

AMEND NSL 10/2/00
25756111



Cross Timbers Oil Company

September 5, 2000

RECEIVED
SEP 11 2000

Mr. Michael Stogner

Certified Mail # 7093-6206

New Mexico Oil Conservation Division

2040 South Pacheco

Santa Fe, New Mexico 87505

Re: Application for Administrative Approval to Amend Order No. NSL-4169 to Allow For an Unorthodox Location as to the Morrison and Dakota Formations Cross Timbers Operating Company's Ute Mountain Tribal "J" #7 Well API No. 30-045-29864 575' FNL & 625' FWL (Unit D) of Section 12-T31N-R14W San Juan County, New Mexico

Dear Mr. Stogner:

Cross Timbers Operating Company ("Cross Timbers") hereby requests administrative approval for the captioned order to be amended to allow for production from the Morrison and Dakota formations. Attached for your reference are the following exhibits:

1. Well location plat (NMOCD Form C-102);
2. Ownership map;
3. Copy of NMOCD Order No. NSL-4169; and
4. Directional drilling survey.

Cross Timbers received approval for an unorthodox gas well location in the Undesignated Ute Dome-Paradox Pool pursuant to Order No. R-4169 and subsequently spud the well on June 27, 1999, and set production casing on August 17, 1999. During clean out after a fracture stimulation job, the drill string became stuck and fishing operations to recover it were unsuccessful. The top of the fish is at 7,484 feet. Current plans are to abandon the Paradox by setting a CIBP and test the Morrison and Dakota sands in this well. The NW/4 of Section 12, being 160 acres, more or less, would be a standard gas spacing and proration unit for wildcat Morrison gas production and Ute Dome-Dakota Pool gas production. Current rules state that the well should be located no closer than 660' to the outer boundary of the quarter section line. By utilizing the existing well bore for a recompletion attempt in the Morrison and Dakota sands, Cross Timbers would be able to minimize environmental impact while hopefully obtaining additional production.

As captioned above, the surface location on this well is 575' FNL & 625' FWL. At a bottom-hole true vertical depth of 8,678' the footages are 237' FNL and 628' FWL. This natural drilling deviation occurred due to a fault to the north of this well. **At a true vertical depth of 3,608' the footages are 277' FNL and 657' FWL.** This was our tie in point for directional tools during drilling operations---see attached directional survey. Cross Timbers will be completing sands in the Morrison and Dakota formations from

2,574' to 3,436'. The bottom-hole location at 3,608' should be the most unorthodox with the remainder of the wellbore being between the surface location and this location.

The NW/4 of Section 12 and all adjoining 160 acre spacing units are on leases granted by the Ute Mountain Ute Tribe to Amoco and are now 100% owned by Cross Timbers; therefore, there are no other offset operators to notify. However, we are notifying the Tribe and the BLM

In summary, Cross Timbers would like to request that the captioned Unorthodox Location Order be amended to allow for production from the Morrison and Dakota formations based on the information stated above. If additional clarification or information is needed, please call me at (817) 885-2661.

Your consideration in this matter is appreciated.

Very truly yours,



Tim Welch
Senior Landman
Cross Timbers Operating Company

cc: Mr. Gordon Hammond
Ute Mountain Ute Tribe
P.O. Box 42
Towaoc, Colorado 81334

Certified Mail # 7093-6213

Mr. G.D. Simon
Data Consultants Incorporated
P.O. Box 14749
Albuquerque, New Mexico 87191

Certified Mail # 7093-6220

Bureau of Land Management
San Juan Resource Area
15 Burnett Court
Durango, Colorado 81301-3647

Certified Mail # 7093-6237

District I
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised February 21, 1994

District II
PO Drawer DD, Artesia, NM 88211-0719

Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

District III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
PO Box 2088.
Santa Fe, NM 87504-2088

AMENDED REPORT

District IV
PO Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code 86760	*Pool Name UTE DOME PARADOX
*Property Code	*Property Name UTE MOUNTAIN TRIBAL J		*Well Number 7
*GRID No. 167067	*Operator Name CROSS TIMBERS OPERATING COMPANY		*Elevation 6108'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	12	31N	14W		575	NORTH	625	WEST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 640	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶ 	2640.00'	1320.00'	1684.32'	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature Gary L. Markestad Printed Name Vice President/Production Title Date 1/4/98
			1	
	5280.00'	12	2	
			3	
			5279.34'	¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. SEPTEMBER 21, 1998 Date of Survey Signature and Seal Certificate
	2640.00'	1320.00'	1613.04'	



