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Cross Timbers Operating Company

Mr. David Catanach
New Mexico Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, New Mexico 87504

1043
8 2001

RE: Administrative Approval to Surface Commingle
J.C. Gordon A #1 and J.C. Gordon D #2
Sec 22, T 27N, R 10W
San Juan County, New Mexico

Dear Mr. Catanach,

XTO Energy (XTO) requests administrative approval to surface commingle the gas from the J.C. Gordon A #1 and J.C. Gordon D #2 wells.

The J. C. Gordon A #1 is a Pictured Cliffs well that will not produce against current line pressure. The J. C. Gordon D #2 is a Dakota well producing with the aid of a compressor on the same location as the J. C. Gordon A #1. It is proposed to utilize the J.C. Gordon D #2 compressor to compress the J. C. Gordon A #1 gas. This would allow the J. C. Gordon A #1 to be returned to production in an economical manner.

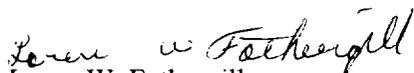
The following are enclosed for your review of the proposed surface commingling.

1. Well information table,
2. Gas production allocation formula,
3. Proposed battery schematic,
4. Well location plat.

On May 10, 2001, XTO sent out certified, return receipt notices 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 XTO has not been notified of any objections. XTO hereby requests approval to proceed with the planned surface commingling.

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

Sincerely,


Loren W. Fothergill

XC: Gary Markestad
L.W. Fothergill
Well File

NMSF- 0077952

J. C. Gordon A #1 & D #2

Well Information

	J. C. Gordon A #1	J. C. Gordon D #2
Location	Unit D, Sec 22, T 27N R 10 W	Unit D, Sec 22, T 27 N R 10 W
API#	30 045 06423	30 045 06434
Lease Number	SF 077952	SF 077952
Pool Name	Flucher Kutuz Pictured Cliffs	Basin Dakota
Pool Code	77200	71599
Gas Gravity	0.6	0.756
Gas Rate (MCFPD)	50 (est.)	140

nw14

w12

Gas Allocation Formula

The El Paso Field Service (EPNG) meters and meter runs will remain in place. An additional 4" allocation meter run and meter will be utilized to measure the gas from the J. C. Gordon D #2.

J. C. Gordon D #2 Production = (D #2 meter / (D #2 meter + A #1 meter)) * CDP meter.

J. C. Gordon A #1 Production = (A #1 meter / (D #2 meter + A #1 meter)) * CDP meter.

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

CTOC owns 100% working interest in the J.C. Gordon A #1 well and 50% of the J.C. Gordon D #2. All working and royalties interest owners have been notified.

J C GORDON A#1 & D #2
Sec 22, T 27 N, R 10 W
San Juan County, New Mexico

