162'. RU Cementers, Inc. and cmt'd w/65 sx C1 B cmt containing 2% CaCl (15.6 ppg, 1.18 cuft/sx). Total cmt 76.7 cuft. Plug down @ 8:30 pm 6/7/99. Displaced cmt w/5 BFW. Circ 23 sx of cmt to surface. Did not drop plug. WOC 15 3/4 hrs. NU, test BOP and csg to 1000 psig, OK. Drld out cmt w/6-1/4" bit. Drilled 6-1/4" hole to 1739', TD. RU and ran 4-1/2". 10.5#, J-55 csg and set @ 1736'. RU BJ Services and cmt'd csg w/165 sx 35/65 Poz B cmt w/6% gel, 5#/sx gilsonite & 1/4#/sx celloflake (12.4 pg, 1.92 cuft/sx), followed w/100 sx C1 B cmt w/5#/sx gilsonite, 1/4# sx celloflake (15.6 ppg, 1.19 cuft/sx). Displ w/27 bbls FW. PD @ 4:30 pm (MST), 6/11/99. Bumped plug to 1500 psig, 680 psig over final displ. Float held. Circ 61 sx cmt to surf. Ttl cmt volume 436 cuft. ND BOP, set slips, cut off 4-1/2" csg. RR @ 12:00 noon, 6/12/99. WOC.

Administrative Order NSL-4195.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Bobby L. Smith TITLE Drilling/Operations Manager DATE 6/15/99

TYPE OR PRINT NAME Bobby L. Smith TELEPHONE NO. 915/682-8873

(This space for State Use)

APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 43 DATE JUN 21 1999

CONDITIONS OF APPROVAL, IF ANY:



# Cross Timbers Oil Company

December 18, 1998

Federal Express

RECEIVED  
DEC 24 1998

OIL CON. DIV.  
DIST. 3

Lori Wrotenbery, Director  
New Mexico Oil Conservation Division  
2040 South Pacheco  
Santa Fe, New Mexico 87505

Re: Request for Administrative Approval of an Unorthodox Location  
Basin Fruitland Coal Pool  
Stedje Gas Com #2  
N/2 Section 27-30N-12W  
San Juan County, New Mexico

Gentlemen:

Cross Timbers Operating Company hereby requests administrative approval of the following unorthodox location:

Well Name:	Stedje Gas Com #2
Pool:	Basin Fruitland Coal
Location:	1175' FNL & 675' FEL
Acreage Dedication:	N/2 Section 27-30N-12W, containing 320 acres, more or less
County/State:	San Juan County, New Mexico
Pool Rules:	790' from lease lines

Attached is the following support and documentation for said application:

1. C-102 Plat
2. Geologic discussion
3. Copy of certified letter sent to offset operators/owners
  - A. Plat of offset operators
  - B. List of offset operators

We look forward to your approval and please call me at (817) 877-2336 with any questions.

Yours very truly,

Edwin S. Ryan, Jr.

cc: Bobby Smith - CTOC Midland

NMCOB - Aztec District Office  
1000 Rio Brazos Road  
Aztec, New Mexico 87410

Offset Operators

District I  
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised February 21, 1994

District II  
PO Drawer 00, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

District III  
1000 Rio Brazos Rd., Aztec, NM 87410

AMENDED REPORT

District IV  
PO Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code 71629	*Pool Name BASIN FRUITLAND COAL
*Property Code	*Property Name STEDJE GAS COM		*Well Number 2
*GRID No. 167067	*Operator Name CROSS TIMBERS OPERATING COMPANY		*Elevation 5474'