Cross Timbers Oil Company

Ownership Map for all Formations

Ute Mountain Tribal J-7 Well, NW/4 of Section 12, T-31-N, R-14-W

STATE: New Mexico COUNTY: San Juan

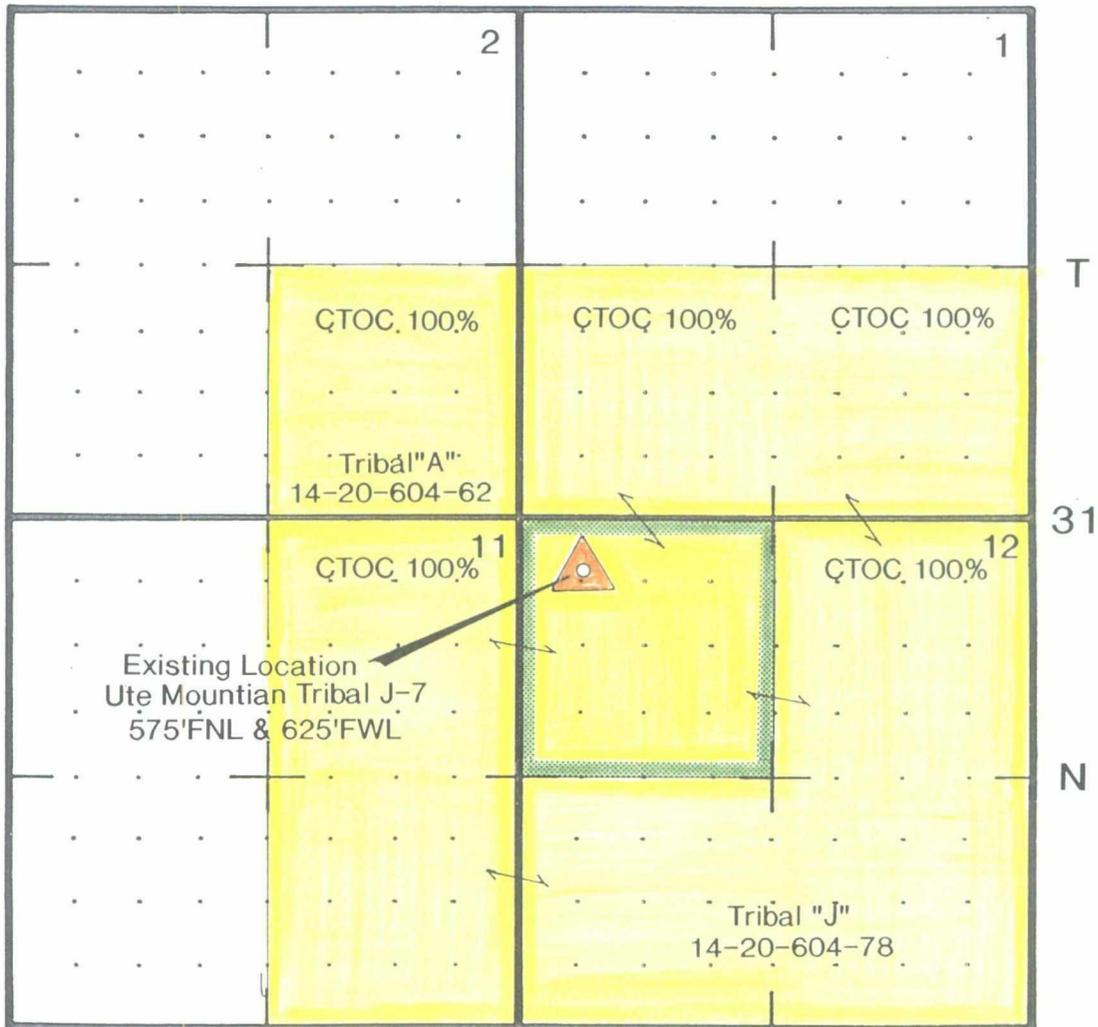
PROSPECT: NW/4=160Acres Gas Spacing and Proration Unit. DATE: 9/5/2000

SECTIONS: 12 BLOCK: _____ SURVEY: _____

ACRES: _____ TOWNSHIP: 31-N RANGE: 14-W

SCALE: 1"=2,000'

R-14-W

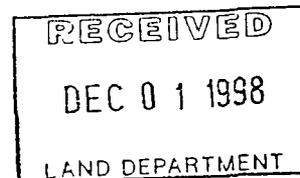




NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

November 23, 1998



Cross Timbers Oil Company
810 Houston Street - Suite 2000
Fort Worth, Texas 76102-6298
Attention: Edwin S. Ryan, Jr.

cc: Jeff Meyer
JERRY Staudis
GARY BURCH
Barry Voigt
Bobby Smith - Midland

Administrative Order NSL-4169

Dear Mr. Ryan:

Reference is made to your application dated November 16, 1998 for Cross Timbers Oil Company to drill its proposed Ute Mountain Tribal "J" Well No. 7 at an unorthodox gas well location in order to test the Undesignated Ute Dome-Paradox Pool 575 feet from the North line and 625 feet from the West line (Unit D) of Section 12, Township 31 North, Range 14 West, NMPM, as projected into the unsurveyed Ute Mountain Indian Reservation, San Juan County, New Mexico. All of Section 12 is to be dedicated to this well in order to form a standard 640-acre, more or less, gas spacing and proration unit for this pool.

The subject application has been duly filed under the provisions of Rule 104.F of the New Mexico Oil Conservation Division Rules and Regulations.

The geologic interpretation submitted with this application indicates that a well drilled at the proposed unorthodox gas well location will be at a more favorable geologic position within the Paradox formation than a well drilled at a location considered to be standard for this 640-acre, more or less, unit.

By the authority granted me under the provisions of the special pool rules governing the Ute Dome-Paradox Pool, set forth in Division Order No. R-46, dated December 29, 1950, Division Memorandum 4-86, dated June 2, 1986, and Division Rule 104.F(2), the above-described unorthodox gas well location for the proposed Ute Mountain Tribal "J" Well No. 7 is hereby approved for gas production from the Undesignated Ute Dome-Paradox Pool.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Durango, Colorado

Stogner, Michael

From: Hayden, Steven
Sent: Thursday, October 19, 2000 10:57 AM
To: Stogner, Michael
Subject: RE: 2 Burlington Tocito Orders

OK by me.

On the Crosstimbers Ute Mtn Tribal "J" #7 well, The pools are: Ute Dome Dakota and the Ute Dome Morrison (as an extension to the pool I am creating in the next nomenclature hearing.)
Steve

From: Stogner, Michael
Sent: Thursday, October 19, 2000 10:50 AM
To: Valdes, Kathy
Cc: Hayden, Steven
Subject: 2 Burlington Tocito Orders

