



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Jon Goldstein
Cabinet Secretary

Jim Noel
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



June 11, 2010

XTO Energy Inc.
Attn: Mr. Bradley M. Jameson
810 Houston Street
Fort Worth, TX 76102-6298

Administrative Order NSL-3941-A

Re: Tiger Well No. 4
API No. 30-045-29521
543 feet FSL & 685 feet FEL
Unit P, Section 33-30N-13W
San Juan County, New Mexico

Dear Mr. Jameson:

Reference is made to the following:

(a) your application (**administrative application reference No. pTGW10-14041516**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on May 20, 2010, and

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

XTO Energy Inc. [OGRID 5380] (XTO) has requested to drill the above-referenced well at an unorthodox well location described above in the caption of this letter. The S/2 of Section 33 will be dedicated to this well in order to form a standard 320-acre gas spacing unit in the Basin-Fruitland Coal Gas Pool (71629). Spacing in this pool is governed by the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool, as amended by Order No. R-8768-F, effective July 17, 2003, which provide generally for 320-acre units with wells to be located at least 660 feet from any unit boundary. This location is less than 660 feet from the southern unit boundary.

Your application has been duly filed under the provisions of Division Rules 15.13 and 4.12.A(2).



It is our understanding that you are seeking this location in order to utilize an existing wellbore.

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 4.12.A(2), in all adjoining units towards which the proposed location encroaches.

Pursuant to the authority conferred by Division Rule 15.13.B, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 5.9.

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

Sincerely,

A handwritten signature in dark ink, appearing to read 'Mark E. Fesmire', with a stylized flourish at the end.

Mark E. Fesmire, P.E.
Director

MEF/db

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