<sup>10</sup> Surface Location

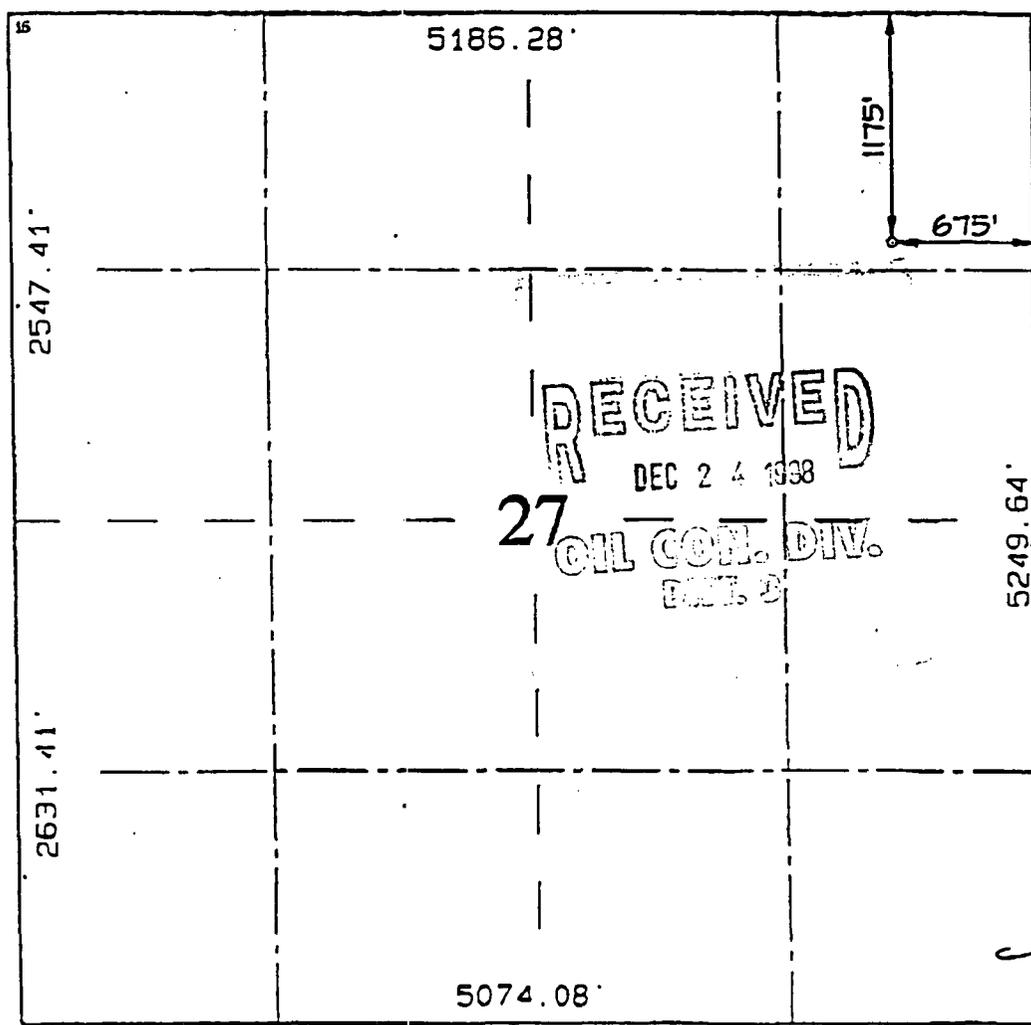
UL or lot no.	Section	Township	Range	Lot 1st	Feet from the	North/South line	Feet from the	East/West line	County
A	27	30N	12W		1175	NORTH	675	EAST	SAN JUAN

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1st	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
-------------------------------	-------------------------------	----------------------------------	-------------------------

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



<sup>17</sup> OPERATOR CERTIFICATION  
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature  
Gary L. Markestad  
Printed Name  
Vice-President / Production  
Title

Date

<sup>18</sup> 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.

OCTOBER 16, 1998  
Date of Survey

Signature and Seal of Professional Surveyor  
  
Certificate No. \_\_\_\_\_

**STEDJE GAS COM #2  
GEOLOGIC SUMMARY**

The Stedje Gas Com #2 is a proposed 1800 ft. Fruitland coal test to be located 1175' FNL, and 675' FEL of Section 27-T30N-R12W, San Juan County, New Mexico. Cross Timbers has recently drilled the Duff Gas Com "C" #2 as a Fruitland coal test in the SW ¼ of Section 27.

Existing well control shows that the basal coal of the Fruitland Formation extends across all of Section 27 and the surrounding sections. Excellent coal production has been established approximately 1½-2 miles to the SW and approximately 3 miles to the east from the basal coal with similar thicknesses as that found in Section 27. Based on a shallow resistivity cutoff of 50 ohms, approximately 22 ft. of basal coal pay is expected at the proposed location.

An unorthodox location is requested because of surface restrictions which prohibit the placement of a well at a legal location in the NE¼ of the section, primarily due to existing and proposed housing developments. The proposed unorthodox location will share the pad used by a current deeper well, the Stedje Gas Com #1E, which is also operated by Cross Timbers.

*Gary K. Burch*  
12/9/98



## Cross Timbers Oil Company

December 21, 1998

TO: Offset Operators - See Attached

Re: Unorthodox Location  
Stedje Gas Com # 2  
N/2 Section 27-30N-12W  
San Juan County, New Mexico

Gentlemen:

Cross Timbers Operating Company filed the attached application for administrative approval of the above Unorthodox Location with the New Mexico Oil Conservation Division on December 21, 1998. If you object to the application, you must file a written objection with the Oil Conservation Division within twenty (20) days of the date the application was filed.

Should you have any questions please feel free to call me at (817)877-2336.

