

6/24/08

6/24/09

PTGW0917542554

DATE 05/29/09	SUSPENSE	ENGINEER D. Brooks NSL	LOGGED IN 05/19/09	TYPE NSL	APPROVAL DKA-0917542554
------------------	----------	------------------------------	-----------------------	-------------	---------------------------------------

RECEIVED

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

2009 MAY 29 AM 11 33 - Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



30-045-34641
Madsen Gas Com IV
XTO
5380

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]**
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]**
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]**
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]**
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]**
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]**

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR
- [D] Other: Specify _____
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Bradley Jameson Bradley Jameson Landman 5-21-09
 Print or Type Name Signature Title Date

bradley-jameson@xtoenergy.com
e-mail Address



May 28, 2009

VIA FEDEX OVERNIGHT

Mr. David Catanach
New Mexico Oil Conservation Division
1220 S St Francis Dr
Santa Fe NM 87504

Re: Application for Administrative Approval of Unorthodox Location
XTO Energy Inc.'s Masden Gas Com #1Y
1965' FNL and 2300' FWL, Section 28, T29N, R11W
San Juan County, New Mexico
Otera-Chacra and Mancos Formations

Dear Mr. Catanach:

XTO Energy Inc. 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. Topographic map
3. Aerial photograph
4. Ownership map
5. Production map showing Otera-Chacra, Mancos, and Dakota Gas Production

The above referenced well is proposed to be drilled to test the Otera-Chacra Formation, spaced as a 160 acre NW/4 unit, test the Mancos Formation, spaced as a 160 acre NW/4 unit, and further develop the Dakota Formation, spaced as a 320 acre N/2 unit. This location has been chosen due to the difficulties pertaining to the surrounding topography and the proximity of the San Juan River as depicted on the enclosed aerial photo which prevents XTO from constructing and accessing a standard location.

XTO received approval for a NSL for the Otero-Chacra and Wildcat-Mancos formations for the original well the Masden Gas Com 1F, API 3004534466, located at 2275 FWL and 1975 FNL, NSL-5749; however, during the drilling of this well water entry was encountered and it was necessary to abandon the wellbore. The Masden Gas Com 1Y was moved 10 ft north and 25 ft. east and drilled as a replacement for the Masden Gas Com 1F. All of the offset operators in each of the target formations have been notified of this application by certified mail and copies of the letters and receipts are attached.

XTO Energy Inc. requests your administrative approval for the unorthodox location based on the above information. Should you need any additional information, please contact me at (817) 885-3156.

Yours truly,

A handwritten signature in cursive script that reads 'Bradley M. Jameson'.

Bradley M. Jameson
Landman

cc: Burlington Resources Oil and Gas Company LP
BP America Production Company

DISTRICT I
1675 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
1301 W. Grand Ave., Artesia, N.M. 88210

DISTRICT III
1000 Rio Hondo Rd., Aztec, N.M. 87410

DISTRICT IV
1220 South St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005

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

[] AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-34641		² Pool Code 82329		³ Pool Name OTERO CHACRA	
⁴ Property Code 22776		⁵ Property Name MASDEN GAS, COM			⁶ Well Number 1Y
⁷ OCRD No. 5380		⁸ Operator Name XTO ENERGY INC.			⁹ Elevation 5406

¹⁰ Surface Location

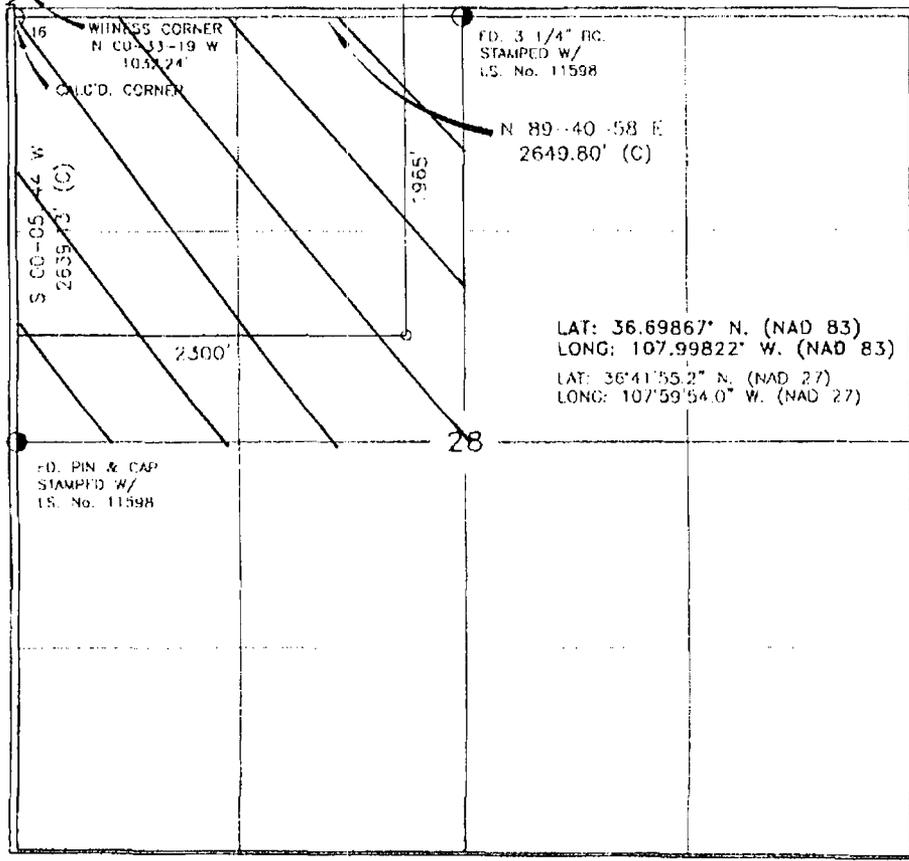
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	28	29 -N	11 -W		1965	NORTH	2,300	WEST	SAN JUAN