drafts attached

<<File: Tocito01.doc>><<File: Tocito02.doc>>

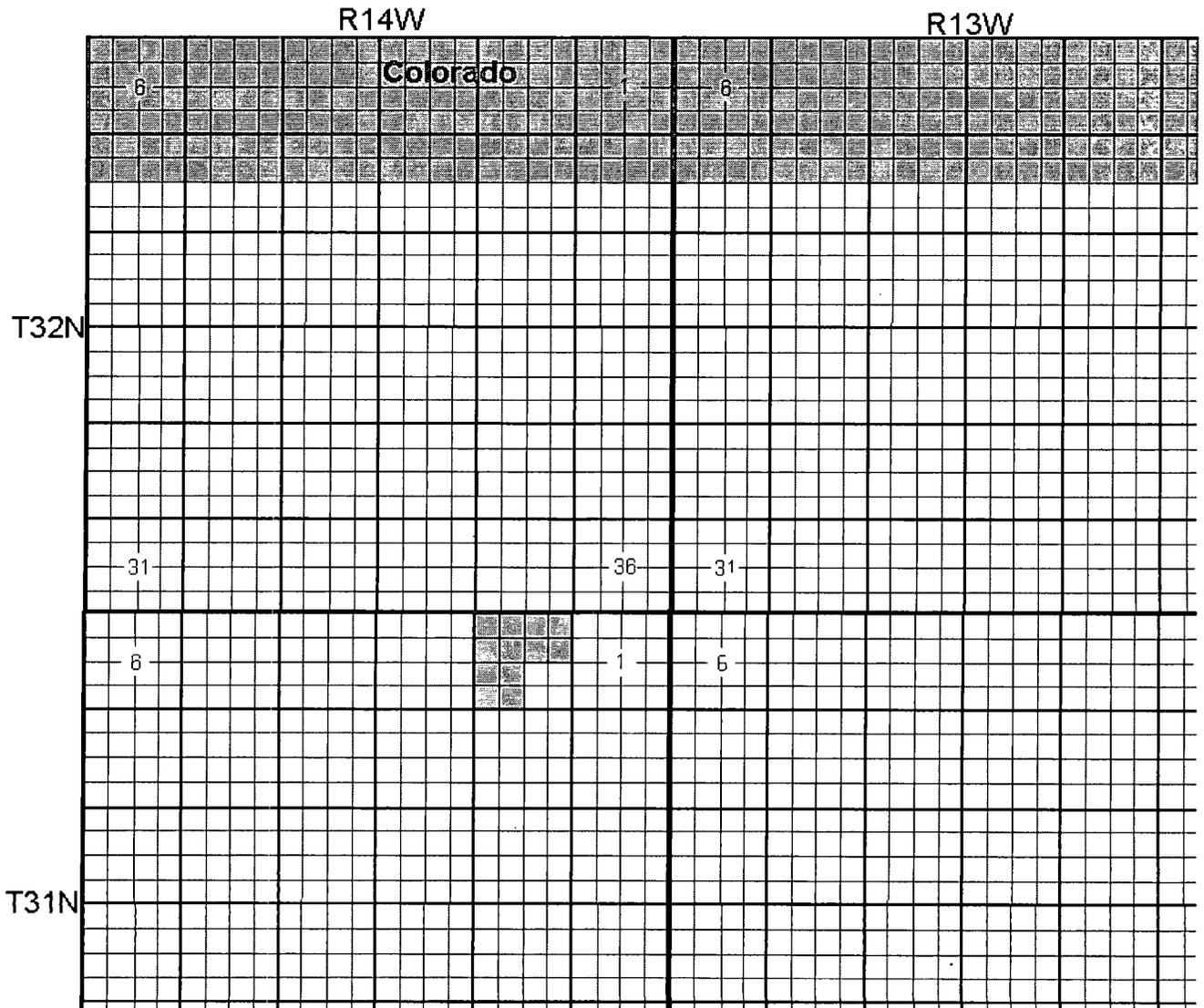
11-14-00
conversation w/
Tim Wilsh

Stogner, Michael

From: Hayden, Steven
Sent: Thursday, October 19, 2000 11:11 AM
To: Stogner, Michael
Subject: Ute Dome Morrison

San Juan County

Ute Dome Morrison Gas Pool



COUNTY *San Juan*

POOL *Ute Dome - Dakota*

TOWNSHIP *32 North*

RANGE *13 West*

NMPM

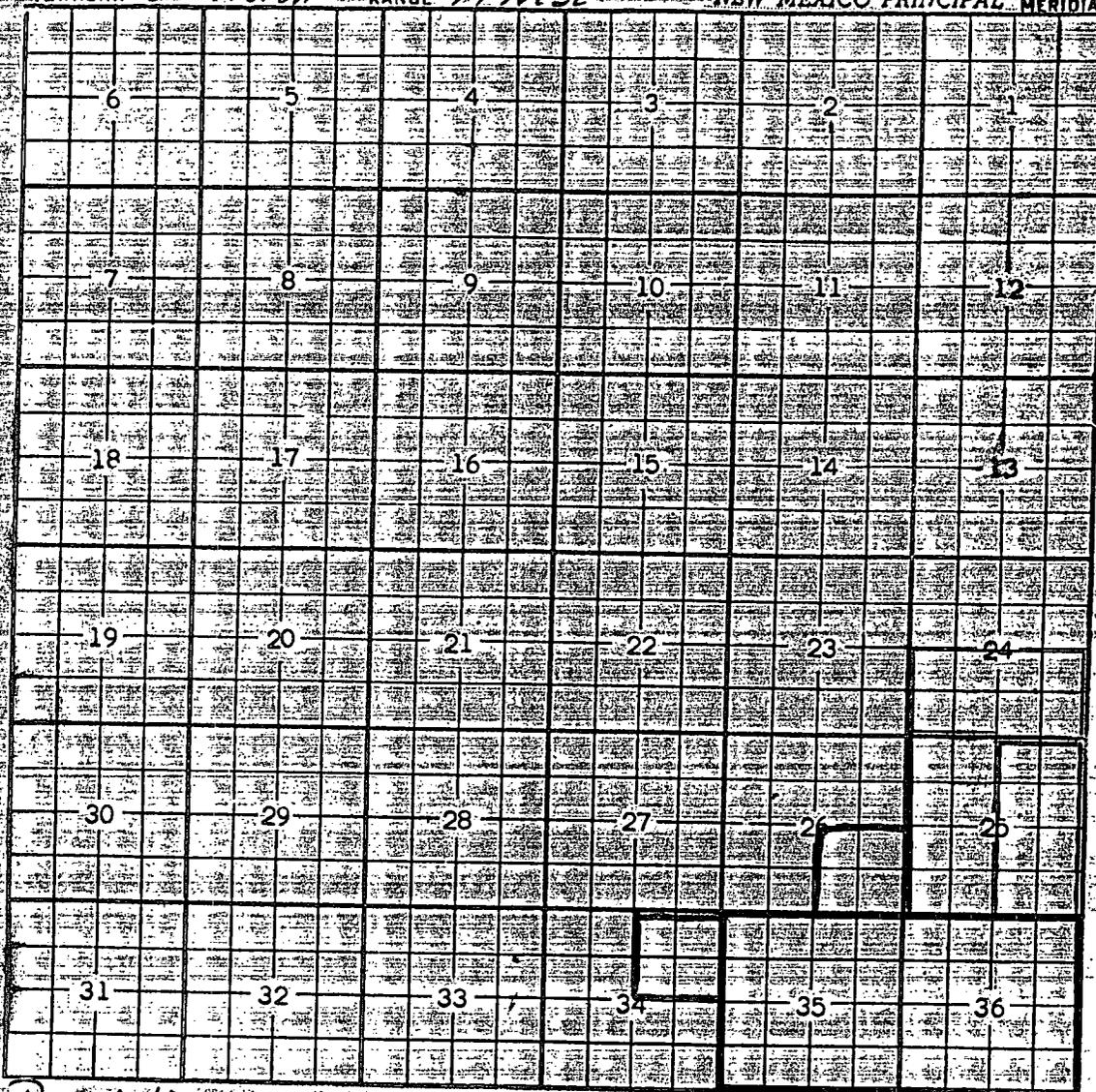
6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Ext: $\frac{SW}{4}$ Sec 30 (R-5339, 2-1-77) EXT: $\frac{N}{2} + \frac{SE}{4}$ Sec. 30 (R-6056, 8-1-79)

