



Cross Timbers Operating Company

November 27, 2000

Mr. Mark Ashley
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

RE: Administrative Approval to Surface Commingle
C. M. Morris C #1 & Martin Gas Com F #1R
Sec 14, T-27-N R-10-W
San Juan County, New Mexico

PC
PLC
339 30807
2/14/01
RECEIVED
DEC 1 2000
CONSERVATION DIVISION

Dear Mr. Ashley,

Cross Timbers Operating Company (CTOC) requests administrative approval to surface commingle the C. M. Morris C #1 and the Martin Gas Com F #1R. CTOC plans to produce the commingled gas through a single compressor. Each well's oil and water production will be kept separate and not commingled.

Installation of a single compressor will help both wells overcome sales line pressure and thereby maximize each well's productivity. Both wells responded very well to individual wellhead compression tests. The lower operating costs resulting from a shared compressor will extend the economic life of both wells thus increasing their ultimate recoveries.

The following are enclosed for your review of the proposed surface commingling.

1. Well information table.
2. Gas production allocation formula sheet.
3. Battery schematic of proposed installation.
4. Well location plat.

If you need additional information or have any questions, please give me a call at (505) 324-1090.

Sincerely,
CROSS TIMBERS OPERATING COMPANY

Darrin L. Steed
Operations Engineer

Enclosures

Cc: Gary Markestad
Well File
DLS File

C:\Work\Surface Commingles\Morris C #1 & Martin GC F #1R.doc

C. M. Morris C #1 & Martin Gas Com F #1R

Well Information

	C. M. Morris C #1	Martin Gas Com F #1R
Location	Sec 14F, T27N R10W	Sec 14F, T27N R10W
Formation	Pictured Cliffs	Dakota
API #	30-045-06541	30-045-25625
Pool Name	Fulcher Kutz	Basin
Pool Code	77200	71599
Gas Gravity	.619	.763
Gas Rate (MCFD)	100	7
Oil Gravity	NA	55 API
Oil Rate (BPD)	0	0.1
Water Rate (BPD)	0	0.2

