



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

September 5, 2006

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

**Elliott Industries Ltd.  
P. O. Box 3300  
Roswell, New Mexico 88202**

**Attention: Stephen L. Elliott II**

*Re: Administrative application (Division reference No. pTDS0-622633984) filed with the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico on August 14, 2006 by XTO Energy, Inc. to drill and complete its proposed Butte Well No. 4 within the S/2 equivalent of Irregular Section 18, Township 30 North, Range 13 West, NMPM, Basin-Fruitland Coal (Gas) Pool (71629), San Juan County, New Mexico (being a 252.20-acre gas spacing unit) at an unorthodox coal gas well location 480 feet from the South line and 440 feet from the West line (Unit N) of Irregular Section 18.*

Dear Mr. Elliott:

Your letter of objection dated August 23, 2006 (for reference see copy of letter attached) to the subject application was received by the New Mexico Oil Conservation Division ("Division") Wednesday, August 30, 2006. Pursuant to three earlier objections by McElvain Oil & Gas Properties, Inc. of Denver, Colorado, Mr. John Elledge of Farmington, New Mexico, and Elliott-Hall Company of Ogden, Utah (also attached), this administrative application has been docketed for hearing as Division Case No. 13790 before a Division Hearing Examiner on September 28, 2006 (see copy of the Division's letter dated August 28, 2006 also attached.)

Should you have any questions concerning this matter, contact the Division's Chief Engineer, Mr. Richard Ezeanyim in Santa Fe at (505) 476-3467. Thank you.

Sincerely,

Michael E. Stogner

Engineering Assistant to the Director

cc: Mr. Christopher Spencer, Landman – XTO Energy, Inc., Fort Worth  
New Mexico Oil Conservation Division – Aztec  
Mr. Joe Elledge – Farmington  
Ms. Denise R. Greer, Sr. Landman – McElvain Oil & Gas Properties, Inc., Denver, Colorado  
Mr. George E. Hall, Elliott-Hall Company – Ogden, Utah  
Mr. James Bruce, Legal Counsel for XTO Energy, Inc. – Santa Fe  
File: Case No. 13790



Stephen L. Elliott

August 23, 2006

**Elliott Industries**  
500 N. Kentucky  
P.O. Box 3300  
Roswell, New Mexico 88202

RECEIVED

Office (505) 622-5840  
Fax (505) 625-9850

AUG 30 2006

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

Mr. Michael E. Stogner  
New Mexico Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87504

RE: XTO Energy Inc.'s Butte No. 4 well  
Unorthodox Location  
440' FWL and 480' FSL, Sec 18-T30N-R13W  
San Juan County, New Mexico  
Fruitland Coal Formation

Dear Mr. Stogner:

Elliott Industries Ltd., as an offsetting owner, recently received a notice that an application for unorthodox location has been filed with your office in regards in the captioned well. This letter is being sent to formally protest the granting of the unorthodox location application requested by XTO Energy Inc. It is our opinion that a well drilled at the requested location will drain hydrocarbons underlying our acreage.

We respectfully request that you deny this application, as submitted.

Sincerely,

Stephen L. Elliott II  
Elliott Industries Ltd.

cc: Mr. Christopher Spencer  
XTO Energy Inc.



*Case File*

# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

August 29, 2006

**Mark E. Fesmire, P.E.**

Director

Oil Conservation Division

**Elliott – Hall Company**  
**P. O. Box 1231**  
**Ogden, Utah 84402**

*Case 13790*

**Attention: George E. Hall**

**Re:** *Administrative application (Division reference No. pTDS0-622633984) filed with the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico on August 14, 2006 by XTO Energy, Inc. to drill and complete its proposed Butte Well No. 4 within the S/2 equivalent of Irregular Section 18, Township 30 North, Range 13 West, NMPM, Basin-Fruitland Coal (Gas) Pool (71629), San Juan County, New Mexico (being a 252.20-acre gas spacing unit) at an unorthodox coal gas well location 480 feet from the South line and 440 feet from the West line (Unit N) of Irregular Section 18.*

Dear Mr. Hall:

Your letter of objection dated August 25, 2006 (for reference see copy of letter attached) to the subject application was received by the New Mexico Oil Conservation Division ("Division") Monday, August 28, 2006. Pursuant to two earlier objections by McElvain Oil & Gas Properties, Inc. of Denver, Colorado and Mr. John Elledge of Farmington, New Mexico (also attached), this administrative application has been docketed for hearing before a Division Hearing Examiner on September 28, 2006 (see copy of the Division's letter dated August 28, 2006 also attached.)