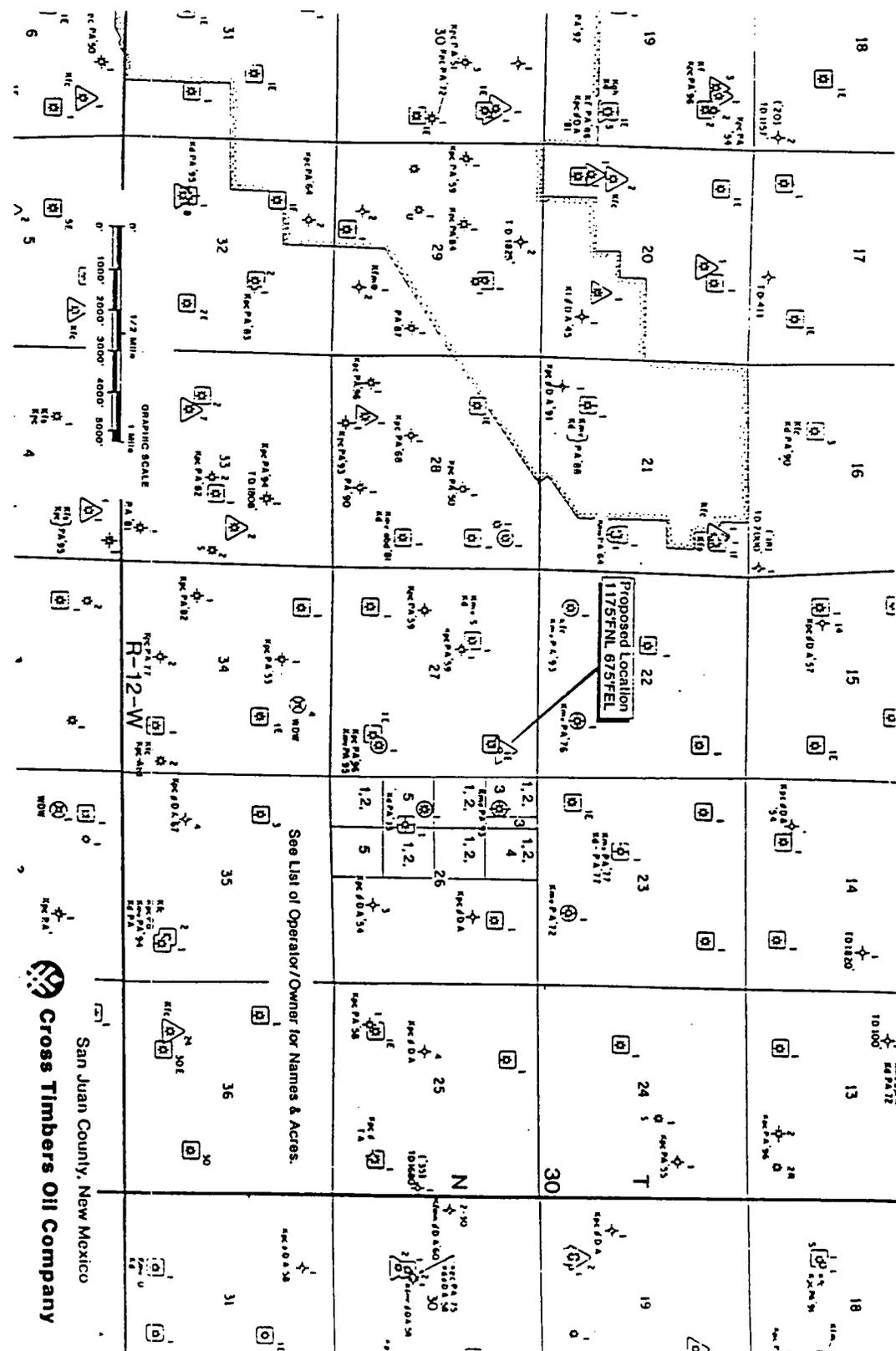
Yours very truly,

Edwin S. Ryan, Jr.