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 160 NW/4	¹³ Joint or Well	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



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or releases mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Kyla Vaughan 5/24/09
 Signature Date
 Kyla Vaughan
 Printed Name

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.

MARCH 11, 2008
 Date of Survey
 Signature and Seal of Professional Surveyor:
 [Seal: KYLE J. DILL, 8884, LAND SURVEYOR]
 Certificate Number

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
1301 W. Grand Ave., Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
1220 South St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease -- 4 Copies

Fee Lease -- 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 AM Number 30-045-34641		2 Pool Code 97232		3 Pool Name BASIN MANCOS	
1 Property Code 22776		3 Property Name MASDEN GAS COM			4 Well Number 1Y
7 OGRD No. 5380		4 Operator Name XTO ENERGY INC.			5 Elevation 5406

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
F	28	29-N	11-W		1965	NORTH	2300	WEST	SAN JUAN

11 Bottom Hole Location if Different From Surface

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

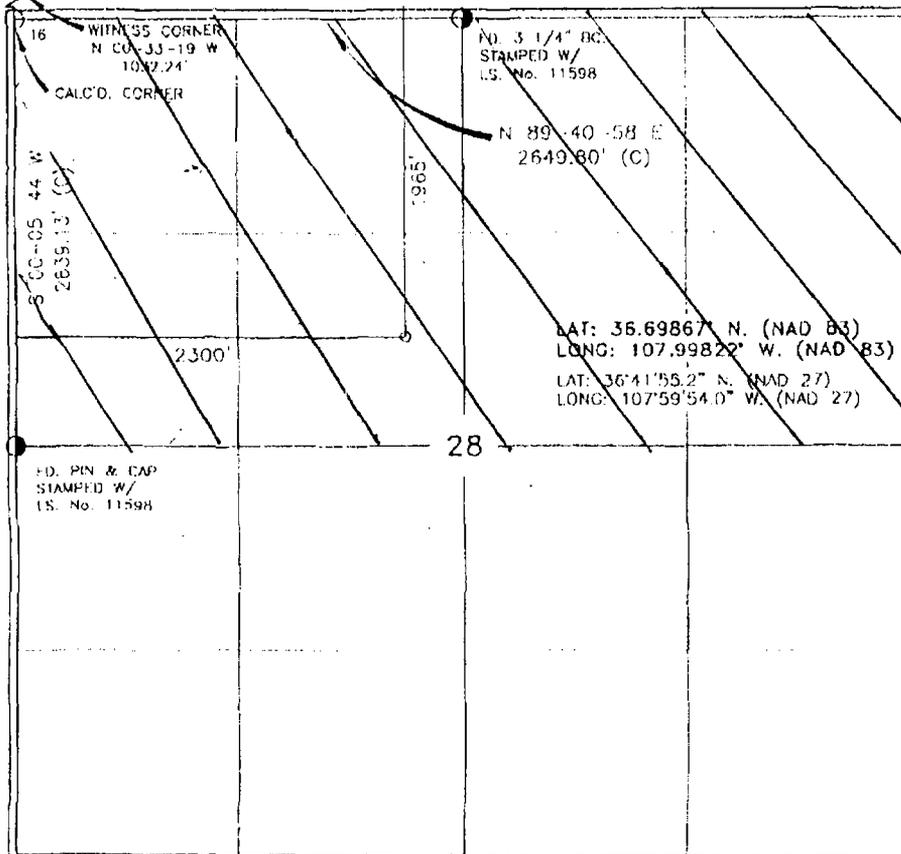
6 Dedicated Acres: **320 N/2**

8 Joint or Infill

9 Consolidation Code

12 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



17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Kyla Vaughan Stapp
Signature Date