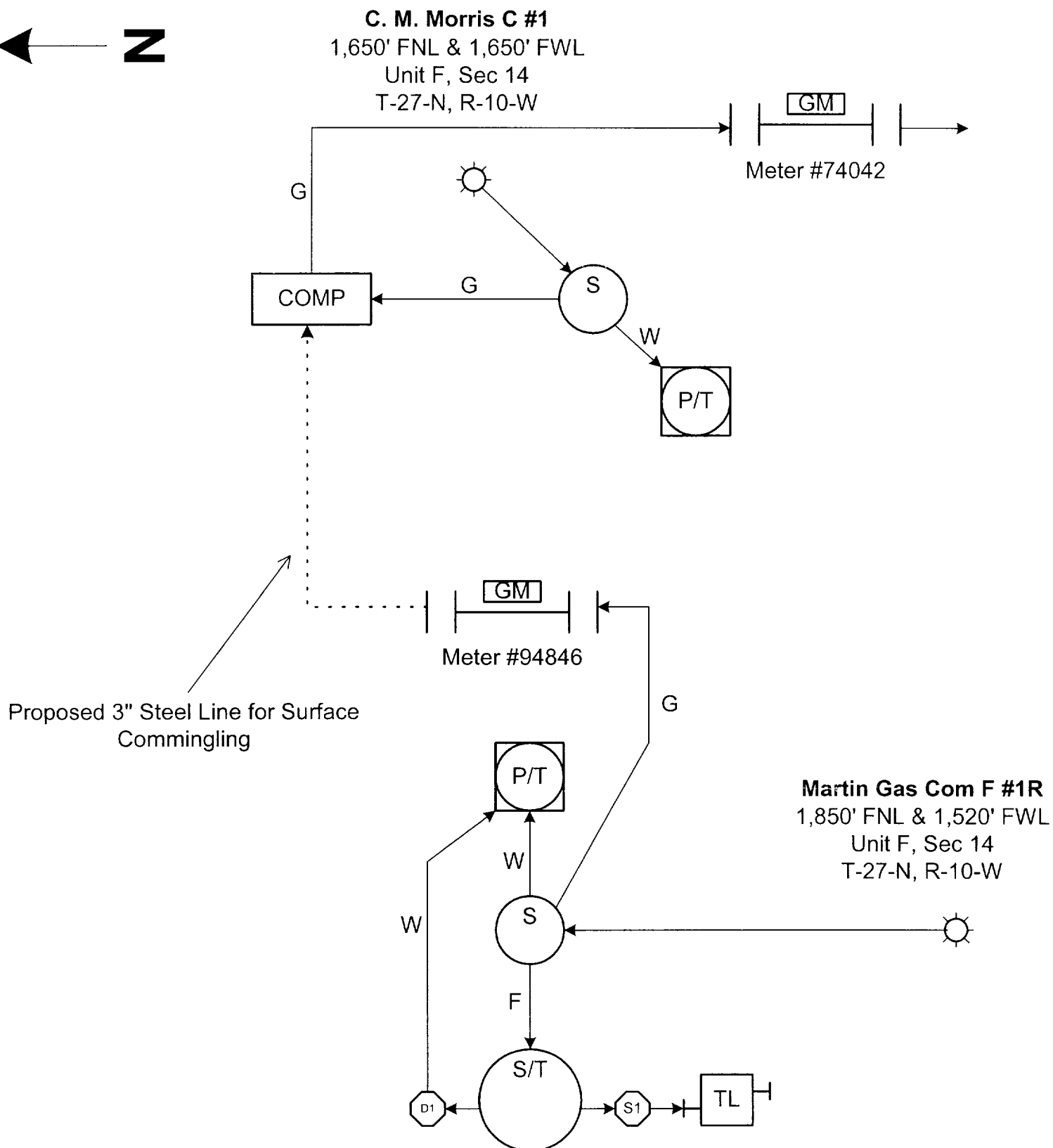
Gas Allocation Formula

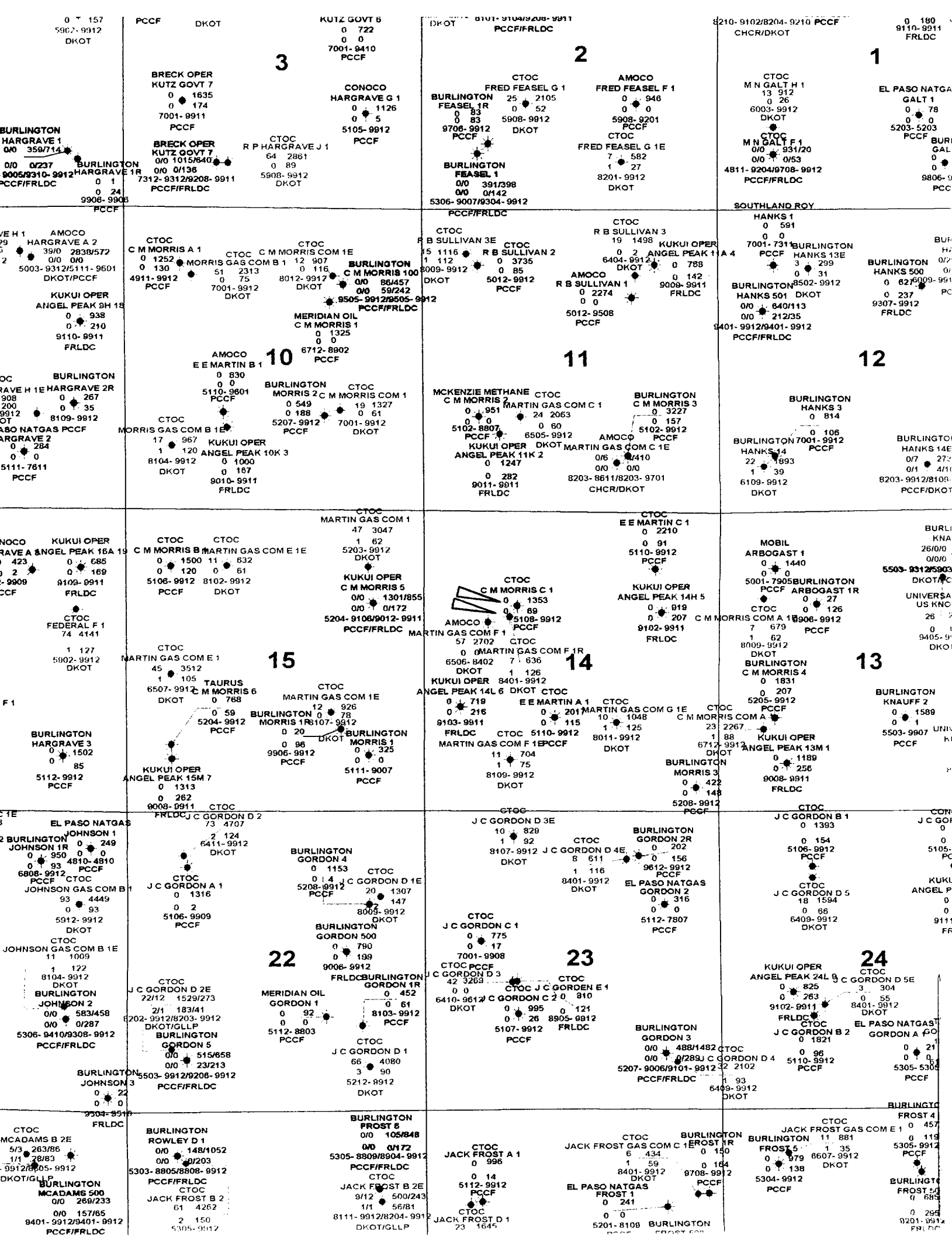
The El Paso Field Services (EPFS) meter and meter runs will remain in place. Gas volumes for the C. M. Morris C #1 will be determined by the following formula:

$$\text{C. M. Morris C \#1 Production} = \text{Meter \#74042} - \text{Meter \#94846} + \text{Allocated compressor fuel gas}$$

The compressor's fuel gas will be allocated equally between both wells. The fuel gas usage is estimated to be 9 MCFD for the compressor.

No commingling of oil or water will occur. Production and sales will be based on actual measured volumes from each well.







Cross Timbers Operating Company

February 7, 2001

Ms. Lori Wrotenberry
New Mexico Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, New Mexico 87504

RE: Administrative Approval to Surface Commingle
C. M. Morris C #1 & Martin Gas Com F #1R
Sec 14, T-27-N R-10-W
San Juan County, New Mexico

Dear Ms. Wrotenberry,

On November 27, 2000 Cross Timbers Operating Company (CTOC) applied for administrative approval to surface commingle the C. M. Morris C #1 and the Martin Gas Com F #1R. Certified, return receipt notices were sent out to all working, royalty and overriding royalty interest owners detailing the planned surface commingling. At this time the 20 day waiting period has expired and CTOC has not been notified of any objections. CTOC hereby requests approval to proceed with the planned surface commingling.

If you need additional information or have any questions, please give me a call at (505) 324-1090.

Sincerely,
CROSS TIMBERS OPERATING COMPANY

Darrin L. Steed
Operations Engineer

Cc: Well File
DLS File

C:\Work\Surface Commingles\SC Morris C #1 & Martin F #1R.doc