Ext: $\frac{N}{2}$ Sec 31 (R-7046, 8-6-82)

County San Juan Pool Ute Dome - Dakota

TOWNSHIP 32 North RANGE 14 West NEW MEXICO PRINCIPAL MERIDIAN



Description: All Sec. 35 & 36 (R-13 3-15-50)

Ext. 1/2 Sec 25 (R-4690, 12-1-73) Ext. 1/2 Sec 24 (R-5779, 8-1-78)

Ext. 1/2 Sec 25 (R-6327, 5-1-80) Ext. 3/4 sec 26, NE 1/4 sec 34,
(R-6886, 1-22-82)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPPLICATE Other instructions on reverse side

5. Lease Serial No.
Ute 14-20-0604-0078

6. If Indian, Allottee or Tribe Name
Ute Mountain Ute Tribe

7. If Unit or CA/Agreement, Name and/or No

8. Well Name and No.
Ute Mountain Tribal J #7

9. API Well No.
30-045-29864

10. Field and Pool, or Exploratory Area
Ute Dome (Paradox)

11. County or Parish, State
San Juan NM

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Cross Timbers Operating Company

3a. Address **2700 Farmington Ave., Bldg K, Suite 1, Farmington, NM 87401**

3b. Phone No. **505/324-1090**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
575' FNL & 625' FWL, Unit Ltr D Sec. 12, T31N, R14W

RECEIVED
SEP - 7 1999
OIL CON. DIV. DIST. 3
AUG 25 1999
Bureau of Land Management
Durango, Colorado

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Running</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>4-1/2" casing</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximated duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

Drilled fnt to 8700'. TD. RU csg crew & ran 4-1/2", 11.6#, N-80, LTC csg and set @ 8699'. RU Dowell/Schlumberger & cmtd in 2 Stages. First stage: 750 sx 50/50 Poz B cmt w/2% D-20, 0.5% D-60, 0.25#/sx D-29 & 0.10% D-65 (12.8 ppg, 1.55 cuft/sx). Total slurry on 1st Stage is 1162 cuft. Disp cmt w/135 bbls fluid. Bumped plug to 1500 psig. Float held OK. Dropped opening bomb & opened DV tool (DV tool @ 3775-3779') w/300 psig. Circ for 4 hrs, had good circ. Second stage: 750 sx C1 B cmt w/2% D-79, 0.25#/sx D-29 & 2% S1 (11.4 ppg, 2.87 cuft/sx), followed by 500 sx C1 B cmt w/2% D-79, 0.25#/sx D-29 & 2% S1 (13.5 pg, 1.71 cuft/sx). Total slurry on 2nd Stage is 3008 cuft. Disp cmt w/59 BW. PD @ 6:00 am (MDT), 8/17/99. Closed DV tool w/2500 psig. Held OK. Circ 195 sx to pit. NU & tested BOP. ND BOP. Set slips & cut 4-1/2" csg. Jetted & cleaned pits. Rel rotary @ 11:00 am, 8/17/99.

Administrative Order NSL-4169

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed) **Bobby L. Smith** *Bobby L. Smith* Title **Drilling/Operations Manager**

Date **ACCEPTED FOR RECORD**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by **BY: TG 9/3/99** Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

San Juan Resource Area
Bureau of Land Management

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
Ute 14-20-0604-0078
6. If Indian, Allottee or Tribe Name
Ute Mountain Ute Tribe
If Unit or CA/Agreement, Name and/or No

SUBMIT IN TRIPLICATE - Other instructions on reverse side

RECEIVED
AUG 19 1999
OIL CON. DIV
DIST. 3

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
 Cross Timbers Operating Company

3a. Address
 Bldg K, Suite 1, Farmington, NM 87401

3b. Phone No. (include area code)
 505/324-1090

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 575' FNL & 625' FWL, Unit Ltr D
 Sec. 12, T31N, R14W

8. Well Name and No.
 Ute Mountain Tribal J #7

9. API Well No.
 30-045-29864

10. Field and Pool, or Exploratory Area
 Ute Dome (Paradox)

11. County or Parish, State
 San Juan NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other <u>Set cmt plugs & sidetrack fish in hole.</u>
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximated duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomple in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

While taking a survey @ 6198', the drill pipe became stuck. While attempting to jar the fish free, the drill string parted. Due to the inability to get over fish #2, the decision was made to sidetrack the hole. Dan Rabinowitz (BLM) was notified and verbal approval was given. A 220 sx cmt plug, followed by a 400 sx cmt plug were used to plug back to 3637'. The cmt plug was dressed off to 3816'. Directional tools were then run and kick-off was obtained at approximately 4059'.