Kyla Vaughan
Printed Name

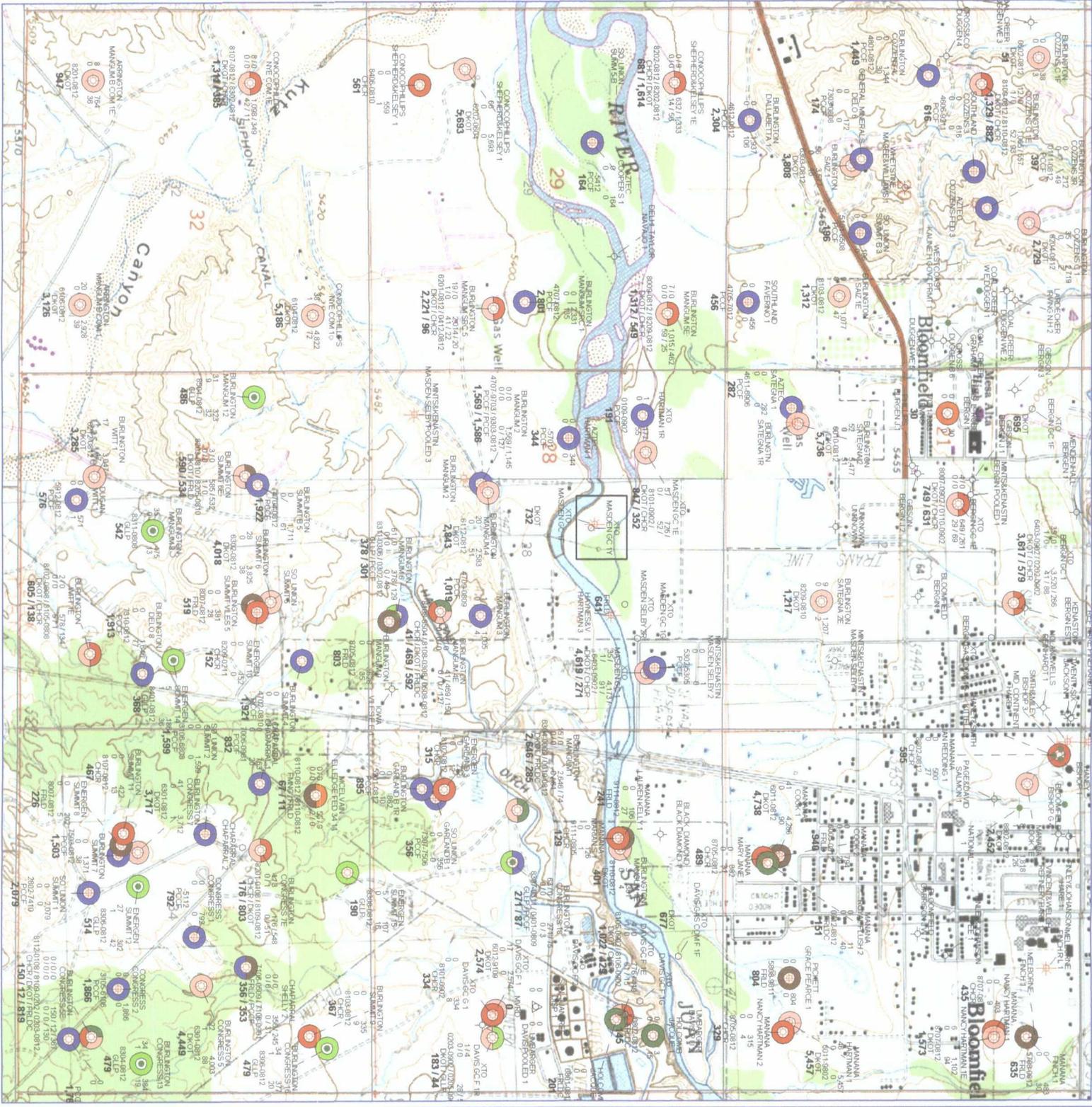
18 SURVEYOR CERTIFICATION

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.

MARCH 11 2008
Date of Survey

[Signature]
Signature and Seal of Professional Surveyor

8884
Certificate Number



WELL SYMBOLS

- Dry Hole With Gas Show
- Dry Hole With Oil Show
- Gas Well
- Location
- P&A Oil Well
- P&A Gas Well
- Service Well
- Start Well Drilling
- Temporarily Abandoned

ATTRIBUTE MAP

- Shallow
- Farmington Sand
- Pictured Cliffs
- Mesa
- Gallop
- Dakota
- Morrison
- Deep

POSTED WELL DATA

0 2,000 FEET

Ratio Scale = 1 : 24,000

XTO ENERGY INC.

