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JUL 29

July 29, 1999

**Hand Delivered**

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

Re: Case 12220; Application of Cross Timbers Operating  
Company ("Cross Timbers") for an unorthodox coal gas well  
location, San Juan County, New Mexico (S½ S29-30N-12W)

Dear Mr. Stogner:

The above application was originally filed administratively, but was placed on the hearing docket due to an objection by Hallwood Petroleum Inc. ("Hallwood"). Hallwood has now agreed to withdraw its objection in return for Cross Timbers moving the well further to the west. Enclosed is a letter from Cross Timbers identifying the new location (1705 feet FSL and 1285 feet FEL), and containing plats and a new Form C-102 regarding the well. Well locations are limited in this area because the well unit is in Farmington.

Due to the withdrawal of Hallwood's objection, Cross Timbers requests that the application be processed administratively, and that the hearing be dismissed. Because this case is on Mr. Catanach's hearing docket, I am copying him with this letter.

Very truly yours,

  
James Bruce

Attorney for Cross Timbers  
Operating Company

cc: David Catanach  
William F. Carr (w/encl.)  
(Attorney for Hallwood Petroleum Inc.)



# Cross Timbers Oil Company

July 29, 1999

New Mexico Oil Conservation Division  
2040 S. Pacheco Street  
Santa Fe, New Mexico 87505  
Attn: Mr. Michael Stogner

Re: Case No. 12220  
Non-Standard Location - Fruitland Coal Formation  
Brown # 3  
S/2 Section 29-30N-12W  
San Juan County, New Mexico

Gentlemen:

Cross Timbers filed the captioned application for a non-standard location to drill a Fruitland Coal well in the S/2 Section 29-30N-12W. Due to numerous surface obstacles in the SW/4 we staked the well at 1775' FSL & 1090' FEL (see attached surface plat labeled "Original Location").

Hallwood Petroleum protested our application and after preparing exhibits for the hearing we were able to find a location approximately 200 feet further west. Attached is a surface plat of the new location (1705' FSL & 1285' FEL) along with a C-102 plat. Hallwood has agreed not to protest this revised non-standard location.

Therefore, Cross Timbers requests administrative approval to drill a non-standard Fruitland Coal well in the S/2 Section 29-30N-12W, San Juan County, New Mexico at a location of 1705' FSL & 1285' FEL.

Thank you for your consideration in this matter and please feel free to call me at (817)877-2336 with any questions.

Yours very truly,

Edwin S. Ryan, Jr.