OFFSET OPERATORS/OWNERS  
UNORTHODOX LOCATION  
STEDJE GAS COM #2  
N/2 SECTION 27-30N-12W  
SAN JUAN COUNTY, NEW MEXICO

W/2 Section 26-30N-12W

- |   |  |   |  |
|---|--|---|--|
| 1 | Conoco Inc.<br>10 Desta Drive, Suite 100W<br>Midland, Texas 79705                          | 5                                       | Robert L. Bayless<br>P.O. Box 1541<br>Farmington, New Mexico 87499   |
| 2 | Burlington Resources Oil &<br>Gas Company<br>P.O. Box 4289<br>Farmington, New Mexico 87499 | 5                                       | J. Gregory Menion<br>610 Reilly Ave.<br>Farmington, New Mexico 87401 |
|   |  | <b>See map for corresponding number</b> |  |
| 3 | Allen K. Brown<br>3407 Patterson<br>Amarillo, Texas 79109                                  |   |  |
| 3 | Edward L. Burt<br>1305 W. Avenue M<br>Lovington, New Mexico 88260                          |   |  |
| 3 | John A. Burt<br>7901 S. Council<br>Oklahoma City, Oklahoma 73169                           |   |  |
| 3 | Mary Katherine Jones<br>2020 N. Peppertree Circle<br>Carlsbad, New Mexico 88240            |   |  |
| 3 | Jeanne B. Neel<br>3504 Patterson<br>Amarillo, Texas 79109                                  |   |  |
| 4 | Albuquerque National Bank, Trustee<br>P.O. Box 1344<br>Albuquerque, New Mexico 87103       |   |  |
| 4 | Padilla Land & Cattle Company<br>446 C. R. 300<br>Aztec, New Mexico 87410                  |   |  |
| 4 | County of San Juan<br>100 S. Oliver Drive<br>Aztec, New Mexico 87410                       |   |  |



See List of Operator/Owner for Names & Acres.



San Juan County, New Mexico

Cross Timbers Oil Company

DISTRICT I  
PO Box 1980, Hobbs, NM 88240

DISTRICT II  
PO Box DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, NM 87504-2088

Form C-101  
Revised February 21, 1994

Instructions on back  
Submit to Appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

COPY

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEPEN, PLUGBACK, OR ADD A ZONE

1. OPERATOR NAME AND ADDRESS CROSS TIMBERS OPERATING COMPANY 6001 Highway 64, Farmington, NM 87401 505-632-5200 (Gary L. Markestadt)		2. OGRID NUMBER 167067
4. PROPERTY CODE 22641		3. API NUMBER 45-29738
5. PROPERTY NAME STEDJE GAS COM		WELL NUMBER #2

RECEIVED  
NOV 18 1998

U/I or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	27	T30N	R12W		1175'	North	675'	East	SAN JUAN

8. PROPOSED BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
U/I or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
9. Proposed Pool 1 BASIN FRUITLAND COAL 71629					10. Proposed Pool 2				

11. Work Type Code N	12/ Well Type Code G	13. Cable/Rotary ROTARY	14. Lease Type Code FEE	15. Ground Level Elevation 5474'
16. Multiple NO	17. Proposed Depth 2000'	18. Formation Basin Fruitland Coal	19. Contractor Not Awarded	20. Spud Date 11/98

21. Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
8-3/4"	7"	23#, J-55, ST&C	200'	100	SURFACE
6-1/4"	4-1/2"	10.5#, J-55, ST&C	2000'	200	SURFACE

22. Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Casing/Cement Program to 200': 100 sacks Class B cement containing 2% CACI2, 1/4 PPS celloflake. Circulate to surface.  
Casing/Cement Program to 2000': 100 sacks of 35/65/6 Poz cement containing 6% gel, 5 PPS Gilsonite, 1/4 PPS celloflake, followed by 100 sacks of Class G cement containing 5 PPS gilsonite, 1/4 PPS celloflake. Use 25% excess over volume calculated from open hole logs to bring TOC up to surface.

A rig equipped with a double BOP will be used.

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature:		APPROVED BY:	
Printed Name: GARY L. MARKESTAD		TITLE: DEPUTY OIL & GAS INSPECTOR, DIST. #3	
Title: VICE PRESIDENT, PRODUCTION		Approval Date: NOV 20 1998	Expiration Date: NOV 20 1999
Date: 11/13/98	Phone: (505) 632-5200	Conditions of Approval: HOLD C-104 FOR NSL	
		Attached:	

District I  
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised February 21, 1994

District II  
PO Drawer 00, Artesia, NM 88211-0719

Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

District III  
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

AMENDED REPORT

District IV  
PO Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-29738		*Pool Code 71629	*Pool Name BASIN FRUITLAND COAL
*Property Code 22641	*Property Name STEDJE GAS COM		*Well Number 2
*GRID No. 167067	*Operator Name CROSS TIMBERS OPERATING COMPANY		*Elevation 5474'

