



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

August 21, 2000

Lori Wrotenbery

Director

Oil Conservation Division

Cross Timbers Operating Company
810 Houston Street - Suite 2000
Fort Worth, Texas 76102-6289
Attention: Edwin S. Ryan, Jr.

Telefax No. (817) 870-1671

SECOND AMENDED Administrative Order NSL-4338

Dear Mr. Ryan:

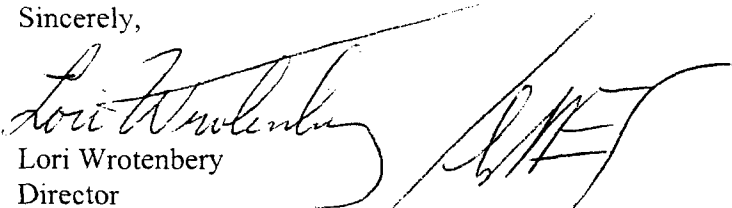
Reference is made to your application dated July 25, 2000 requesting that Division Administrative Order NSL-4338 be amended a second time to reflect another location change for Cross Timbers Operating Company's ("Cross Timbers") proposed Brown Well No. 3 (**API No. 30-045-29900**) to be drilled within a standard 320-acre lay-down gas spacing and proration unit comprising the S/2 of Section 29, Township 30 North, Range 12 West, NMPM, Basin-Fruitland Coal (Gas) Pool, San Juan County, New Mexico.

Division Administrative Order NSL-4338, dated August 30, 1999, authorized Cross Timbers to drill the Brown Well No. 3 at an off-pattern non-standard coal gas well location 1705 feet from the South line and 1285 feet from the East line (Unit I) of Section 29. By an amendment to this order dated March 28, 2000 a location change to a point 660 feet from the South line and 2260 feet from the East line (Unit O) of Section 29 was approved.

This newly proposed application has been duly filed under the provisions of: (i) Rule 8 of the "*Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool*," as promulgated by Division Order No. R-8768, as amended; (ii) Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission ("Commission") in Case No. 12119 on August 12, 1999; and (iii) Rule 1207.A (2), revised by Division Order No. R-11205, issued by the Commission in Case No. 12177 on June 17, 1999.

By the authority granted me under the provisions of: (i) Rule 8 of the special pool rules for the Basin-Fruitland Coal Gas Pool; and (ii) Division Rule 104.F (2), Division Administrative Order NSL-4338 is hereby revised a second time in order to reflect a location change for the proposed well in the S/2 of Section 29 to be drilled at an unorthodox coal gas well location that is 685 feet from the South line and 2280 feet from the East line (Unit O) of Section 29. All other provisions of Division Administrative Order NSL-4338 shall remain in full force and effect until further notice.

Sincerely,



Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec
Mr. James Bruce, Legal Counsel for Cross Timbers Operating Company - Santa Fe
File: Case 12220