Administrative Order NSL-4169

RECEIVED

JUL 27 1999

Bureau of Land Management
Durango Colorado

14. I hereby certify that the foregoing is true and correct
 Name (Printed/Typed) Bobby L. Smith *Bobby L. Smith* Title Drilling/Operations Manager
 Date July 26, 1999

THIS SPACE FOR FEDERAL OR STATE OFFICE RECORD

Approved by _____ Title _____ Date _____
 Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
 Office *TC 8/15/99*
 Resource Area

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

NMOC

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

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5. Lease Serial No.

Ute 14-20-0604-0078

6. If Indian, Allottee or Tribe Name

Ute Mountain Ute Tribe

7. If Unit or CA/Agreement, Name and/or No

SUBMIT IN TRIPLICATE - Other instructions on reverse **AUG 18 1999**

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

Cross Timbers Operating Company

3a. Address

Bldg K, Suite 1, Farmington, NM 87401

3b. Phone No. (include area code)

505/324-1090

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

575' FNL & 625' FWL, Unit Ltr D
Sec. 12, T31N, R14W

8. Well Name and No.

Ute Mountain

Tribal J #7

9. API Well No.

30-045-29864

10. Field and Pool, or Exploratory Area

Ute Dome (Paradox)

11. County or Parish, State

San Juan NM

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<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Rule Clarification</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input checked="" type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

Please provide clarification on minimum distance from the section line that we would be allowed on the subject well. Our current depth as of 2:00 pm (MDT), 7/29/99, was 6040' MD. Our last survey point was 6031'; inclination 0.7 deg, azimuth 316 deg; BHL 309' north and 7.5' east of the surface location.

We are currently drilling with a downhole motor and MWD. We were thinking of laying down the motor on the next bit trip, which should be 7/30/99. However, that would not allow us to control the direction of the well should it keep drifting to the north as it is now. Current drift is approximately 1/2 deg per 100', essentially due north. From our last survey point to our projected TD of 8700', assuming direction would be north, the BHL could be 651' north of the surface location. Please review this information and provide guidelines. Your instruction will help us decide if and when we can return to conventional drilling. Your cooperation is appreciated.

AUG 5 1999

Bureau of Land Management

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) Bobby L. Smith <i>Bobby L. Smith</i>	Title Durango Colorado Drilling/Operations Manager
	Date July 29, 1999

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Schlumberger

Anadrill

Survey Calculation Sheet

Company Cross Timbers
 Well UTE Mountain Tribal J#7
 Field San Juan County, NM
 Rig Key # 54
 Anadrill D.D. A. AGUILAR

Mag. Decl. 11.60
 Target TVD 8,700
 Target Az. 180.00
 Tgt. Coord. ST-001

Date	No.	DEPTH	INC.	AZM	C.L.	T.V.D.	V.S.	N/S	EW	DLS	B/D.	BHA
Tie - In		3,628.0	3.20	72.20		3,607.5	-298.16	298.16 N	32.45 E			
	1	3,792.0	3.30	110.20	164	3,771.2	-297.93	297.93 N	41.24 E	1.29	0.06	
	2	3,855.0	3.20	105.90	63	3,834.1	-296.82	296.82 N	44.63 E	0.42	-0.16	
	3	3,949.0	1.30	91.90	94	3,928.1	-296.07	296.07 N	48.22 E	2.09	-2.02	
	4	3,979.0	2.20	98.80	30	3,958.0	-295.97	295.97 N	49.13 E	3.08	3.00	
	5	4,074.0	0.70	255.70	95	4,053.0	-295.55	295.55 N	50.37 E	3.01	-1.58	
	6	4,166.0	4.20	284.40	92	4,144.9	-296.24	296.24 N	46.56 E	3.91	3.80	
	7	4,257.0	3.40	282.80	91	4,235.7	-297.67	297.67 N	40.70 E	0.89	-0.88	
	8	4,350.0	3.10	277.20	93	4,328.6	-298.60	298.60 N	35.52 E	0.47	-0.32	
	9	4,444.0	2.90	259.40	94	4,422.5	-298.48	298.48 N	30.66 E	1.01	-0.21	
	10	4,538.0	2.80	258.20	94	4,516.3	-297.57	297.57 N	26.08 E	0.12	-0.11	
	11	4,632.0	2.40	275.80	94	4,610.2	-297.30	297.30 N	21.87 E	0.94	-0.43	
	12	4,725.0	2.60	283.70	93	4,703.2	-298.00	298.00 N	17.88 E	0.43	0.22	
	13	4,817.0	1.60	286.30	92	4,795.1	-298.85	298.85 N	14.62 E	1.09	-1.09	
	14	4,912.0	0.90	267.80	95	4,890.1	-299.20	299.20 N	12.60 E	0.84	-0.74	
	15	5,005.0	0.70	241.50	93	4,983.1	-298.90	298.90 N	11.38 E	0.44	-0.22	
	16	5,099.0	0.60	252.40	94	5,077.0	-298.47	298.47 N	10.40 E	0.17	-0.11	
	17	5,224.0	0.70	323.70	125	5,202.0	-298.89	298.89 N	9.33 E	0.61	0.08	
	18	5,349.0	0.10	84.70	125	5,327.0	-299.52	299.52 N	8.98 E	0.61	-0.48	
	19	5,472.0	1.25	342.79	123	5,450.0	-300.81	300.81 N	8.69 E	1.04	0.93	
	20	5,565.0	1.03	1.64	93	5,543.0	-302.61	302.61 N	8.42 E	0.46	-0.24	
	21	5,657.0	0.52	44.06	92	5,635.0	-303.74	303.74 N	8.73 E	0.80	-0.55	
	22	5,751.0	0.60	7.40	94	5,729.0	-304.53	304.53 N	9.09 E	0.38	0.09	
	23	5,843.0	1.14	356.36	92	5,821.0	-305.93	305.93 N	9.09 E	0.61	0.59	
	24	5,936.0	1.24	326.40	93	5,914.0	-307.69	307.69 N	8.48 E	0.67	0.11	
	25	6,031.0	0.70	315.90	95	6,009.0	-308.96	308.96 N	7.51 E	0.60	-0.57	
PROJ	26	6,100.0	1.05	360.00	69	6,077.9	-309.89	309.89 N	7.21 E	1.06	0.51	
	27	6,200.0	1.55	360.00	100	6,177.9	-312.16	312.16 N	7.21 E	0.50	0.50	
	28	6,300.0	2.05	360.00	100	6,277.9	-315.30	315.30 N	7.21 E	0.50	0.50	
	29	6,400.0	2.55	360.00	100	6,377.8	-319.32	319.32 N	7.21 E	0.50	0.50	
	30	6,500.0	3.05	360.00	100	6,477.7	-324.20	324.20 N	7.21 E	0.50	0.50	
	31	6,600.0	3.55	360.00	100	6,577.5	-329.96	329.96 N	7.21 E	0.50	0.50	
	32	6,800.0	4.55	360.00	200	6,777.0	-344.08	344.08 N	7.21 E	0.50	0.50	
	33	7,000.0	5.55	360.00	200	6,976.2	-361.69	361.69 N	7.21 E	0.50	0.50	
	34	7,200.0	6.55	360.00	200	7,175.1	-382.77	382.77 N	7.21 E	0.50	0.50	
	35	7,400.0	7.55	360.00	200	7,373.6	-407.31	407.31 N	7.21 E	0.50	0.50	
	36	7,600.0	8.55	360.00	200	7,571.6	-435.32	435.32 N	7.21 E	0.50	0.50	
	37	7,800.0	9.55	360.00	200	7,769.1	-466.78	466.78 N	7.21 E	0.50	0.50	
	38	8,000.0	10.55	360.00	200	7,966.1	-501.68	501.68 N	7.21 E	0.50	0.50	
	39	8,200.0	11.55	360.00	200	8,162.3	-540.01	540.01 N	7.21 E	0.50	0.50	
	40	8,400.0	12.55	360.00	200	8,357.9	-581.77	581.77 N	7.21 E	0.50	0.50	
	41	8,600.0	13.55	360.00	200	8,552.8	-626.93	626.93 N	7.21 E	0.50	0.50	
	42	8,700.0	14.05	360.00	100	8,649.9	-650.78	650.78 N	7.21 E	0.50	0.50	
	43											

