

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

July 10, 2007

XTO Energy, Inc.
810 Houston Street
Fort Worth, Texas 76102-6298

Attention: Mr. Ryan O'Kelley

Re: **Ohio Govt Well No. 2F**
API No. 30-045-34069
1810' FSL & 2155' FWL (Unit K)
Section 15, T-28 North, R-11 West, NMPM,
San Juan County, New Mexico

Administrative Order NSL-5651

Dear Mr. O'Kelley:

Reference is made to the following:

- (a) XTO Energy, Inc.'s ("XTO" or "applicant") application for a non-standard well location (*administrative application reference No. pCLP0716337587*) for the Ohio Govt Well No. 2F that was submitted to the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico on June 12, 2007; and
- (b) the Division's records pertinent to your request.

XTO requests approval of an unorthodox well location for its existing Ohio Govt. Well No. 2F in the Wildcat Basin-Mancos Pool (Gas – N/A) located 1810 feet from the South line and 2155 feet from the West line (Unit K) of Section 15, Township 28 North, Range 11 West, NMPM, San Juan County, New Mexico. The SW/4 of Section 15 is to be dedicated to the well forming a standard 160-acre spacing and proration unit for the Wildcat Basin-Mancos Pool.

The Wildcat Basin-Mancos Pool is currently governed by Division Rule 19.15.3.104(C) which requires standard 160-acre spacing and proration units with wells to be located no closer than 660 feet to the outer boundary of the unit nor closer than 10 feet to any quarter-quarter section line or subdivision inner boundary.

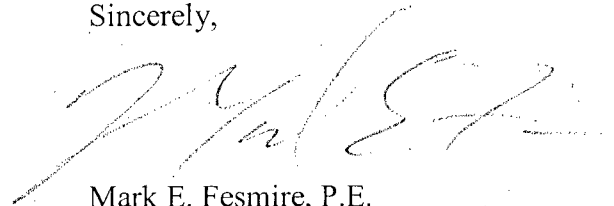
The Ohio Govt Well No. 2F was drilled in March, 2007, and was completed in the Basin-Dakota Gas Pool. It is our understanding that XTO now proposes to complete the well in the Mancos formation and downhole commingle the well in the Wildcat Basin-Mancos and Basin-Dakota Gas Pools.

The applicant provided notice of its application to the owners of operating rights within the SE/4 of Section 15, Township 28 North, Range 11 West, NMPM, being the affected offset acreage. No party objected to the application within the 20-day waiting period prescribed by Division Rule 19.15.3.104(F).

Division records show that the Ohio Govt Well No. 2F will be the only producing well in the Wildcat Basin-Mancos Pool within the SW/4 of Section 15..

Pursuant to the authority granted under the provisions of Division Rule 19.15.3.104.F(2), the above-described unorthodox gas well location in the Wildcat Basin-Mancos Pool is hereby approved.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Mark E. Fesmire', is written over a light blue horizontal line.

Mark E. Fesmire, P.E.
Division Director

MEF/drc

cc: New Mexico Oil Conservation Division – Aztec
Bureau of Land Management-Farmington