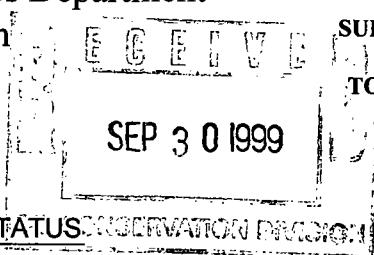


District I - (505) 393-6161
 1625 N. French Dr
 Hobbs, NM 88241-1980
 District II - (505) 748-1283
 811 S. First
 Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Road
 Aztec, NM 87410
 District IV - (505) 827-7131

New Mexico
 Energy Minerals and Natural Resources Department

Oil Conservation Division
 2040 South Pacheco Street
 Santa Fe, New Mexico 87505
 (505) 827-7131



SUBMIT ORIGINAL PLUS 2 COPIES TO THE SANTA FE OFFICE

APPLICATION FOR NEW WELL STATUS

I. Operator and Well

Operator name & address Cross Timbers Operating Co. 2700 Farmington Avenue, Building K, Suite 1 Farmington, New Mexico 87401						OGRID Number 167067	
Contact Party Thomas DeLong						Phone 505-324-1090	
Property Name KUTZ FEDERAL				Well Number 12E		API Number 30-045-29779	
UL D	Section 21	Township 28N	Range 10W	Feet From The 970'	North/South Line FNL	Feet From The 1000'	East/West Line FWL County SAN JUAN

II. Date/Time Information

Spud 07/01/99	Spud Time 7:00 AM	Date Completed 8/30/99	Pool BASIN DAKOTA
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III. Attach copies of Form C-103 or Federal Form 3160-5 showing date/time of drilling commenced and Form C-105 or Federal Form 3160-4 showing well was completed as a producer.

IV. Attach a list of all working interest owners with their percentage interests.

V. AFFIDAVIT:

State of New Mexico)
)
 County of San Juan)

Thomas DeLong, being first duly sworn, upon oath states:

- I am the Operator, or authorized representative of the Operator, of the above-referenced well.
- To the best of my knowledge, this application is complete and correct.

Signature [Signature] Title Production Engineer Date 9-28-99

SUBSCRIBED AND SWORN TO before me this 28 day of September, 1999

[Signature]
 Notary Public

My Commission expires: 6/10/03

FOR OIL CONSERVATION DIVISION USE ONLY:

VI. CERTIFICATION OF APPROVAL:

This Application is hereby approved and the above-referenced well is designated a New Well. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval.

Signature <u>[Signature]</u>	Title <u>P.O. Speer</u>	Date <u>10-29-99</u>
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VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: 10/29/99

NOTICE: The operator must notify all working interest owners of this New Well certification.

PVZV2006635470

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

SUBMIT IN DUPLICATE

(See other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0137
Expires: February 28, 1995

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> Other _____		7. UNIT AGREEMENT NAME	
b. TYPE OF COMPLETION: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP-EN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RESVR <input type="checkbox"/> Other _____		8. FARM OR LEASE NAME, WELL NO. Kutz Federal #12E	
2. NAME OF OPERATOR Cross Timbers Operating Company		9. API WELL NO. 30-045-29779	
3. ADDRESS AND TELEPHONE NO. 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401		10. FIELD AND POOL, OR WILDCAT Basin Dakota	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface 970 FNL & 1,000' FWL, Sec 21, T28N, R10W, Unit D At top prod. interval reported below		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec 21, T28N, R10W	
At total depth		12. COUNTY OR PARISH San Juan	13. STATE NM
14. PERMIT NO.	DATE ISSUED	19. ELEV. CASINGHEAD	
15. DATE SPUDDED 7/1/99	16. DATE T.D. REACHED 7/12/99	17. DATE COMPL. (Ready to prod.) 8/30/99	18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 5,934' GL, 5,946' KB
20. TOTAL DEPTH, MD & TVD 6,799' MD & TVD	21. PLUG, BACK T.D., MD & TVD 6,747' MD & TVD	22. IF MULTIPLE COMPL., HOW MANY* 1	23. INTERVALS DRILLED BY →
24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)* 6,631' to 6,634' (MD & TVD) Basin Dakota		25. WAS DIRECTIONAL SURVEY MADE Deviation	
26. TYPE ELECTRIC AND OTHER LOGS RUN SDL/DSN (Denisty/Neutron), HRI (Induction), GR, SP, CCL/CBL		27. WAS WELL CORED No	

28. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
8-5/8", J-55	24#	308'	12-1/4"	250 sx C1 "B". Circ to surf.	
4-1/2", J-55	10.5#	6,799'	7-7/8"	1st stg 500 sx C1 "B". DV @ 3,103'. 2nd stg 600 sx C1 "B"	
				Tops 4,340' & surface.	

29. LINER RECORD				30. TUBING RECORD			
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

31. PERFORATION RECORD (Interval, size and number) 6,631'-6,634' 4 SPF (13 holes, 0.43" dia.)		32. ACID SHOT FRACTURE CEMENT SQUEEZE, ETC. DEPTH INTERVAL (MD) AMOUNT AND KIND OF MATERIAL USED 6,631' - 6634' None	

33.* PRODUCTION

DATE FIRST PRODUCTION 8/31/99		PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump) Flowing				WELL STATUS (Producing or shut-in) Producing	
DATE OF TEST 8/27/99	HOURS TESTED 3	CHOKE SIZE 1/8"	PROD/N. FOR TEST PERIOD →	OIL - BBL 0	GAS - MCF. 96	WATER - BBL. 0	GAS - OIL RATIO
FLOW. TUBING PRESS. NA	CASING PRESSURE 2,450 psig	CALCULATED 24-HOUR RATE →	OIL - BBL 0	GAS - MCF. 768	WATER - BBL. 0	OIL GRAVITY - API (CORR.)	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Sold	TEST WITNESSED BY
--	-------------------

35. LIST OF ATTACHMENTS
GR/CBL

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED [Signature] TITLE Production Engineer DATE 9/20/99

*(See Instructions and Spaces for Additional Data on Reverse Side)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

REC'D / SAN JUAN

FORM APPROVED
Budget Bureau No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

AUG 02 1999

5. Lease Serial No.
SF-0077383A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
Kutz Federal #12E

9. API Well No.
30-045-29779

10. Field and Pool, or Exploratory Area
Basin Dakota

11. County or Parish, State
San Juan Co. NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Cross Timbers Operating Company

3a. Address 2700 Farmington Avenue,
Bldg K, Suite 1, Farmington, NM 87401

3b. Phone No. (include area code)
505/324-1090

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
970' FNL & 1000' FWL, Unit Ltr D
Sec. 21, T28N, R10W

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input checked="" type="checkbox"/> Other <u>Spud and Surface Casing</u>

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

MIRU Bearcat Rig #2 and spudded 12-1/4" hole @ 7:00 pm (MST), 7/01/99. RU & ran 8-5/8", 24#, J-55, STC casing and set @ 308'. RU Cementers, Inc. & cmt'd 8-5/8" csg w/250 sx C1 B cmt w/2% CaCl₂, 1/4#/sx celloflake (15.6 ppg, 1.18 cuft/sx, 5.2 gals wtr/sx). Disp cmt w/17 BFW. Plug down @ 5:30 am, 7/2/99. Bumped plug to 500 psig, 400 psig over final disp press. Float did not hold. Left well SI. Circ 60 sx of cement to surface pit. WOC 13-1/2 hrs. Prep to drill out cement w/7-7/8" bit and drill ahead.

