OCT 2 9 1999

October 27, 1999

STATE OF THE PROPERTY OF

Eure 12314

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

Fulcher Kutz Pictured Cliffs
Federal Gas Com H #2
NE/4 Section 31-30N-12W
San Juan County, New Mexico

Gentlemen:

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

Well Name:

Federal Gas Com H #2

Pool:

Fulcher Kutz Pictured Cliffs

Location:

2045' FNL & 1685' FEL

Acreage Dedication:

NE/4 Section 31-30N-12W, containing 160 acres, more or less San Juan County, New Mexico

County/State:
Pool Rules:

790' from lease lines

Attached is the following support and documentation for said application:

- 1. C-102 Plat
- 2. Geologic discussion
- 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,

Win Kyan Edwin S. Ryan, Jr.

BEFORE THE OIL CONSERVATION DIVISION

Case No.12314 Exhibit No. _ \(\frac{4}{5} \)
Submitted By:

Cross Timbers Oil Company Hearing Date: January 6, 2000 Page 2
October 27, 1999
Request for Administrative Approval of an Unorthodox Location
Federal Gas Com H #2

cc: Bobby Smith - CTOC Midland

Gary Burch

Robin Tracy

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

Offset Operators

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

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

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

State of New Mexico Energy, Kinemals & Natural Resources Gopanthont Form C-:35 Ravised February 21, 1931 Instituctions on back

Submit to Appropriate District Office

State Lease - 4 Copies Fee Lease - 3 Copies

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

X AMENDED REPORT District IV PO 85% 2088, Santa Fe. NM 87504-2088 WELL LOCATION AND ACREAGE DEDICATION PLAT Popl Name Pool Code 'API NUMBER 71529 / 77200 BASIN FRUITLAND COAL/FULCHER KUTZ PICTURED CLIFFS' 'Property Name Well Number Property Code FEDERAL GAS COM H 2 'OGRIO No. 'Oparator Name Elevation 167057 CROSS TIMBERS OPERATING COMPANY 5464 ¹⁰ Surface Location UL OF JEE NO. Section בורפושהכז Lo: In Feet Iron the Narth/South June Feet from the EASE/1655 11/19 EOUN:Y G 30N 12% 2045 NORTH 1685 31 EAST IVAUL NAZ 11 Bottom Hole Location If Different From Surface Noner/South Tune Feet from the LL or lat ro. Section Range Feet from the East/Hest lune County EDICA testesized MINES Don't or Infall ("Consolication Code Donden 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 " OPERATOR CERTIFICATION I hangey contify that the information contained homesh is thus and complete to the best of my knowledge and delist.

w Fatherall Loren Signature Loren W. Fotheroill Printed Name Production Engineer 1685 Title 10-05-89 Cate "SURVEYOR CERTIFICATION I hamply certify that the well location andwh on this pla was plotted from field notes of actual surveys made by the or thoom my sucception, and that the same is the and correct to the test of my belief. <u>SEPTEMBER 14, 1998</u> Date of Surva E.G. EDWA METIC Z(6857

FEDERAL GAS COM "H" #2

GEOLOGIC SUMMARY

The Cross Timbers Federal Gas Com "H" #2 was drilled in June, 1999 primarily as a Fruitland Coal test at 2045' FNL, 1685' FEL of Sec. 31-T30N-R12W, San Juan County, New Mexico. An unorthodox location application was previously approved for this well for the Fruitland Coal due to surface restrictions which required that the well be drilled on the same pad as an existing well, the Federal Gas Com "H" #1E (see Geologic Summary dated March 23, 1999).

Cross Timbers is now requesting an unorthodox location for the Pictured Cliffs Ss. so that the Pictured Cliffs Ss. can be tested in the Federal Gas Com "H" #2. There has been no Pictured Cliffs production from Sec. 31 to date. The nearest Pictured Cliffs production was from the Brown #1, completed in 5/47 at a location described as 2310' FSL, 660' FEL, Sec. 30-T30N-R12W.

Electric log characteristics shown by the Pictured Cliffs Ss. in the newly drilled Federal Gas Com "H" #2 are similar to recent successful Pictured Cliffs wells drilled to the west in T30N-R13W. At this point, however, the risk does not justify the drilling of an additional well to test the Pictured Cliffs Ss. In addition, there is no legal location available in the NE½ of Sec. 31 on which to drill a new well. Therefore, an unorthodox location is necessary in order to test the Pictured Cliffs Ss. in the Federal Gas Com "H" #2 well in the NE½ of Sec. 31.

Dary K. Burch Od 26 1999



October 27, 1999

CERTIFIED MAIL

TO: Offset Operators - See Attached

Re: Unorthodox Location Federal Gas Com H # 2 NE/4 Section 31-30N-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 October 27, 1999. 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,

Win Han

Edwin S. Ryan, Jr.

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OFFSET OWNERS UNORTHODOX LOCATION FEDERAL GAS COM H #2 N/2 SECTION 31-30N-12W SAN JUAN COUNTY, NEW MEXICO

Thomas Lee Hood c/o Eugene Farley and Joann Farley 5211 Hubbard Road Farmington, New Mexico 87402

Barbara Jean Hill c/o Eugene Farley and Joann Farley 5211 Hubbard Road Farmington, New Mexico 87402

Gloria Fay Keenan c/o Eugene Farley and Joann Farley 5211 Hubbard Road Farmington, New Mexico 87402

Joann Marie Farley 5211 Hubbard Road Farmington, New Mexico 87402

Clifford A. and Sheila K. Cheeseman Trustees U/T dtd 3-29-83 and/or Daryle L. Garber P.O. Box 230 Farmington, New Mexico 87401

Clifford A. Cheeseman P.O. Box 230 Farmington, New Mexico 87401

Daryle L. Garber 7810 North 183 Ave. Waddell, Arizona 85355

Jensen Brothers Partnership 5901 SW Frontage Road Fort Collins, Colorado 80525

City of Farmington 800 Municipal Drive Farmington, New Mexico 87401 Hawkins, Smith & Christensen LLC 8645 W. Franklin Road Boise, Idaho 83709

John K. and Shirley A. Richardson 323 County Rd 3500 Aztec, New Mexico 87410

E. Lucille Carrington 1169 5th Street Evansville, Wyoming 82636 Unknown heirs of D. J. Carrington (deceased husband of E. Lucille Carrington)

William Charles Howard, III 5404 Valley View Farmington, New Mexico 87402

James W. Hatch 4501 Rowe Avenue Farmington, New Mexico

Doug Bradford 1921 E. Wagoner Street Phoenix, Arizona 85022