Assumes 1/2° per 100' build rate, all due north.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires November 30, 2000

RECEIVED
JUL 20 1999

SUNDRY NOTICES AND REPORTS ON WELLS

RECEIVED
BLM

Use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

99 JUL -6 PM 3:54

OIL CONT. DIV.
DIST. 3

Submit in TRIPLICATE - Other instructions on reverse side

070 FARMINGTON, NM

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Cross Timbers Operating Company

3a. Address 2700 Farmington Ave.,
Bldg K, Suite 1, Farmington, NM 87401

3b. Phone No. (include area code)
505/324-1090

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
575' FNL & 625' FWL, Unit Ltr D
Sec. 12, T31N, R14W

5. Lease Serial No.

Ute 14-20-0604-0078

6. If Indian, Allottee or Tribe Name

Ute Mountain Ute Tribe

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Ute Mountain

Tribal J #7

9. API Well No.

30-045-29864

10. Field and Pool, or Exploratory Area
Ute Dome (Paradox)

11. County or Parish, State

San Juan NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE TYPE OF SUBMISSION, TYPE OF ACTION, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other <u>Spud and Surface Casing</u>

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

MIRU Key Energy Services Rig #54. Spudded 12-1/4" hole @ 5:30 pm (MST), 6/27/99. Drilled 12-1/4" hole to 857'. Ran new 8-5/8", 24#, J-55, STC csg & set @ 857'. RU Dowell/Schlumberger & cmt'd w/175 sx C1 B cmt w/2% D79, 2% CaCl₂, 1/4#/sx celloflake (11.4 ppg, 2.87 cuft/sx, 17.63 gals wtr/sx) followed w/150 sx C1 B cmt w/2% CaCl, 1/4#/sx celloflake (14.8 ppg, 1.34 cuft/sx, 6.29 gals wtr/sx). Disp cmt w/52 BFW. Plug down @ 7:15 am, 6/29/99. Bumped plug to 500 psig (400 psig over final disp press). Float held OK. Circ 101 sx cmt to surface. Cut off csg. WOC 26 hrs. Tested BOP equipment to 500/3000 psig, OK. Prep to drill out cement w/7-7/8" bit and drill ahead.

Administrative Order NSL-4169

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Bobby L. Smith

Bobby L. Smith

Title

Drilling/Operations Manager

Date

July 1, 1999

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

By: TC 7/19/99

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

San Juan Resource Area
Bureau of Land Management

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

MOOD

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Submit 8 FOR Tribal
Interest, 7 for BLM*
Other instructions on
reverse side)

FORM APPROVED
Budget Bureau No. 1004-0136
Expires: February 28, 1995

RECEIVED

JAN 05 1999

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

Bureau of Land Management
Durango Colorado

5. LEASE DESIGNATION AND SERIAL NO.
Ute 14-20-0604-0078
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Ute Mountain Ute Tribe
7. UNIT AGREEMENT NAME
22846

1a. Type of Work DRILL DEEPEN
1b. TYPE OF WELL
OIL WELL GAS WELL OTHER
Single Multiple
Zone Zone

8. FARM OR LEASE NAME, WELL NO.
UTE MOUNTAIN TRIBAL J
#7

2. NAME OF OPERATOR
Cross Timbers Operating Company

9. API WELL NO.
30-045-29864

3. ADDRESS AND TELEPHONE NO.
6001 Highway 64, Farmington, NM 87401 915/682-8873 Mark G. ...

10. FIELD AND POOL, OR WILDCAT
Ute Dome Paradox EXT

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At Surface: 575'FNL - 625' FWL
At proposed prod. zone>

11. SEC., T., R., OR BLK AND SURVEY OR AREA
Sec. 12, T31N-R14W

14. DISTANCE IN MILES AND DIRECTIONS FROM NEAREST TOWN OR POST OFFICE*
Please see attached Surface Use Program.

12. COUNTY OR PARISH
San Juan County
13. STATE
NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. Unit line, if any.)
575'

16. NO. OF ACRES IN LEASE
Approval of this agreement does not warrant or certify that the operator hereof and other holders of operating rights hold legal or equitable title to those rights in the subject lease which are committed hereto...