07/23/00 10:30  
KILGON SHEEMAN

20015 087 0882  
1710507101

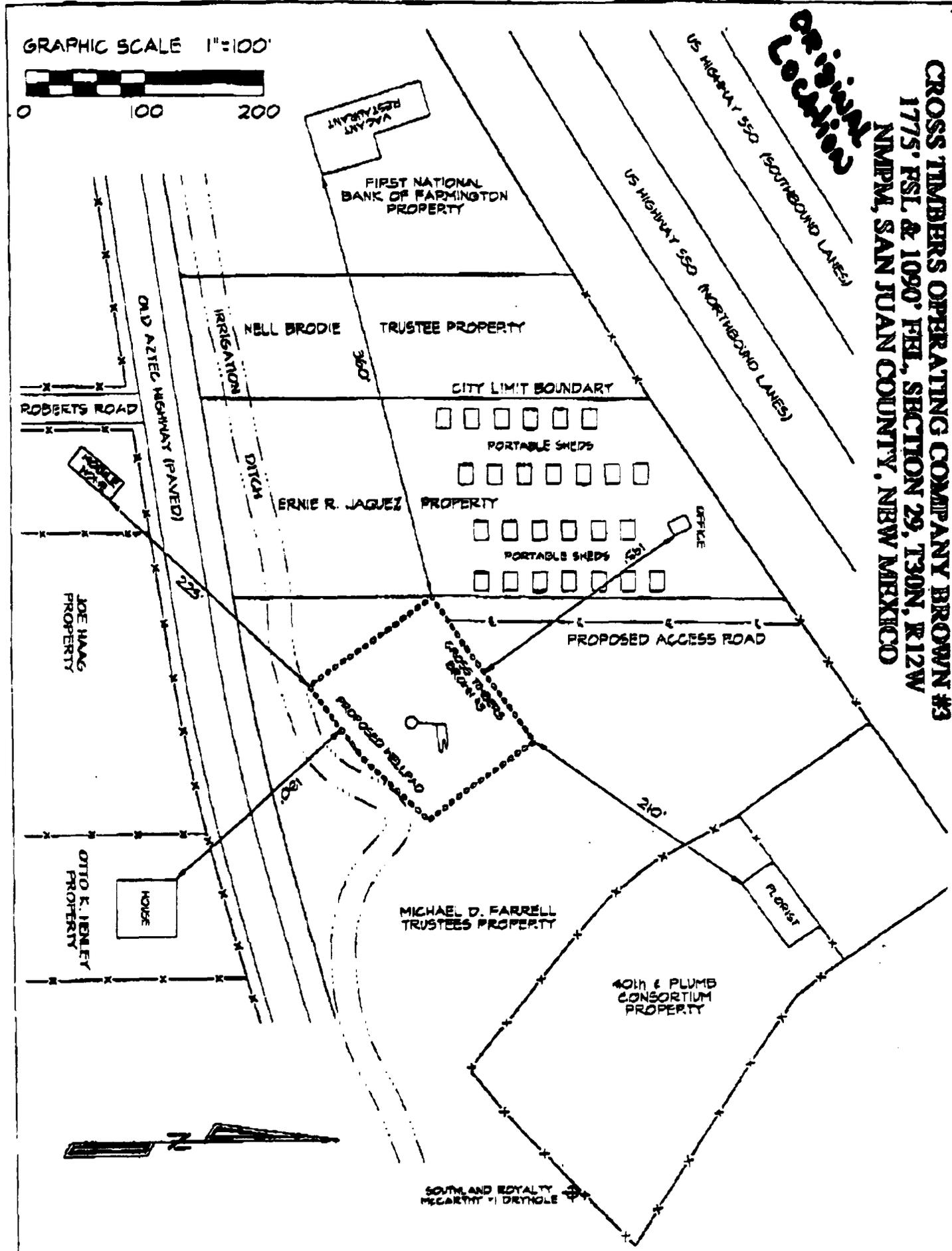
CROSS TIMBERS  
444 RW LAND

002/002

**Original Location**

**CROSS TIMBERS OPERATING COMPANY BROWN #3  
1775' FSL. & 1090' FEL, SECTION 29, T30N, R12W  
NMPM, SAN JUAN COUNTY, NEW MEXICO**