<sup>10</sup> Surface Location

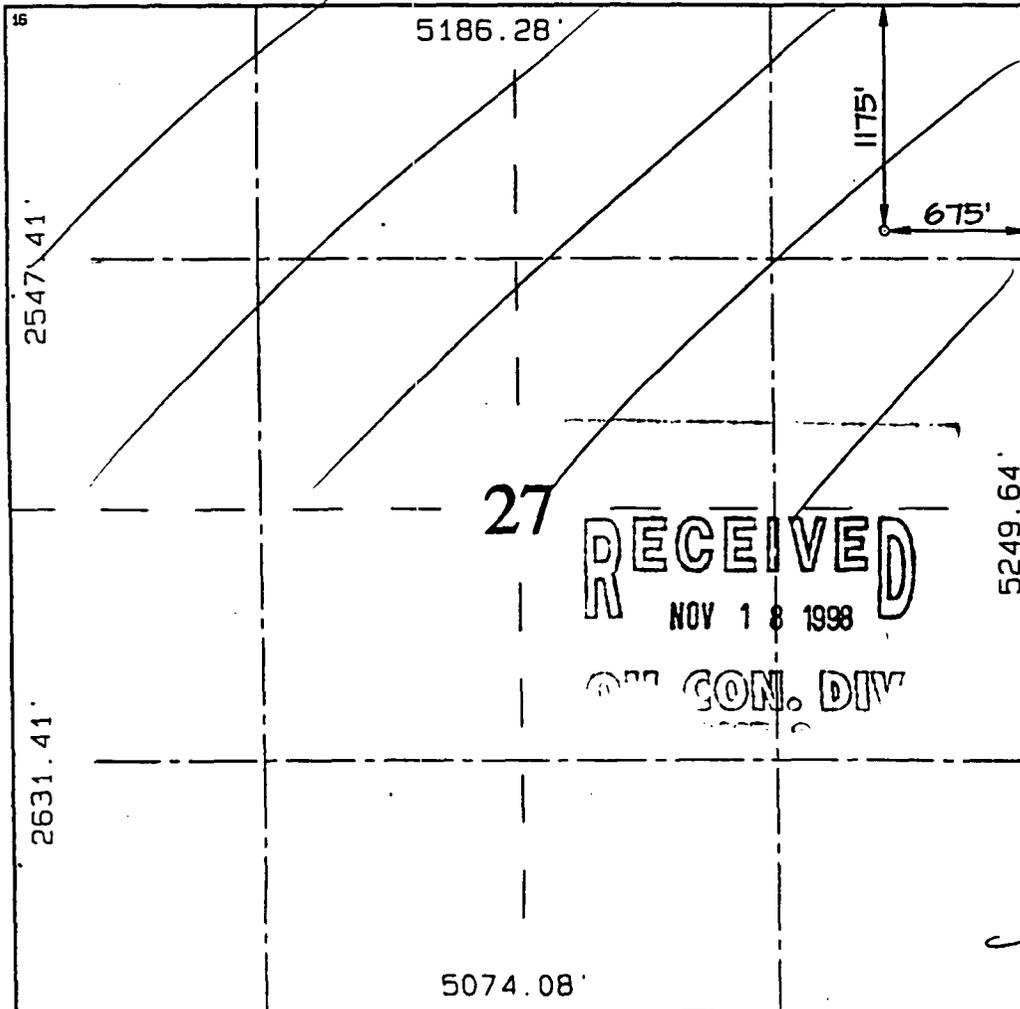
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	27	30N	12W		1175	NORTH	675	EAST	SAN JUAN

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres NORTH 112	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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