Should you have any questions concerning this matter, contact the Division's Chief Engineer, Mr. Richard Ezeanyim in Santa Fe at (505) 476-3467. Thank you.

Sincerely,

Michael E. Stogner

Engineering Assistant to the Director

cc: Mr. Christopher Spencer, Landman – XTO Energy, Inc., Fort Worth  
New Mexico Oil Conservation Division – Aztec  
Mr. Joe Elledge – Farmington  
Ms. Denise R. Greer, Sr. Landman – McElvain Oil & Gas Properties, Inc., Denver, Colorado  
Mr. James Bruce, Legal Counsel for XTO Energy, Inc. – Santa Fe

ELLIOTT - HALL COMPANY

EDNA IONE HALL  
GEORGE E. HALL  
MARY ANN MILLER

2668 GRANT, SUITE 104  
P.O. Box 1231  
OGDEN, UTAH 84402

OFFICE (801) 399-5871  
FACSIMILE (801) 399-5887

RECEIVED

AUG 28 2006

August 25, 2006

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

Mr. Michael E. Stogner  
New Mexico Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87504

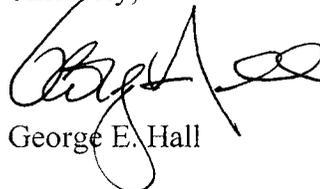
RE: XTO Energy Inc.'s Butte No. 4 Well  
Unorthodox Location  
440' FWL & 480" FSL, Sec 18-T 30N-R13W  
San Juan County, New Mexico  
Fruitland Coal Formation

Dear Mr. Stogner

Elliott-Hall Company, as an offsetting owner, recently received a notice that an application for unorthodox location has been filed with your office in regards to the captioned well. This letter is being sent to formally protest the granting of the unorthodox location application requested by XTO Energy, Inc. It is our opinion that a well drilled at the requested location will drain hydrocarbons underlying our acreage.

We respectfully request that you deny this application, as submitted.

Sincerely,



George E. Hall

GEH/jj

cc: Mr. Christopher Spencer  
XTO Energy, Inc.



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

August 28, 2006

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

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

*Case 13790*

**Attention: Christopher Spencer, Landman**

*Re: Administrative application (Division reference No. pTDS0-622633984) filed with the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico on August 14, 2006 to drill and complete its proposed Butte Well No. 4 at an unorthodox coal gas well location 480 feet from the South line and 440 feet from the West line (Unit N) of Irregular Section 18, Township 30 North, Range 13 West, NMPM, Basin-Fruitland Coal (Gas) Pool (71629), San Juan County, New Mexico.*

Dear Mr. Spencer:

On Friday, August 25, 2006 the Division received timely objections from McElvain Oil & Gas Properties, Inc. of Denver, Colorado and Mr. John Elledge of Farmington, New Mexico to the subject application, see copy of telefaxed letters attached.

Your application will therefore be set for hearing before a Division Hearing Examiner on the next available docket scheduled for September 28, 2006. In order to expatiate this matter I have prepared the following advertisement in this matter:

**"Application of XTO Energy, Inc. for an unorthodox coal gas well location, San Juan County, New Mexico.** Applicant seeks approval to drill its proposed Butte Well No. 4 at an unorthodox coal gas well location within the S/2 equivalent (Lots 3 and 4, the E/2 SW/4, and the SE/4) of Irregular Section 18, Township 30 North, Range 13 West, being a 252.20-acre lay-down gas spacing unit for the Basin-Fruitland Coal (Gas) Pool (71629), 480 feet from the South line and 440 feet from the West line (Unit N) of Irregular Section 18. This unit is located approximately 4.5 miles north by west of the Four Corners Regional Airport in Farmington, New Mexico."

Should you have any questions concerning this matter, please contact your legal counsel, Mr. James Bruce in Santa Fe, New Mexico at (505) 982-2043, or the Division's Chief Engineer, Mr. Richard Ezeanyim in Santa Fe at (505) 476-3467. Thank you.