SAN JUAN BASIN

SEC 28 T29N R11W

CUM PROD @ 2/2009

Rio Arriba County, New Mexico

By: Jane Foster
May 14, 2009

1-02

R0070938
2-064-169-345-282
LASITER LOUIE ET
B 869 P 257
2.21AC

R0072828
2-064-169-199-311
WILSON W T
B 688 P 173
1.72AC

R007799
2-064-169-328-280
LASITER LOUIE ET
B 863 P 375
1.04AC

R0072626
2-064-169-330-380
MOSLEY WALTER ET
B 1250 P 87
5AC

2-064-169-330-380
BURR
C/O
B

R0071217
2-064-169-230-274
PAGE NINA FAYE
B 1347 P 707
8.13AC

R0072780
2-064-169-212-302
LITTLE SYLVIA F
B 1124 P 509
3.95AC

X

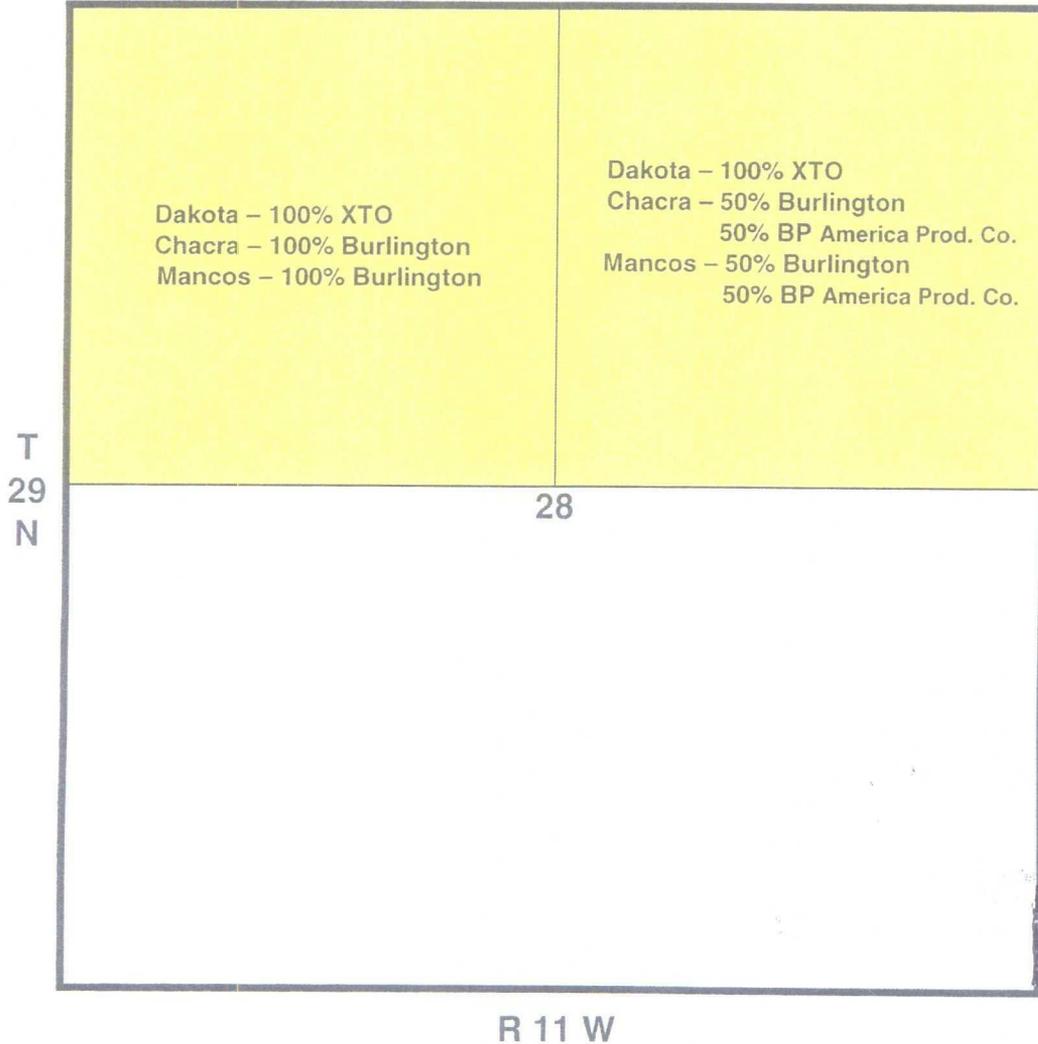
R0071638
2-064-169-324-348
LITTLE SYLVIA F
B 1124 P 510
12.46AC