RECEIVED
BLM
99 JUL 12 PM 2:21
070 FARMINGTON, NM

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) Bobby L. Smith *Bobby L. Smith*

Title Drilling/Operations Manager

Date 7/09/99

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date _____

Office _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

ACCEPTED FOR RECORD
JUL 30 1999
FARMINGTON FIELD OFFICE
BY *[Signature]*

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**CROSS TIMBERS GROUP
INTEREST MEMO**

*GLM ✓
TWD ✓
WF*

Distribution:	Ken Staab	Mary Coughran	Tim Plue/Shirley Ottinger	Don Barton
	Bennie Kniffen	Scott Clair	Melanie Ramirez	Oklahoma City/Midland
	Mark Stevens	Joy Webster	Terry Reid/Jean Ann Dobbs	Tyler/Farmington
	Terry Schultz	Dave Schroeder	Bill Manning	File Book
	Pat Benson	<u>Jerry Stadulis</u>	Kelly Stinnett	Well File

Date Prepared June 3, 1999 Well Name Kutz Federal 12E

Lease Number Amoco LPN #84481 & 68600,
529-7588-00 & 7589-00 Well Number To Be Assigned

Orig Memo Supp Memo

LOCATION DATA				
Location <u>W/2 Section 21-28N-10W</u>		<u>San Juan County, New Mexico</u>		
<small>Section/Township(Blk)/Range(Svy)</small>		<small>County/State</small>		
Exact Well Spot <u>970' FNL & 1,000' FWL</u>				
Type of Deal (Rework, New Well, F/O, Support, etc.) <u>New Well</u>				
WELL OWNERSHIP	WORKING INTEREST %		NET REVENUE INTEREST %	
	BPO	APO	BPO	APO
Operator & Address				
Cross Timbers Oil Company	57.78825%	56.6667%	49.40906%	48.45011%
Non-Operators: Address if CTOC Operator				
SEE ATTACHED				
TOTAL				
<small>W.I. should be carried to 5 places and should total 100%</small>				

DEAL	AFE # <u>98787</u>
<p>This is second well drilled in this unit on the acreage acquired from Amoco. The interest is for Dakota formation only. Interest will be different above Dakota Formation. The NRI listed is an approximate. The non-consent penalty under NMOCD compulsory pooling is cost plus 150%. Well must spud by July 31, 1999 per terms of NMOCD Order #R-11170.</p> <p>THIS IS NOT IN THE HUGOTON ROYALTY TRUST.</p>	

EXHIBIT TO INTEREST MEMO

	<u>WI% BPO</u>	<u>NRI%BPO</u>	<u>WI%APO</u>	<u>NRI%APO</u>
Cross Timbers Operating Company 810 Houston Street, Suite 2000 Fort Worth, Texas 76102-6298	57.78825%	49.40906%	56.66670%	48.45011%
Mathias Family Trust dtd 9-9-81 452 Maidstone Lane Thousand Oaks, CA 91320	00.00000%	00.00000%	.6892%	.58929%
Virginia L. Mullin 1 Churchill Drive Englewood, CO 80110	1.00000%	.85502%	1.0000%	.85502%
William L. Floyd P.O. Box 1249 Alexandria, VA 22313-1249	.07395%	.06324%	.07395%	.06324%
Rita Treasa Floyd 3145 Geary Blvd. #258 San Francisco, CA 94118	00.00000%	00.00000%	.07395%	.06324%
Leon M. DuCharme Marital Trust 2617 South Wadsworth Circle Lakewood, CO 80277-3220	.50000%	.42751%	.5000%	.42751%
Rita Mae DuCharme 2617 South Wadsworth Circle Lakewood, CO 80277-3220	.50000%	.42751%	.5000%	.42751%
B.B.L., Ltd. P.O. Box 911 Breckenridge, TX 76424-0911	20.93750%	17.90160%	20.93750%	17.90160%
States Inc. P.O. Box 911 Breckenridge, TX 76424-0911	16.56250%	14.16096%	16.56250%	14.16096%
Chesapeake Mid-Continent Corp. P.O. Box 18496 Oklahoma City, OK 73154	2.50000%	2.13752%	2.5000%	2.13752%
Richard P. Shooshan, Trustee of the Shooshan Family Trust 686 E. Union St. Pasadena, CA 91101-1820	00.00000%	00.00000%	.35840%	.30642%
Bernard Hyde Trust, Bernard Hyde Trustee 28242 Yanez Mission Viejo, CA 92692-1836	.13780%	.11785%	.13780%	.11785%
	<u>100.0000%</u>		<u>100.0000%</u>	

Kutz Federal #12E