



P.M.E.S.O - 406864885

Supp: 2-23-2004

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January 29, 2004

CERTIFIED MAIL:

Mr. Michael E. Stogner
New Mexico Oil Conservation Division
1220 S. Saint Francis Dr.
Santa Fe, New Mexico 87504

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

RE: Change of Unit Declaration for Administrative
Order NSL-4671
Scott Federal 27-11-Well #23-1
1,645' FNL and 360' FEL (SE/4 NE/4)
Unit H, Section 23, T27N-R11W
San Juan County, New Mexico
Basin Dakota Gas Pool

Dear Mr. Stogner:

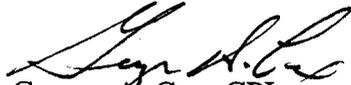
MarkWest Resources Inc. applied for and received the above captioned non standard location on December 3, 2001. The above captioned well was spud on January 23, 2002 and completed on March 8, 2002 as a Dakota producer. The well is still currently producing. XTO Energy Inc. purchased this well along with others from MarkWest Resources Inc. on June 30, 2003 effective as of June 1, 2003.

In reviewing the files, it was determined that even though this well was permitted as an E/2 Unit, it has been maintained and treated as a N/2 Unit. MarkWest proposed the well to the N/2 working interest owners and the royalties and overriding royalties have been paid to the N/2 owners.

In order to correct the Unit error, XTO Energy Inc. is in the process of filing a revised C-102 to reflect this well as a N/2 Unit. XTO Energy Inc. also request that the aforementioned NSL order be amended to reflect a N/2 Unit. Due to the location of the well, no new parties should require notification.

Thank you for your help in this matter and should you need any additional information please feel free to contact me at (817) 885-2454.

Sincerely,
XTO ENERGY INC.



George A. Cox, CPL

Landman

Cc: Jeff Patton – Farmington
Darrin Steed – Farmington
Randy Hosey – Ft. Worth
Robin Tracy – Ft. Worth
Rick Hayes – Ft. Worth