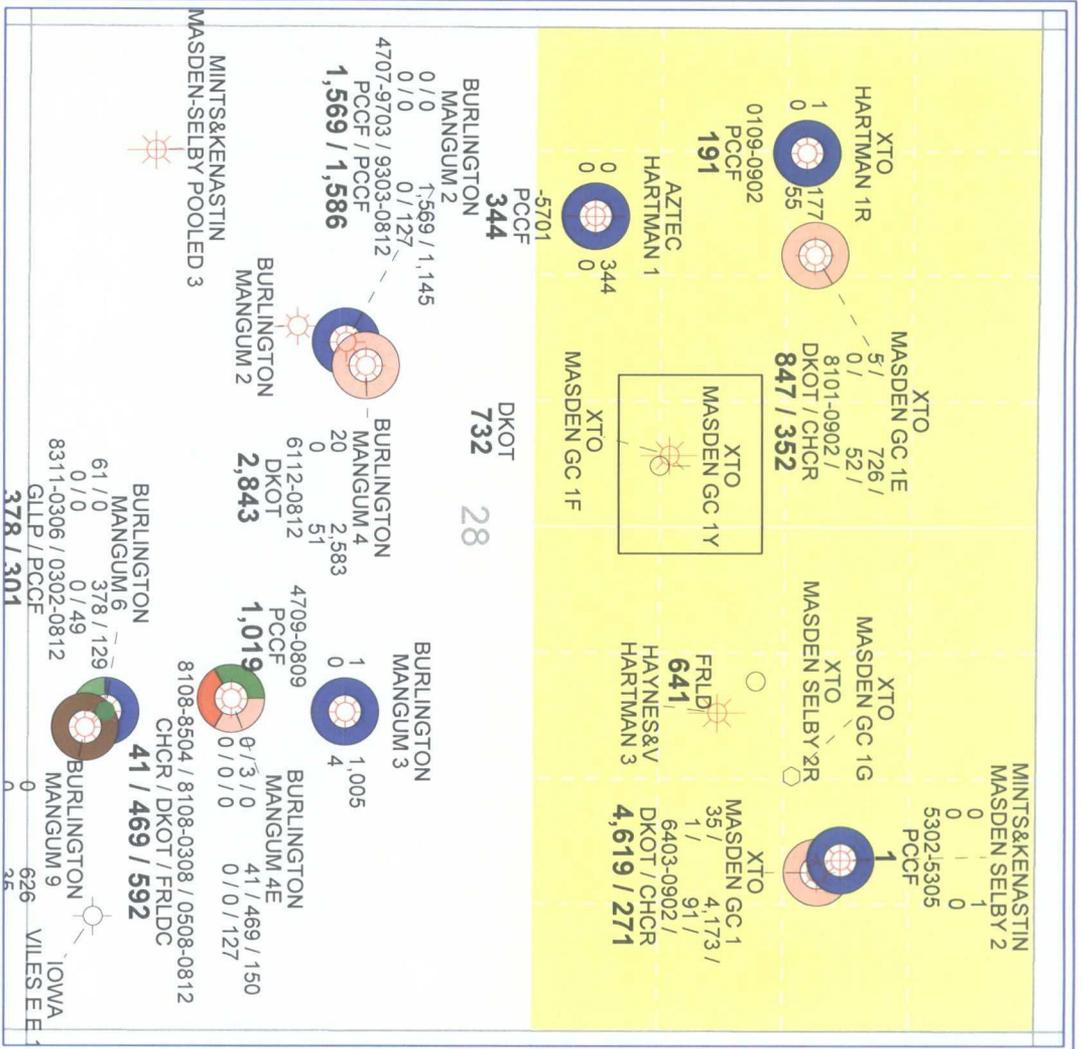
R0071629
2-064-169-280-380
MOSLEY WALTER ET
B 115 P 764
2.5AC

R0072964
2-064-169-248-375
PAGE DEBRAE BEW
B 1383 P 515
2.5AC

Masden Gas Com #1 Y
Working Interest Map
Section 28 Township 29 North, Range 11 West
San Juan County, New Mexico

SCALE: 1" = 1000'





XTO ENERGY INC.

SAN JUAN BASIN

SEC 28 T29N R11W

CUM PROD @ 2/2009

Rio Arriba County, New Mexico

Ratio Scale = 1 : 12,000



POSTED WELL DATA

REGULATORY WELL: FROM CONTROL WELL
 REGULATORY WELL: FROM CONTROL WELL
 REGULATORY WELL: FROM CONTROL WELL
 REGULATORY WELL: FROM CONTROL WELL

