

NSL 11/18/99



Cross Timbers Oil Company

OCT 29 1999

CONSERVATION DIVISION

October 27, 1999

Case 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
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.

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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

NMCOB - Aztec District Office

1000 Rio Brazos Road

Aztec, New Mexico 87410

Offset Operators

District I
PO Box 1550, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

District II
PO Drawer CD Artesia, NM 88211-0719

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

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

District IV
PO Box 2059, Santa Fe, NM 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAN

'API Number	'Pool Code	'Pool Name
	71529 / 77200	BASIN FRUITLAND COAL/FULCHER KUTZ PICTURED CLIFFS
'Property Code	'Property Name	
	FEDERAL GAS COM H	
'OGRID No.	'Operator Name	
167067	CROSS TIMBERS OPERATING COMPANY	
		'Well Number
		2
		'Elevation
		5464'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Ion	Feet from the	North/South line	Feet from the	East/West line	County
G	31	30N	12W		2045	NORTH	1685	EAST	SAN JUAN

11 Bottom Hole Location If Different From Surface

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

'Dedicated Acres	'Joint or Infill	'Consolidation Code	'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 correct to the best of my knowledge and belief.

Loren W. Fothergill
Signature
Loren W. Fothergill
Printed Name
Production Engineer
Title
10-02-99
Date

18 SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plan 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.

SEPTEMBER 14, 1998
Date of Survey
Signature and Seal
NEALE G. EDWARDS
NEW MEXICO
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 NE $\frac{1}{4}$ 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 NE $\frac{1}{4}$ of Sec. 31.

Mary K. Burch
Oct. 26, 1999



Cross Timbers Oil Company

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

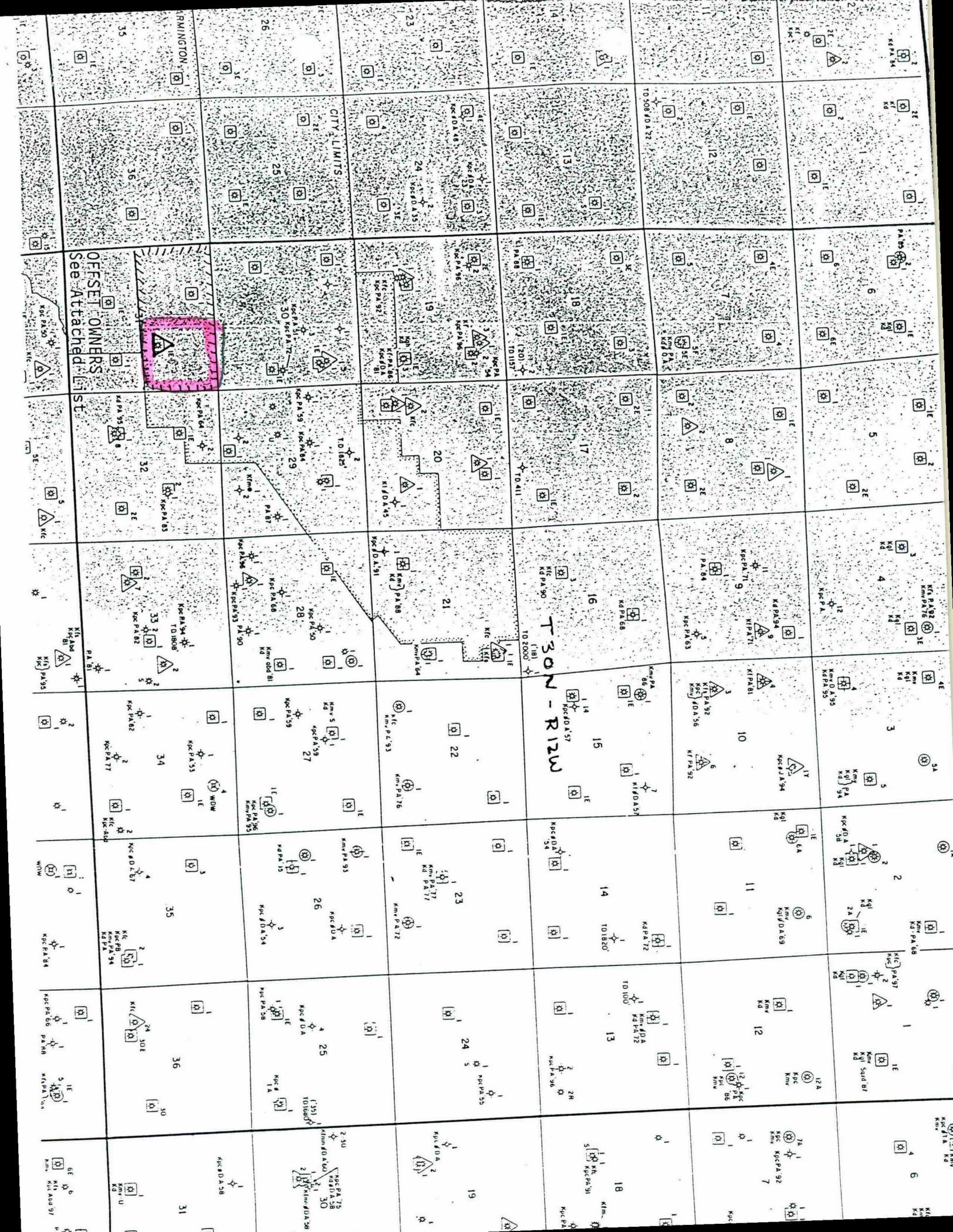
Gentlemen:

