



NSL-5161

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

July 6, 2005

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

XTO Energy, Inc.
c/o **Permits West, Inc.**
37 Verano Loop
Santa Fe, New Mexico 87505

Attention: **Brian Wood**
brian@permitswest.com

Administrative Order NSL-5161-A

Dear Mr. Wood:

Reference is made to the following: (i) your application on behalf of the operator, XTO Energy, Inc. ("XTO"), submitted to the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico on June 7, 2005; and (ii) the Division's records in Aztec and Santa Fe, including the file on Division Administrative Order NSL-5161: all concerning XTO's request to amend an existing order of the Division approving an unorthodox replacement Pictured Cliffs gas well location by expanding the vertical limits of the provisions in this order to include the Mancos formation.

Your application (*assigned NMOCAD administrative application reference No. pMES0-518731819*) to amend Division Administrative Order NSL-5161 has been duly filed under the provisions of Division Rule 104.F.

By Division Administrative Order NSL-5161 (*administrative application reference No. pMES0-501859833*), dated March 6, 2005, XTO received authorization for its proposed Florance Well No. 24 (*API No. 30-045-32607*) to be drilled within a standard 160-acre gas spacing and proration unit in the South Blanco-Pictured Cliffs Pool (**72439**) comprising the SE/4 of Section 19, Township 27 North, Range 8 West, NMPM, San Juan County, New Mexico, at an unorthodox gas well location 2250 feet from the South line and 790 feet from the East line (Unit I) of Section 19.

The SE/4 of Section 19, being a standard 160-acre gas spacing unit pursuant to Division Rule 104.C (3) for the WC Basin Mancos (**97232**), is to be dedicated to this well.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox Mancos gas well location for XTO's proposed Florance Well No. 24 is hereby approved.

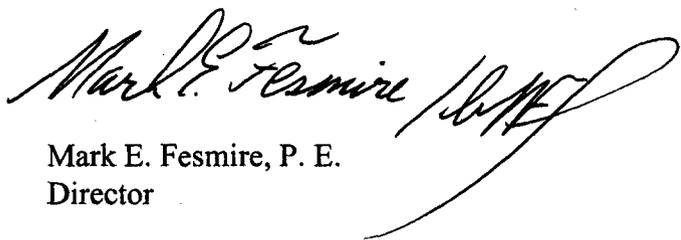
Further all provisions of Division Order NSL-5161 dated March 6, 2005 shall remain in full force and affect until further notice.

XTO Energy, Inc.
July 6, 2005
Page 2

Division Administrative Order NSL-5161-A

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

Sincerely,

A handwritten signature in cursive script that reads "Mark E. Fesmire" followed by a large, stylized flourish.

Mark E. Fesmire, P. E.
Director

MEF/ms

cc: New Mexico Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Farmington
File: NSL-5161