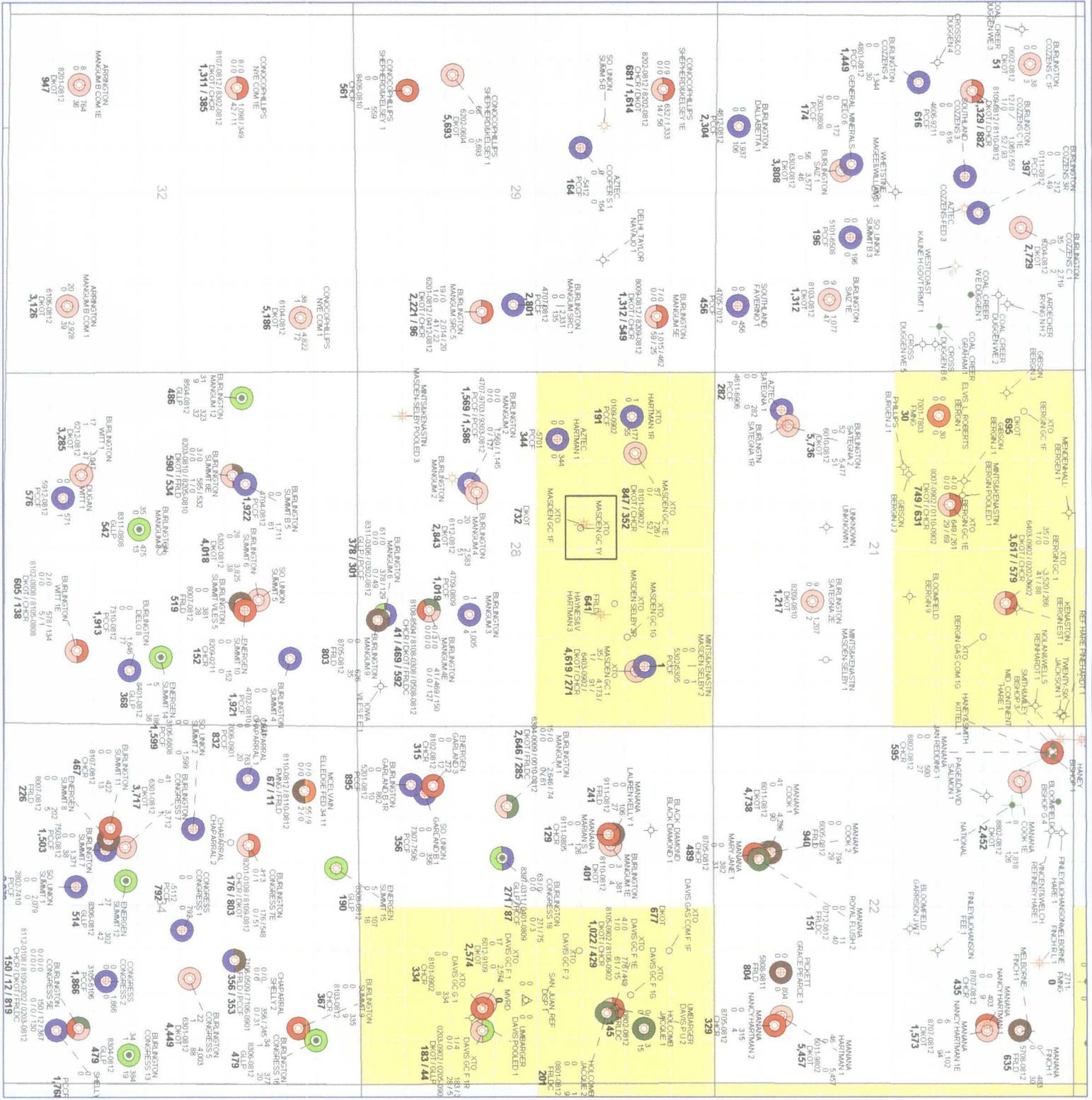
ATTRIBUTE MAP



WELL SYMBOLS

Dry Hole
 Gas Well
 Location
 Oil Well
 P&A Gas Well
 Start Well Drilling

By: Jane Foster
 May 14, 2009



XTO ENERGY INC.

SAN JUAN BASIN

SEC 28 T29N R11W
 CUM PROD @ 2/2009
 Rio Arriba County, New Mexico

Ratio Scale = 1 : 24,000

0 2,000
 FEET

POSTED WELL DATA

Legend:

- Shallow
- Producing
- Producing Sand
- Producing Coal
- Producing Ciffs
- Chabra
- Messera
- Callip
- Dackia
- Morrison
- Deep

WELL SYMBOLS

- Dry Hole With Gas Show
- Dry Hole With Oil Show
- Dry Hole
- Gas Well
- Oil Well
- P&A Oil Well
- P&A Gas Well
- Service Well
- Start Well Drilling
- Temporarily Abandoned

By: Jane Foster
 May 14, 2009



May 28, 2009

VIA U.S. CERTIFIED MAIL

Mr. Michael Rogers
BP America Production Company
On-Shore U.S., North America SPU
P.O. Box 3092
Houston, TX 77253-3092

Re: Application for Administrative Approval of Unorthodox Location
XTO Energy Inc.'s Masden Gas Com #1Y
1965' FNL and 2300' FWL, Section 28, T29N, R11W
San Juan County, New Mexico
Otera-Chacra and Mancos Formations

Dear Mr. Rogers:

Enclosed is a copy of an Application for Administrative Approval of Unorthodox Location for the Masden Gas Com #1Y Well that has been sent to the New Mexico Oil Conservation Commission for administrative approval. If you have no objection to the proposed non-standard location, please so indicate by signing and returning one copy of this letter to me at the address on shown at the bottom of this letter.

XTO received approval for a NSL for the Otero-Chacra and Wildcat-Mancos formations for the original well the Masden GC 1F, API 3004534466, located at 2275 FWL and 1975 FNL, NSL-5749; however, during the drilling of this well water entry was encountered and it was necessary to abandon the wellbore. The Masden GC 1Y was moved 10 ft north and 25 ft. east and drilled as a replacement for the Masden GC 1F.

Should you have any questions or need more information, please contact me at (817) 885-3156. Your prompt interesting .attention to this matter will be very much appreciated.

Yours truly,

A handwritten signature in black ink that reads "Bradley Jameson".

Bradley Jameson
Landman

Enclosures

cc: Mr. David Catanach, NMOCD



_____ hereby waives notice of hearing and objection to the application by XTO Energy Inc. for the non-standard location for the Masden Gas Com #1Y Well, as depicted on the enclosed plat.

By: _____
Printed Name: _____
Date: _____

Thank you for using Return Receipt Service

RETURN RECEIPT REQUESTED
USPS MAIL CARRIER
DETACH ALONG PERFORATION

2. Article Number



7160 3820 3530 0303 6635

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee) Yes

1. Article Addressed to:

BP America Production Co.
Mr. Michael Rogers
P.O. Box 3092
Houston, TX 77253-3092

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?
If YES, enter delivery address below:

Yes
 No

Reference Information

Masden GC #1 Y

PS Form 3811, January 2005

Domestic Return Receipt

Thank you for using Return Receipt Service



May 28, 2009

VIA U.S. CERTIFIED MAIL

Mr. Ben Malone
Burlington Resources Oil and Gas Company LP
3401 E. 30th St.
Farmington, NM 87402

Re: Application for Administrative Approval of Unorthodox Location
XTO Energy Inc.'s Masden Gas Com #1Y
1965' FNL and 2300' FWL, Section 28, T29N, R11W
San Juan County, New Mexico
Otera-Chacra and Mancos Formations

Dear Mr. Malone:

Enclosed is a copy of an Application for Administrative Approval of Unorthodox Location for the Masden Gas Com #1Y Well that has been sent to the New Mexico Oil Conservation Commission for administrative approval. If you have no objection to the proposed non-standard location, please so indicate by signing and returning one copy of this letter to me at the address on shown at the bottom of this letter.