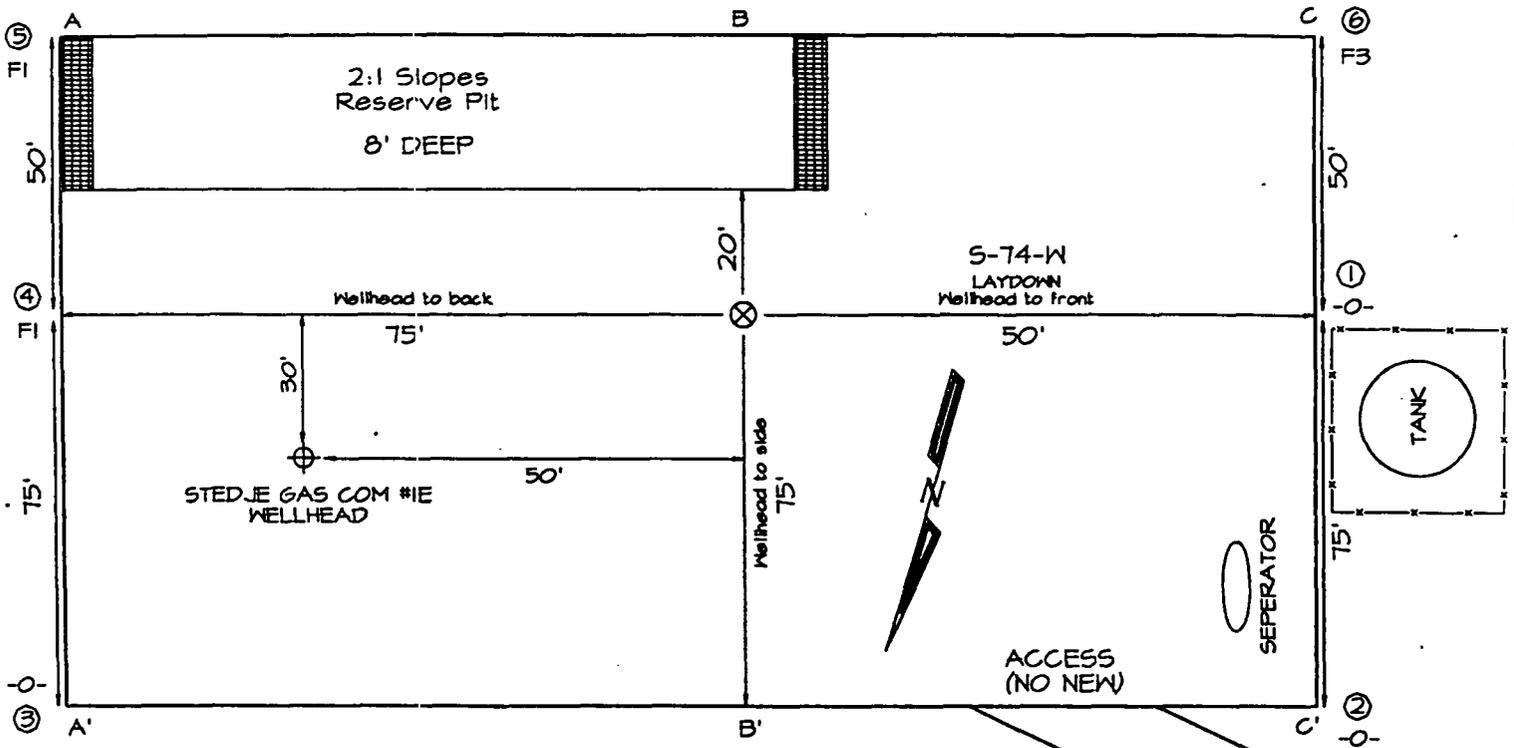
<sup>17</sup> OPERATOR CERTIFICATION  
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*Gary L. Markestad*  
Signature  
Gary L. Markestad  
Printed Name  
Vice-President / Production  
Title  
Date 11/16/98

<sup>18</sup> 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.

OCTOBER 16, 1998  
Date of Survey  
Signature and Seal of Professional Surveyor  
**NEALE C. EDWARDS**  
NEW MEXICO  
6857  
Certificated Professional Surveyor

**CROSS TIMBERS OPERATING COMPANY  
 STEDJE GAS COM #2, 1175' FNL & 675' FEL  
 SECTION 27, T30N, R12W, NMPM, SAN JUAN COUNTY, NEW MEXICO  
 GROUND ELEVATION: 5474' DATE: OCTOBER 16, 1998**



A-A'					
5484'					
5474'					
5464'					

B-B'					
5484'					
5474'					
5464'					

C-C'					
5484'					
5474'					
5464'					

