



PMES0-406864885

Sup: 2-23-2004

**RECEIVED**

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January 29, 2004

**CERTIFIED MAIL:**

Mr. Michael E. Stogner  
New Mexico Oil Conservation Division  
1220 S. Saint Francis Dr.  
Santa Fe, New Mexico 87504

Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505

RE: Change of Unit Declaration for Administrative  
Order NSL-4671  
Scott Federal 27-11-Well #23-1  
1,645' FNL and 360' FEL (SE/4 NE/4)  
Unit H, Section 23, T27N-R11W  
San Juan County, New Mexico  
Basin Dakota Gas Pool

Dear Mr. Stogner:

MarkWest Resources Inc. applied for and received the above captioned non standard location on December 3, 2001. The above captioned well was spud on January 23, 2002 and completed on March 8, 2002 as a Dakota producer. The well is still currently producing. XTO Energy Inc. purchased this well along with others from MarkWest Resources Inc. on June 30, 2003 effective as of June 1, 2003.

In reviewing the files, it was determined that even though this well was permitted as an E/2 Unit, it has been maintained and treated as a N/2 Unit. MarkWest proposed the well to the N/2 working interest owners and the royalties and overriding royalties have been paid to the N/2 owners.

In order to correct the Unit error, XTO Energy Inc. is in the process of filing a revised C-102 to reflect this well as a N/2 Unit. XTO Energy Inc. also request that the aforementioned NSL order be amended to reflect a N/2 Unit. Due to the location of the well, no new parties should require notification.

Thank you for your help in this matter and should you need any additional information please feel free to contact me at (817) 885-2454.

Sincerely,  
XTO ENERGY INC.

A handwritten signature in black ink, appearing to read "George A. Cox".

George A. Cox, CPL  
Landman

Cc: Jeff Patton – Farmington  
Darrin Steed – Farmington  
Randy Hosey – Ft. Worth  
Robin Tracy – Ft. Worth  
Rick Hayes – Ft. Worth