XTO received approval for a NSL for the Otero-Chacra and Wildcat-Mancos formations for the original well the Masden GC 1F, API 3004534466, located at 2275 FWL and 1975 FNL, NSL-5749; however, during the drilling of this well water entry was encountered and it was necessary to abandon the wellbore. The Masden GC 1Y was moved 10 ft north and 25 ft. east and drilled as a replacement for the Masden GC 1F.

Should you have any questions or need more information, please contact me at (817) 885-3156. Your prompt interesting .attention to this matter will be very much appreciated.

Yours truly,

A handwritten signature in black ink, appearing to read 'Bradley Jameson'.

Bradley Jameson
Landman

Enclosures

cc: Mr. David Catanach, NMOCD



_____ hereby waives notice of hearing and objection to the application by XTO Energy Inc. for the non-standard location for the Masden Gas Com #1 Y Well, as depicted on the enclosed plat.

By: _____

Printed Name: _____

Date: _____

Thank you for using Return Receipt Service

RETURN RECEIPT REQUESTED
USPS MAIL CARRIER
DETACH ALONG PERFORATION

2. Article Number



7160 3820 3530 0303 6697

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (*Extra Fee*) Yes

1. Article Addressed to:

Burlington Resources
Oil & Gas Co./ Ben Malone
3401 East 30th Street
Farmington, NM 87402

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?
If YES, enter delivery address below:

Yes
 No

Reference Information

Masden GC #1 Y

Thank you for using Return Receipt Service

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Wednesday, June 10, 2009 2:06 PM
To: 'bradley_jameson@xtoenergy.com'
Subject: Madsen Gas Com. #14Y; San Juan County, NM; NSL Application

Dear Mr. Jameson

I note that the copy of the letter you sent to BP regarding this application does not contain the admonition that if they object they must file their objection with OCD within 20 days, as required by OCD Rule 15.13.D (19.15.15.13D NMAC).

To comply with this rule, you will need to send a new notice to BP and furnish us a copy of the new notice. Alternatively, if you receive a signed consent from BP and furnish the consent to us, that will moot the defect in the notice.

Sincerely,

David K. Brooks
Legal Examiner
505-476-3450



RECEIVED OCD

June 22, 2009

2009 JUN 23 A 11:21 VIA FEDEX OVERNIGHT

Mr. David K. Brooks
New Mexico Oil Conservation Division
1220 S St Francis Dr
Santa Fe NM 87504

Re: Application for Administrative Approval of Unorthodox Location
XTO Energy Inc.'s Masden Gas Com #1Y
1965' FNL and 2300' FWL, Section 28, T29N, R11W
San Juan County, New Mexico
Otera-Chacra and Mancos Formations

Dear Mr. Brooks:

XTO Energy Inc. requested administrative approval for an unorthodox location for the above referenced well on May 28, 2009. XTO failed to include the admonition in the notices to the offsetting parties that if they object, they must file their objection with the New Mexico Oil Conservation Commission within 20 days, as required by the OCD rule 15.13.D (19.15.15.13D NMAC). Enclosed, please find the notices that were resent to BP America Production Company and Burlington Resources containing the required admonition of the OCD rule 15.13.D (19.15.15.13D NMAC).

XTO Energy Inc. requests your administrative approval for the unorthodox location based on the above information. Should you need any additional information, please contact me at (817) 885-3156.

Yours truly,

Bradley M. Jameson
Landman

cc: Burlington Resources Oil and Gas Company LP
BP America Production Company



June 22, 2009

VIA U.S. CERTIFIED MAIL

Mr. Ben Malone
Burlington Resources Oil and Gas Company LP
3401 E. 30th St.
Farmington, NM 87402

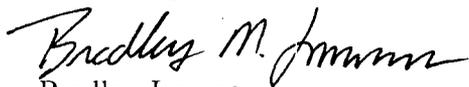
Re: Application for Administrative Approval of Unorthodox Location
XTO Energy Inc.'s Masden Gas Com #1Y
1965' FNL and 2300' FWL, Section 28, T29N, R11W
San Juan County, New Mexico
Otera-Chacra and Mancos Formations

Dear Mr. Malone:

I am sending you this letter in reference to XTO's letter sent to Burlington Resources Oil and Gas Company LP dated May 28, 2009 concerning the Application for Administrative Approval of Unorthodox Location for the Masden Gas Com #1Y Well. XTO failed to include the admonition that if Burlington Resources objects, you must file your objection with the New Mexico Oil Conservation Commission within 20 days, as required by the OCD rule 15.13.D (19.15.15.13D NMAC). If you have no objection to the proposed non-standard location, please so indicate by signing and returning one copy of this letter to me at the address on shown at the bottom of this letter.