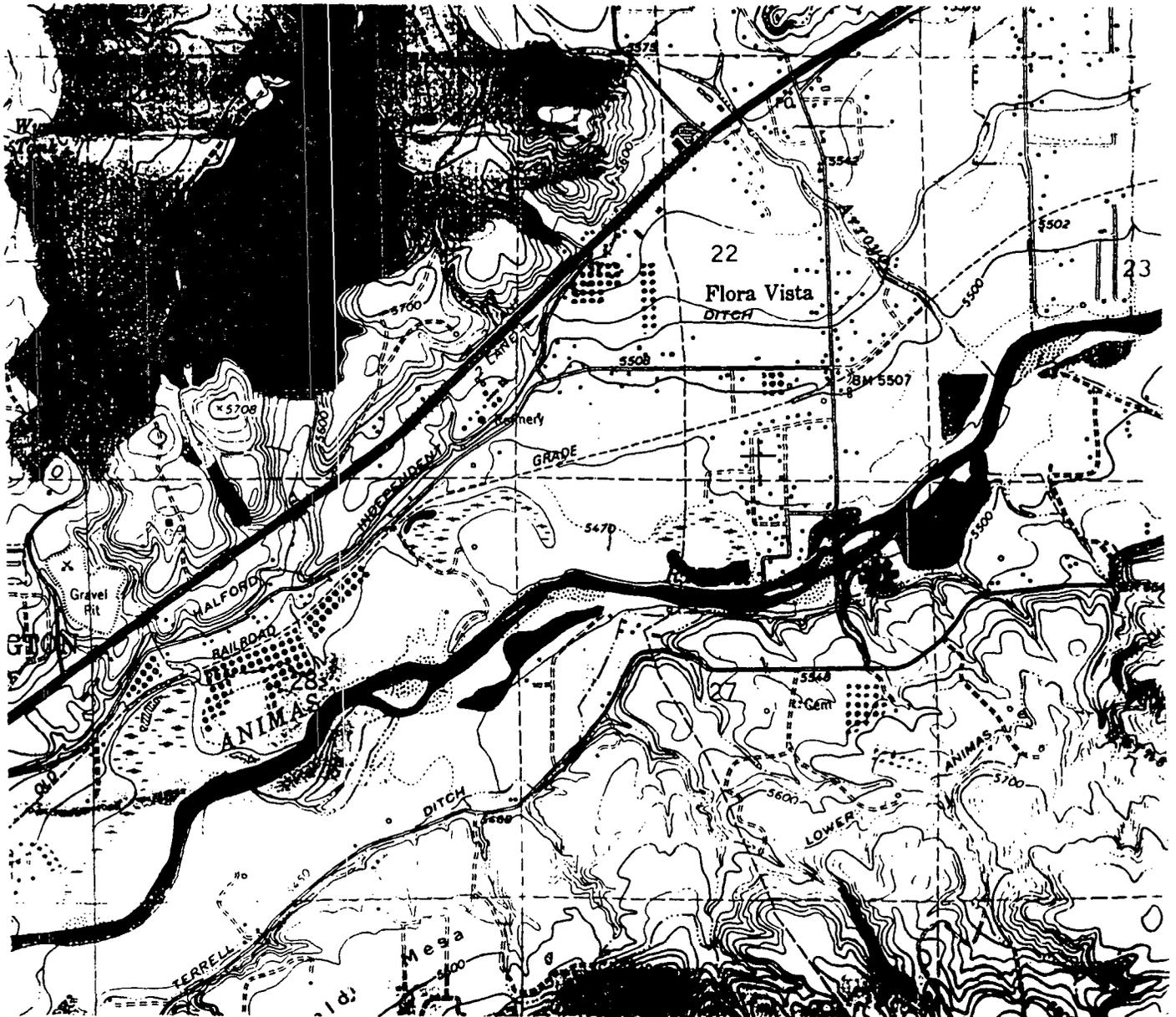
Note: Contractor should call One-Call for location of any marked or unmarked buried pipelines or cables on well pad and/or access road at least two (2) working days prior to construction

