

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON Governor BETTY RIVERA Cabinet Secretary

March 25, 2002

Lori Wrotenbery Director Oil Conservation Division

XTO Energy, Inc. (formerly Cross Timbers Operating Company) 810 Houston Street - Suite 2000 Fort Worth, Texas 76102-6298 Attention: George A. Cox George Cox@XTOEnergy.com Telefax No. (817) 870-1671

AMENDED Administrative Order NSL-130-A

Dear Mr. Cox:

Reference is made to the following: (i) your application that was submitted to the New Mexico Oil Conservation Division ("Division") on March 4, 2002 (*application reference No.* pKRV0-206430054) to amend Division Administrative Order NSL-130-A, dated December 3, 2001; and (ii) the Division's records in Santa Fe, including the file on Division Administrative Orders NSL-130 and 130-A.

Division Administrative Order NSL-130-A, authorized XTO Energy, Inc. ("XTO") to drill its Schwerdtfeger "A" Well No. 12-B to the Blanco-Mesaverde Pool as a third infill well within an existing 320.68-acre gas spacing and proration unit ("GPU") comprising Lots 3 through 7, the SE/4 NW/4, and E/2 SW/4 (W/2 equivalent) of Section 6, Township 27 North, Range 8 West, NMPM, San Juan County, New Mexico, at an unorthodox gas well location 2385 feet from the North line and 2580 feet from the West line (Unit F) of Section 6.

At this time XTO seeks to amend Division Administrative Order NSL-130-A to: (i) change the designation of this well from the Schwerdtfeger "A" Well No. 12-B to the Schwerdtfeger "A" Well No. 3-F; and (ii) include the deeper Basin-Dakota Pool to the provisions of this order, establishing it as a second infill gas well within an existing standard 320.68-acre GPU for the Basin-Dakota Pool (71629) also comprising Lots 3 through 7, the SE/4 NW/4, and the E/2 SW/4 (W/2 equivalent) of Section 6. Pursuant to Rule II.C (1) of the "Special Rules and Regulations for the Basin-Dakota Pool," as promulgated by Division Order No. R-10987-B (2), issued in Case No. 12745 on January 29, 2002, this location is considered to be unorthodox.

The Dakota GPU is currently dedicated to the following XTO operated wells:

(i) Schwerdtfeger "A" Well No. 3-M (API No. 30-045-11605), located at a

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standard gas well location 885 feet from the North line and 815 feet from the West line (Lot 4/Unit D) of Section 6; and

(ii) Schwerdtfeger "A" Well No. 3-E (API No. 30-045-24583), located at a standard gas well location 1800 feet from the South line and 800 feet from the West line (Lot 6/Unit L) of Section 6.

The application has been duly filed under the provisions of Division Rules 104.F and 605.B.

By the authority granted me under the provisions of Division Rule 104.F (2), the abovedescribed Schwerdtfeger "A" Well No. 3-F is hereby approved as a second infill Dakota gas well location on the 320.68-acre GPU comprising the W/2 equivalent of Section 6.

Further, all three of the aforementioned Schwerdtfeger "A" Wells No. 3-M, 3-E, and 3-F, and existing 320.68-acre GPU will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico and to the Basin-Dakota Pool.

All other provisions of Order NSL-130-A not in conflict with this change shall remain in full force and effect until further notice

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

Gri Wrotenberg

Lori Wrotenbery Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec U. S. Bureau of Land Management - Farmington File: NSL-130 NSL-130-A