Should you have any questions or need more information, please contact me at (817) 885-3156. Your prompt attention to this matter will be very much appreciated.

Yours truly,


Bradley Jameson
Landman

Enclosures

cc: David K. Brooks, NMOCD

_____ hereby waives notice of hearing and objection to
the application by XTO Energy Inc. for the non-standard location for the Masden Gas
Com #1Y Well.

By: _____

Date: _____

Thank you for using Return Receipt Service

RETURN RECEIPT REQUESTED
USPS MAIL CARRIER
DETACH ALONG PERFORATION



7160 3820 3530 0334 7953

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee) Yes

1. Article Addressed to:

Burlington Resources O&G
Company / Mr. Ben Malone
3401 E. 30th Street
Farmington, NM 87402

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?
If YES, enter delivery address below:

Yes
 No

Reference Information

bmj-Masden GC #1 Y

Thank you for using Return Receipt Service



June 22, 2009

VIA U.S. CERTIFIED MAIL

George Hazelwood
BP America Production Company
On-Shore U.S., North America SPU
P.O. Box 3092
Houston, TX 77253-3092

Re: Application for Administrative Approval of Unorthodox Location
XTO Energy Inc.'s Masden Gas Com #1Y
1965' FNL and 2300' FWL, Section 28, T29N, R11W
San Juan County, New Mexico
Otera-Chacra and Mancos Formations

Dear Mr. Hazelwood:

I am sending you this letter in reference to XTO's letter sent to BP America Production Company dated May 28, 2009 concerning the Application for Administrative Approval of Unorthodox Location for the Masden Gas Com #1Y Well. XTO failed to include the admonition that if BP America Production Company objects, you must file your objection with the New Mexico Oil Conservation Commission within 20 days, as required by the OCD rule 15.13.D (19.15.15.13D NMAC). If you have no objection to the proposed non-standard location, please so indicate by signing and returning one copy of this letter to me at the address on shown at the bottom of this letter.

Should you have any questions or need more information, please contact me at (817) 885-3156. Your prompt attention to this matter will be very much appreciated.

Yours truly,

Bradley Jameson
Landman

Enclosures

cc: David K. Brooks, NMOCD

_____ hereby waives notice of hearing and objection to the application by XTO Energy Inc. for the non-standard location for the Masden Gas Com #1Y Well.

By: _____
Date: _____

Thank you for using Return Receipt Service

RETURN RECEIPT REQUESTED
USPS MAIL CARRIER
DETACH ALONG PERFORATION



7160 3820 3530 0334 8004

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (*Extra Fee*) Yes

1. Article Addressed to:

BP America Production Co.
George Hazelwood
P.O. Box 3092
Houston, TX 77253-3092

COMPLETE THIS SECTION FOR DELIVERY

A. Received by (Please Print Clearly)	B. Date of Delivery
C. Signature	
<input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee	
D. Is delivery address different from item 1? If YES, enter delivery address below:	
<input type="checkbox"/> Yes <input type="checkbox"/> No	

Reference Information

bmj-Masden GC #1 Y

Thank you for using Return Receipt Service



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

January 3, 2008

XTO Energy Inc.
Attn: Mr. Aaron Austin
810 Houston St.
Fort Worth, TX 76102-6298

Administrative Order NSL-5749

**Re: Masden Gas Com Well No. 1F
API No. 30-045-34466
Unit F, Section 28-29N--11W
San Juan County**

Dear Mr. Austin:

Reference is made to the following:

(a) your application (**administrative application reference No. pKVR07-32328992**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on November 16, 2007, and

(b) the Division's records pertinent to this request.

XTO Energy Inc. (XTO) has requested to drill the above-referenced well at an unorthodox Chacra and Mancos gas well location, 1975 feet from the North line and 2275 feet from the West line (Unit F) of Section 28, Township 29 North, Range 11 West, N.M.P.M., in San Juan County, New Mexico.

The NW/4 of Section 28 will be dedicated to this well in order to form a standard 160-acre gas spacing unit in the Otero-Chacra Gas Pool (82329) and a standard wildcat gas spacing unit in the Mancos formation. These pools are governed by statewide Rule 104.C(3), which provides for 160-acre units, with wells located at least 660 feet from a unit outer boundary. This location is less than 660 feet from the eastern unit boundary.

XTO also proposes to complete this well in the Basin-Dakota Gas Pool, and to dedicate the N/2 of Section 28 to form a standard 320 acre gas spacing unit in that pool. However, the proposed location is orthodox under the Special Rules and Regulations applicable to that pool.

Your application has been duly filed under the provisions of Division Rules 104.F and 1210.A(2).

It is our understanding that you are seeking this location due to topographic reasons.

It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 1210.A(2), in all adjoining units towards which the proposed location encroaches.

Pursuant to the authority conferred by Division Rule 104.F(2), the above-described unorthodox location is hereby approved.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark E. Fesmire', written in a cursive style.

Mark E. Fesmire, P.E.
Director

MEF/db

cc: New Mexico Oil Conservation Division - Aztec
United States Bureau of Land Management - Farmington