Sincerely,

Michael E. Stogner

Engineering Assistant to the Director

cc: New Mexico Oil Conservation Division – Aztec  
Mr. Joe Elledge – Farmington  
Ms. Denise R. Greer, Sr. Landman – McElvain Oil & Gas Properties, Inc., Denver, Colorado  
Mr. James Bruce, Legal Counsel for XTO Energy, Inc. – Santa Fe

1050 - 17th St., Suite 1800  
Denver, CO 80265  
Phone: 303-893-0933 x 329  
Fax: 303-893-0914

**T. H. McElvain Oil & Gas  
Limited Partnership**

# Fax

*Case 13790*

<b>To:</b> Michael E. Stogner	<b>From:</b> Denise R. Greer
<b>Company:</b> New Mexico Oil Conservation Division	<b>Date:</b> August 25, 2006
<b>Fax:</b> 505-476-3462	<b>Pages:</b> 2
<b>Phone:</b> 505-476-3440	<b>Re:</b>

Urgent     For Review     Please Comment     Please Reply     Please Recycle

**•Comments:**

*Please see letter attached. Original to follow in today's U.S. Mail.*

**McElvain Oil & Gas Properties, Inc.**

**1050 - 17<sup>TH</sup> STREET, SUITE 1800  
DENVER, COLORADO 80265**

**TELEPHONE 303-893-0933 EXT. 329  
FAX 303-893-0914  
e-mail: deniseg@mcelvain.com**

August 21, 2006

Mr. Michael E. Stogner  
New Mexico Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87504

RE: XTO Energy Inc.'s Butte No. 4 well  
Unorthodox Location  
440' FWL and 480' FSL, Sec 18-T30N-R13W  
San Juan County, New Mexico  
Fruitland Coal Formation

Dear Mr. Stogner:

McElvain Oil & Gas Properties, Inc., as an offsetting operator, and as sole general partner of T. H. McElvain Oil & Gas Limited Partnership, an offsetting owner, recently received a notice that an application for Unorthodox Location has been filed with your office in regards in the captioned well. This letter is being sent to formally protest the granting of the unorthodox location application requested by XTO Energy Inc. It is our opinion that a well drilled at the requested location will drain hydrocarbons underlying our acreage.

This letter is also being sent on behalf of Elliott-Hall Company Ltd. Partnership, Elliott Industries Limited partnership and Mr. Joe Elledge.

We respectfully request that you deny this application, as submitted.

Sincerely,

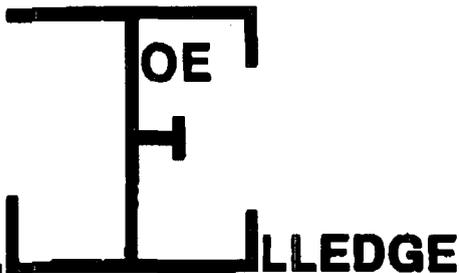
McElvain Oil & Gas Properties, Inc.



Denise R. Greer  
Senior Landman

cc: Mr. Christopher Spencer  
XTO Energy Inc.

Mr. Michael Feldewert  
Holland & Hart



P.O. Box 111  
 Farmington, New Mexico 87499  
 Office: (505) 327-9267  
 (505) 320-0739  
 (505) 320-4969

**OIL and GAS PROPERTY MANAGEMENT  
 ENVIRONMENTAL SERVICE**

August 23, 2006

Mr. Michael E. Stogner  
 New Mexico Oil Conservation Division  
 1220 S. St. Francis Drive  
 Santa Fe, NM 87504

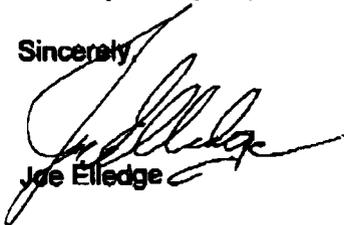
RE: XTO Energy Inc.'s Butte No. 4 well  
 Unorthodox Location  
 440' FWL and 480' FSL, Sec 18-T30N-R13W  
 San Juan County, New Mexico  
 Fruitland Coal Formation

Dear Mr. Stogner:

Joe Elledge, as an offsetting owner, recently received a notice that an application for unorthodox location has been filed with your office in regards in the captioned well. This letter is being sent to formally protest the granting of the unorthodox location application requested by XTO Energy Inc. It is our opinion that a well drilled at the requested location will drain hydrocarbons underlying our acreage.