17. NO. OF ACRES ASSIGNED TO THIS WELL
679.82
640

18. DISTANCE FROM PROPOSED* LOCATION TO NEAREST WELL, DRILLING, COMPLETED OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH
8700'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
6108' G.L.

22. APPROX. DATE WORK WILL START*
1/99

Waiting / Planning approved for 30 days per MTL-4A

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	J-55, 8-5/8"	24#	850'	360 sxs Surf
7-7/8"	J-55, 4-1/2"	10.5#	8700'	1300 sxs Surf

Surface Lead: 260 sx of 35:65 Pozmix/Class 'H' cement w/8% Gel, 6 pps Gilsonite, 7 1/4 pps Celloflake (11.8 ppg, 2.26 cu.ft/sx, 12.32 gal/sx wtr.). Tail: 100 sx Class 'H' cement w/2% CaCl (15.6 ppg, 1.20 cu.ft/sx, & 5.25 gal/sx wtr.).

Production 1st Stage Lead: 700 sx of Class 'H' cement w/0.6% FL-52 (15.6 PPG, 1.18 cu.ft/sx, 7 5.21 gal/sx wtr.) Estimate TOC @ +/-6000'. 2nd Stage Lead: 450 sx of 35:65 Pozmix/Class 'H' cement w/8% gel, 6 pps Gilsonite and 1/4 pps Celloflake)11.9 ppg, 2.26 cu.ft./sx, & 5.25 gal/sx wtr.). top of tail slurry to be +/-2500'.

Remarks: Use 20% excess over volume calculated from open hole logs to bring cement to +/-6000' on the 1st stage & to the surface on the 2nd stage.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true and vertical depths. Give blowout preventer program, if any.

24. SIGNED: Gary L. Markestad, P.E., VP Production DATE: Jan 4, 1999

(This space for Federal or State office use)

Permit Number:

Application approval does not warrant or certify that the applicant holds legal or equitable rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY

SEE ATTACHED CONDITIONS OF APPROVAL

APPROVED FOR A PERIOD NOT TO EXCEED 1 YEAR.

APPROVED BY Ilyse K. Auringer TITLE MINERALS STAFF CHIEF DATE MAR 1 1999

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

* See instruction on Reverse Side

HOLD C104 FOR N.S.6

WMOCD

District I
PO Box 1980, Hobbs, NM 88241-1980

District II
PO Drawer 00, Artesia, NM 88211-0719

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088.
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-29864		*Pool Code 86760	*Pool Name UTE DOME PARADOX EXT
*Property Code 22846	*Property Name UTE MOUNTAIN TRIBAL J		*Well Number 7
*OGARD No. 167067	*Operator Name CROSS TIMBERS OPERATING COMPANY		*Elevation 6108'

¹⁰ Surface Location

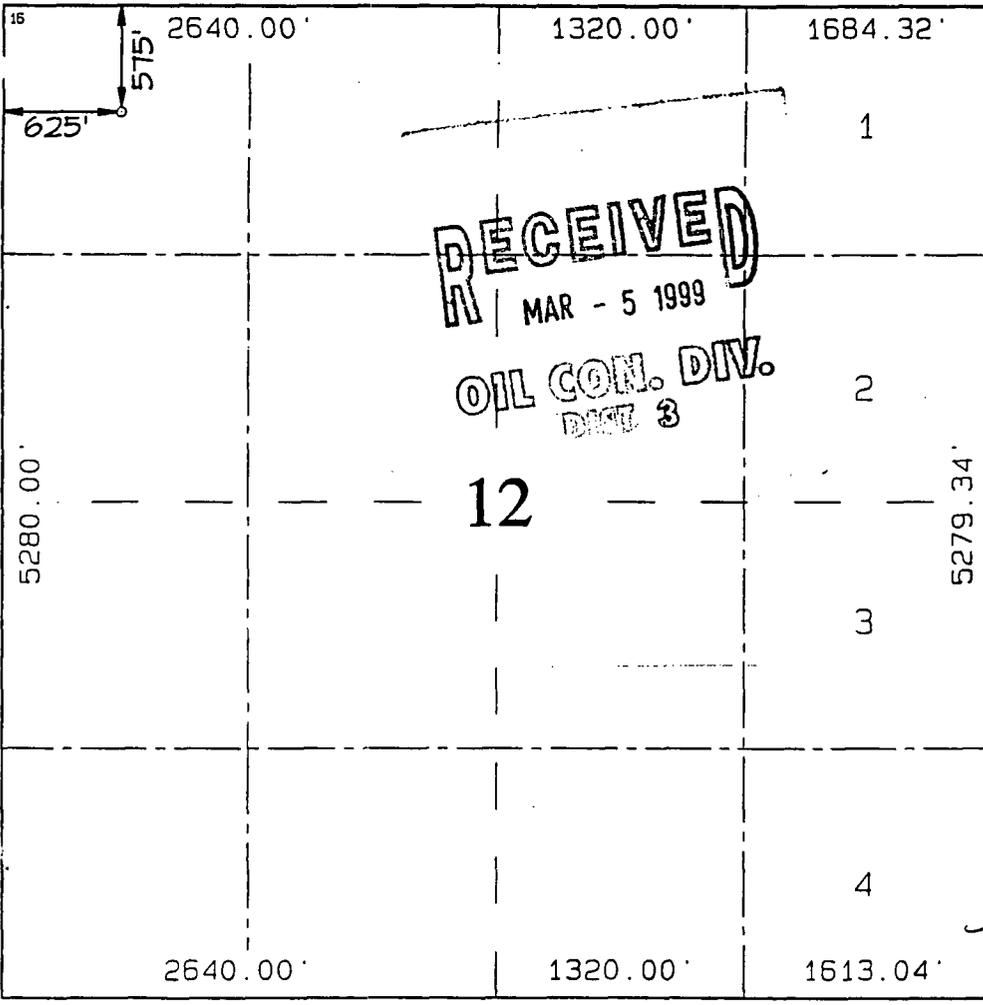
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	12	31N	14W		575	NORTH	625	WEST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 640 679.82	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
--	-------------------------------	----------------------------------	-------------------------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