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,

Edwin S. Ryan, Jr.



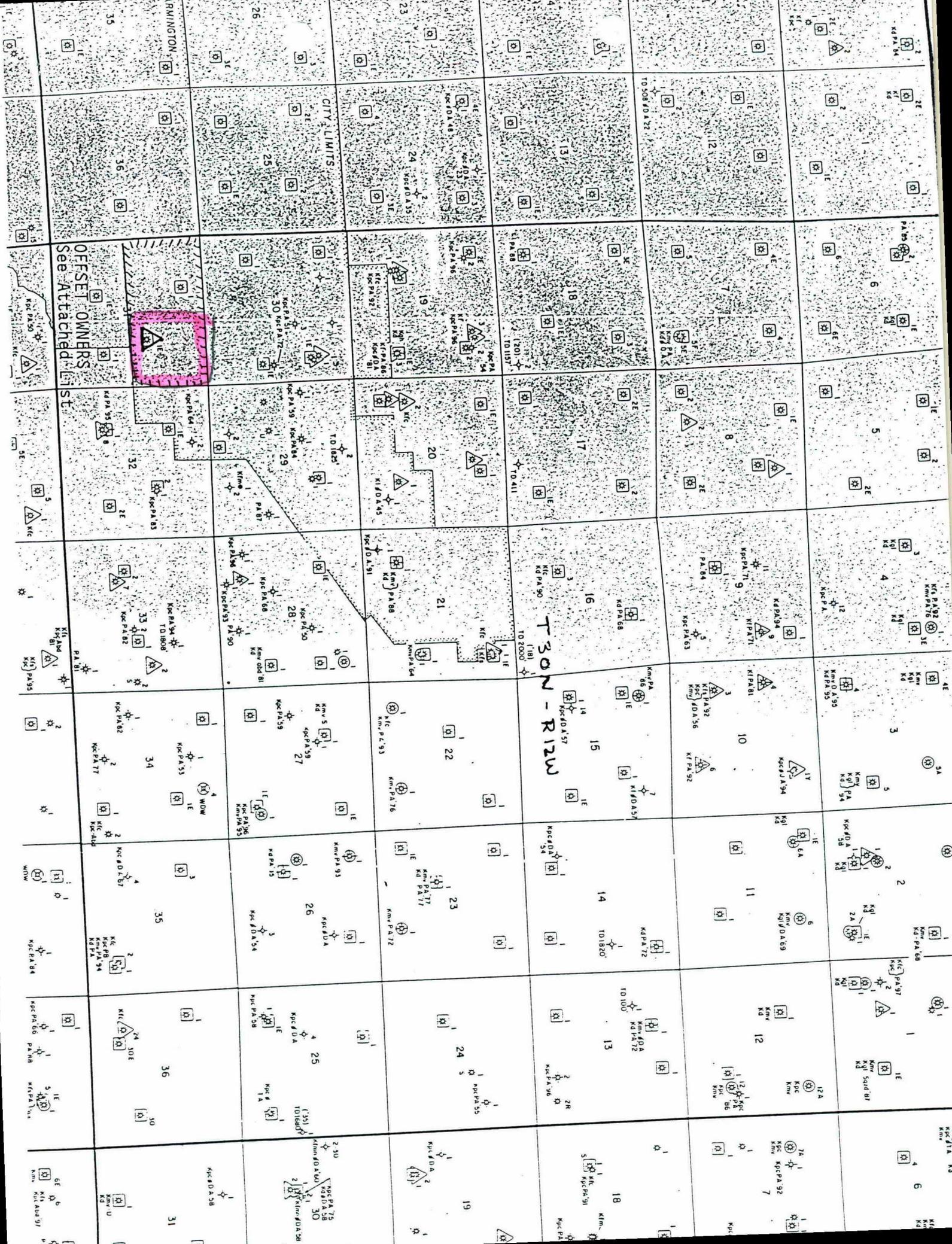
OFFSET OWNERS
See Attached List

T 30N - R 12W

CITY LIMITS

BIRMINGHAM

TO 50840 A 22



TO 50840 A 22

T 30N - R 12W

CITY LIMITS

BIRMINGHAM

TO 50840 A 22

TO 5000

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