**CROSS TIMBERS OPERATING COMPANY**

**STEDJE GAS COM A #1**

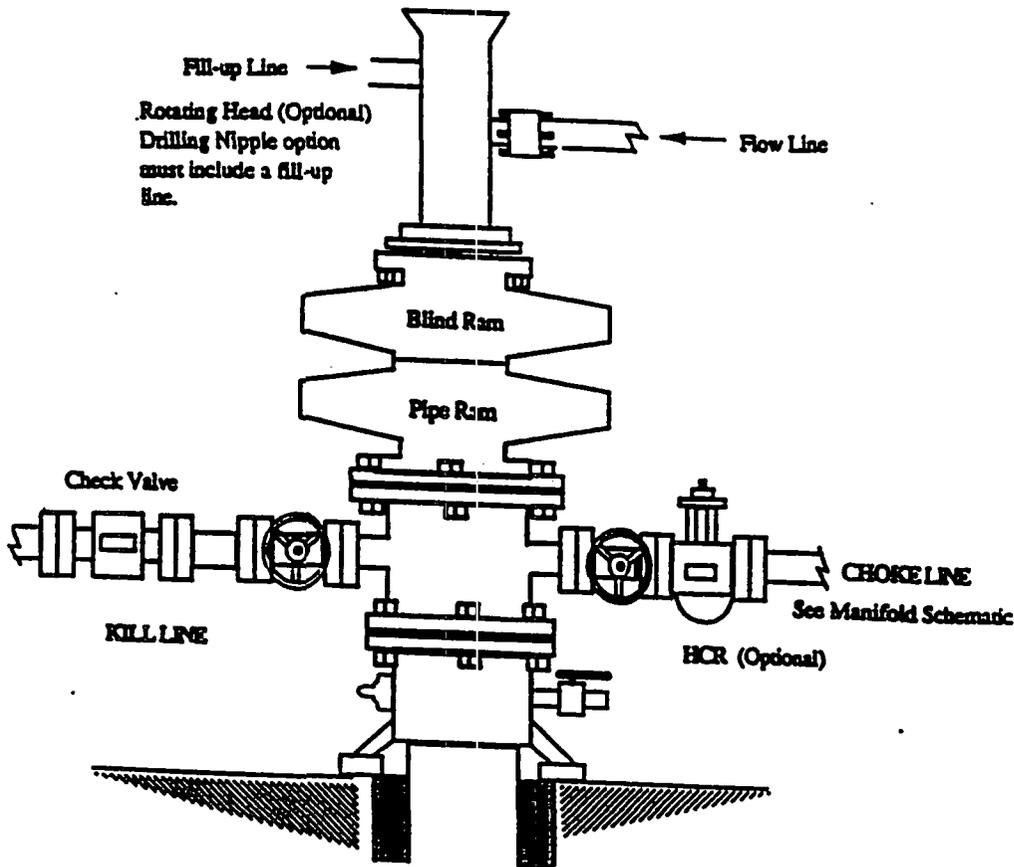
1175' FNL- 675' FEL, Sec. 27, T30N-R12W

Proposed Basin Fruitland Coal Well

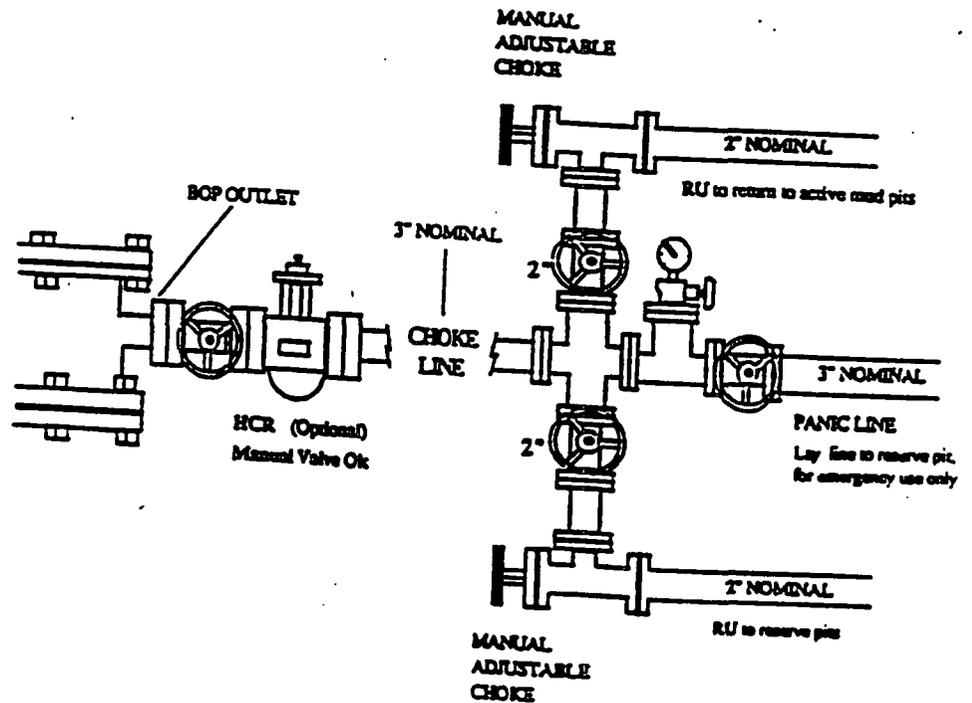


USGS Flora Vista, New Mexico 7.5' Series Scale 1:24000

BOPE SCHEMATIC FOR DRILLING OPERATIONS  
 CLASS I - NORMAL PRESSURE  
 CROSS TIMBERS OPERATING COMPANY STANDARD



CHOKER MANIFOLD SCHEMATIC FOR DRILLING OPERATIONS  
 2M & 3M SERVICE  
 CROSS TIMBERS OPERATING COMPANY STANDARD



CMD :  
OG5SECT

ONGARD  
INQUIRE LAND BY SECTION

01/31/00 10:23:28  
OGOMES -TPSS  
PAGE NO: 1

Sec : 27 Twp : 30N Rng : 12W Section Type : NORMAL

D 40.00  Fee owned	C 40.00  Fee owned	B 40.00  Fee owned	A 40.00  Fee owned  A A
E 40.00  Fee owned	F 40.00  Fee owned  A	G 40.00  Fee owned	H 40.00  Fee owned

PF01 HELP    PF02    PF03 EXIT    PF04 GoTo    PF05    PF06  
PF07 BKWD   PF08 FWD    PF09 PRINT   PF10 SDIV    PF11    PF12

CMD :  
OG5SECT

ONGARD  
INQUIRE LAND BY SECTION

01/31/00 10:23:32  
OGOMES -TPSS  
PAGE NO: 2

Sec : 27 Twp : 30N Rng : 12W Section Type : NORMAL

L 40.00  Fee owned	K 40.00  Fee owned	J 40.00  Fee owned	I 40.00  Fee owned
M 40.00  Fee owned  A A	N 40.00  Fee owned	O 40.00  Fee owned	P 40.00  Fee owned  A A

PF01 HELP    PF02            PF03 EXIT    PF04 GoTo    PF05            PF06  
PF07 BKWD   PF08 FWD      PF09 PRINT   PF10 SDIV     PF11            PF12