RECEIVED
MAR - 5 1999
OIL CON. DIV.
DIST 3

12

¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Gary L. Markestad
Signature
Gary L. Markestad
Printed Name
Vice President/Production
Title
Date **1/4/98**

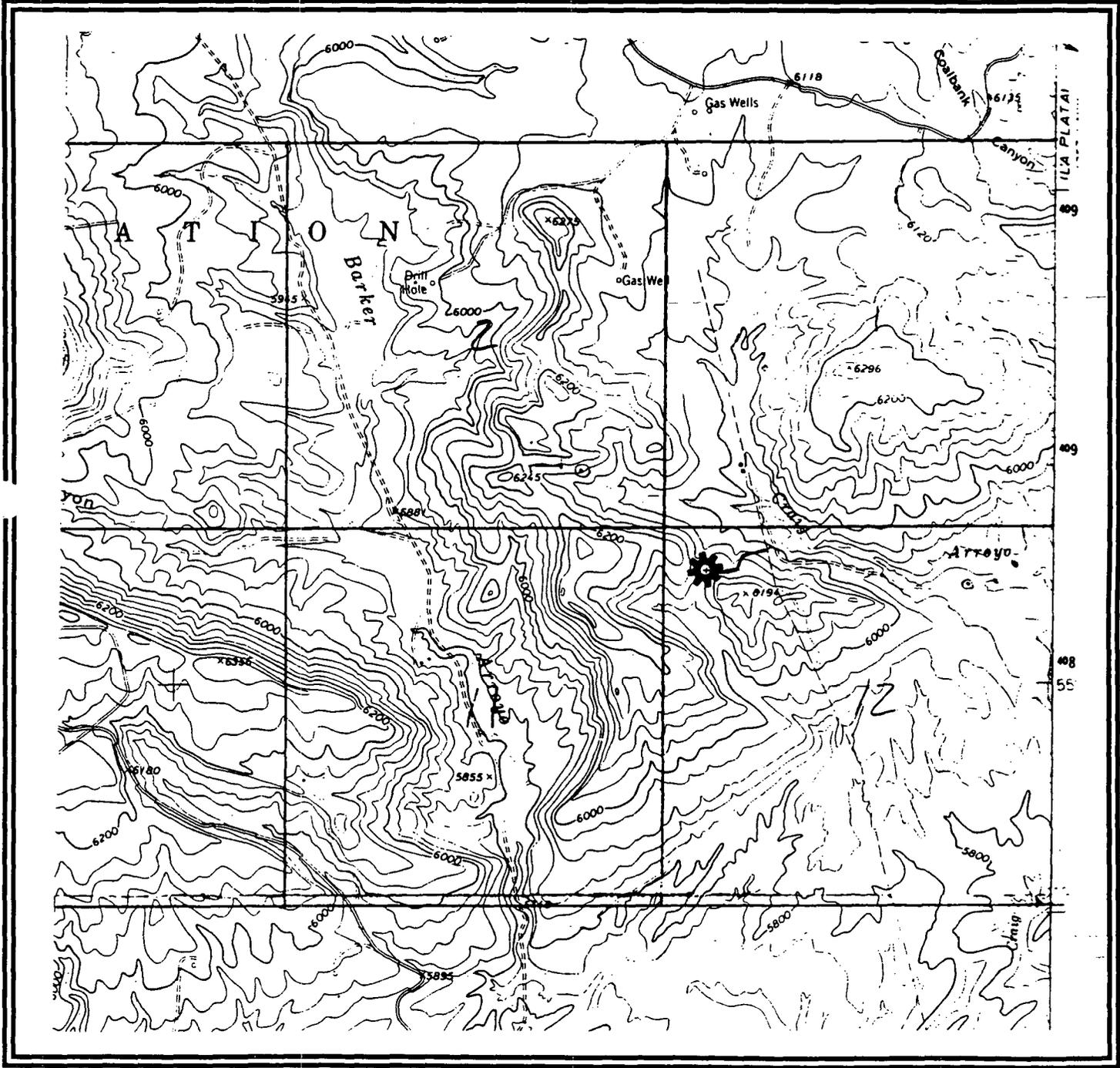
¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

SEPTEMBER 21, 1998
Date of Survey

Signature and Seal of Professional Surveyor
NEALE C. EDWARDS
NEW MEXICO
6857
Certificate No. 6857

CROSS TIMBERS OPERATING COMPANY
UTE MOUNTAIN TRIBAL J #5
575' FNL- 625' FWL, Sec. 12, T31N-R14W
Proposed Ute Dome Paradox Well



USGS Purgatory Canyon, New Mexico, CO // 7.5' Series // Scale 1:24000

Catch 10' samples from 6,500' to 8,700' (TD). Send 1 set of dry samples to CTOC in Ft. Worth.

Open Hole	Resistivity	Bottom of Surface Casing to TD.
	Array Induction/GR/SP/Cal	
	Porosity	
	Compensated Neutron-Lithodensity/GR/Cal/Pe	2,400' - 3,000'
		6,500' - 8,700'
Other		
	Microlog	6,500' - 8,700'

7. **FORMATION TOPS:**

Formation	Subsea Depth	Well Depth
Point Lookout Ss	+5530'	592'
Mancos Shale	+5250'	872'
Gallup	+4330'	1792'
Greenhorn Shale	+3636	2486'
Grancros Shale	+3575'	2547'
Dakota Ss	+3500'	2622'
Burro Canyon Ss	+3324'	2798'
Morrison Ss	+3264'	2858'
Entrada Ss	+2540'	3582'
Chinle	+2077'	4045'
Permian, Cutler	+1142'	4980'
Pennsylvanian, Hermosa	-540'	6662'
Paradox Formation		
Ismay	-1575'	7697'
Desert Creek	-1768'	7890'
Akah	-1900'	8022'
Barker Creek	-2070'	8192'
Lower Barker Creek	-2230'	8352'
Alkalai Gulch	-2300'	8690'
Molas	-2568'	8690'
TD	-2578'	8700'