

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

April 14, 2003

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

Attention: Mr. George A. Cox

Administrative Order NSL-4857

Dear Mr. Cox:

Reference is made to your application dated March 18, 2003, submitted to the New Mexico Oil Conservation Division on March 20, 2003 (application reference No. pKRV0-308039250) requesting authorization to drill the J. C. Gordon "E" Well No. 2 at an unorthodox coal gas well location 445 feet from the North line and 1635 feet from the West line (Unit C) of Section 23, Township 27 North, Range 10 West, NMPM, Basin-Fruitland Coal Gas Pool, San Juan County, New Mexico.

The W/2 of Section 23 is to be dedicated to the proposed well and to the existing J. C. Gordon "E" Well No. 1 (API No. 30-045-26860) located 2290 feet from the South line and 1630 feet from the West line (Unit K) in order to form a standard 320-acre gas spacing unit for the Basin-Fruitland Coal Gas Pool.

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

It is our understanding that the proposed unorthodox coal gas well location is necessitated by topographic considerations within the NW/4 of Section 23.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox Basin-Fruitland Coal Gas Pool gas well location is hereby approved.

Sincerely,

Lau Westerbry by De Lori Wrotenbery

Director

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LW/DRC/kv

cc: New Mexico Oil Conservation Division – Aztec U. S. Bureau of Land Management – Farmington