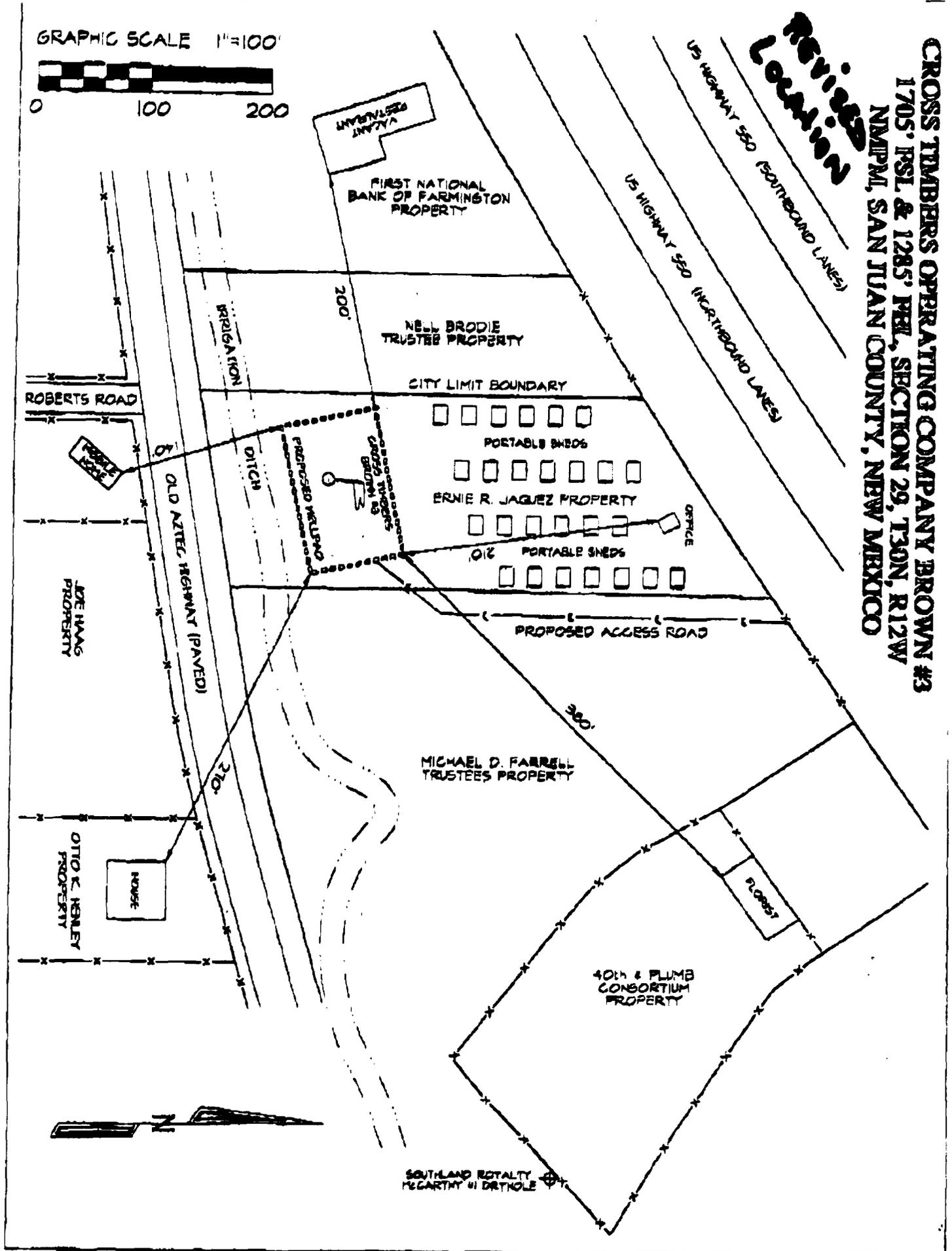
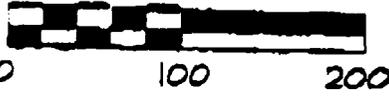
GRAPHIC SCALE 1"=100'



**Revised Location**

**CROSS TIMBERS OPERATING COMPANY BROWN #3  
1705' E.S.L. & 1285' P.E.L., SECTION 29, T30N, R12W  
NMPM, SAN JUAN COUNTY, NEW MEXICO**

GRAPHIC SCALE 1"=100'



SOUTHLAND ROYALTY  
McGARTHY #1 DRTHOLE

JUL -29' 99 (THU) 09:40  
 07/28/99 11:21  
 IRVING SNEEMAN

CROSS TIMBER LAND  
 915 887 0882  
 19705859107

TEL: 817 882 7224  
 CROSS TIMBERS FW LAND  
 07/21 '99 08:54 NO.495 02

P. 005  
 003/005

District I  
 PO Box 1980, Hobbs, NM 58241-1980

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

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

District IV  
 PO Box 2058, Santa Fe, NM 87506-2058

State of New Mexico  
 Energy, Minerals & Natural Resources Department

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

Form C-  
 Revised February 21, 1  
 Instructions on b  
 Submit to appropriate District Office  
 State Lease - 4 Cop  
 Fee Lease - 3 Cop

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name
		71629	BASIN FRUITLAND COAL
Property Code	Property Name		Well Number
	BROWN		3
OGAID No.	Operator Name		Elevation
167057	CROSS TIMBERS OPERATING COMPANY		5517

10 Surface Location

U. of lot no.	Section	Township	Range	Lot No.	Feet from the	North/South line	Feet from the	East/West line	County
I	29	30N	12W		1705	SOUTH	1285	EAST	SAN JUA

11 Bottom Hole Location If Different From Surface

U. of lot no.	Section	Township	Range	Lot No.	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedication Acres	13 Joint or Infill	14 Completion Code	15 Draw 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

5280.00' 5280.00' 5280.00'	2588.84'	2644.62'	5258.88' 5258.88' 5258.88'	<b>17 OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and correct to the best of my knowledge and belief.  Signature: <u>Loren W. Fothergill</u> Printed Name: <u>Production Engineer</u> Title: _____ Date: _____	
	29			1285'	<b>18 SURVEYOR CERTIFICATION</b> 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.  Date of Survey: <u>JULY 13 1999</u> Signature and Seal: 
	5280.00'			1705'	Certificate No. <u>6857</u>
	5280.00'				