We respectfully request that you deny this application, as submitted.

Sincerely,



Joe Elledge

cc: Mr. Christopher Spencer  
 XTO Energy Inc.

DATE IN 8/14/06	SUSPENSE 9-4-06	ENGINEER MARK SIOGGER	LOGGED IN 8/14/06	TYPE NSL	APP NO. p TDS0622633984
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



## ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

### Application Acronyms:

**[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]**  
**[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]**  
**[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]**  
**[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]**  
**[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]**  
**[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]**

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR
- [D] Other: Specify \_\_\_\_\_
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
- [A]  Working, Royalty or Overriding Royalty Interest Owners
- [B]  Offset Operators, Leaseholders or Surface Owner
- [C]  Application is One Which Requires Published Legal Notice
- [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F]  Waivers are Attached
- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name	Signature	Title	Date
_____			
e-mail Address			
_____			



August 11, 2006

VIA FEDEX OVERNIGHT

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

Re: Application for Administrative Approval of Unorthodox Location  
XTO Energy Inc.'s Butte No. 4  
440' FWL and 480' FSL, Section 18, T30N, R13W  
San Juan County, New Mexico  
Fuitland Coal Formation

2006 AUG 14 AM 9 38

Dear Mr. Stogner:

XTO Energy Inc. hereby requests administrative approval for an unorthodox location for the above referenced well. Attached for your reference are the following exhibits:

1. Well location plat (NMOCD Form C-102)
2. Topographic map
3. Aerial photograph
4. Ownership map
5. Production map showing Fuitland Coal Formation Gas Production

The above referenced well is proposed to be drilled to test the Fruitland Coal Formation, spaced as a 252.2 acre S/2 unit. The proposed location will be on an extension of the existing well pad for the XTO Butte No. 1E (DK) Well. This location has been chosen due to the proximity of deep canyons around the location. The well will be located on Federal lands.

All of the offset operators have been notified of this application by certified mail and copies of the letters and receipts are attached.

XTO Energy Inc. requests your administrative approval for the unorthodox location based on the above information. Should you need any additional information, please contact me at (817) 885-2540.

Yours truly,  
  
Christopher Spencer, CPL  
Landman

/cks  
Enclosures

DISTRICT I  
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II  
1301 W. Grand Ave., Artesia, N.M. 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV  
1220 South St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

**OIL CONSERVATION DIVISION**

1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102

Revised June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name	
<sup>4</sup> Property Code		<sup>5</sup> Property Name BUTTE			<sup>6</sup> Well Number 4
<sup>7</sup> GRID No.		<sup>8</sup> Operator Name XTO ENERGY INC.			<sup>9</sup> Elevation 5806

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	18	30-N	13-W		480	SOUTH	440	WEST	SAN JUAN

<sup>11</sup> 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
<sup>12</sup> Dedicated Acres		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> 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

16

<p>QUARTER COR. FD 2 1/2" BC 1936 GLO</p> <p>N 01-06-09 E 2647.5' (M)</p> <p>SECTION COR. FD 2 1/2" BC 1936 GLO</p>	<p>LOT 1</p>				<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p>Signature _____</p> <p>Printed Name _____</p> <p>Title _____</p> <p>Date _____</p>
	<p>LOT 2</p>				
	<p>LOT 3</p>				
	<p>LOT 4</p>				
			<p>18</p>		
			<p>LAT: 36°48'26.3" N. (NAD 27) LONG: 108°14'59.3" W. (NAD 27)</p> <p>S 89-48-38 E 1553.8' (M)</p>		
			<p>QUARTER COR. FD 3 1/4" BC 1952 BLM</p>		

108°16'00" W

108°15'00" W

NAD27 108°14'00" W

**XTO ENERGY INC.**

**BUTTE No. 4**

**480 FSL 440 FWL**

**SEC. 18, T-30-N, R-13-W, N.M.P.M.**

**SAN JUAN COUNTY, NEW MEXICO**

**115' NEW ACCESS**

36°50'00" N

36°50'00" N

36°49'00" N

36°49'00" N

36°48'00" N

36°48'00" N

**EXISTING ACCESS**

**115' NEW ACCESS**

**XTO - BUTTE No. 4**

**LAT: 36-48-26.3 N (NAD 27)**

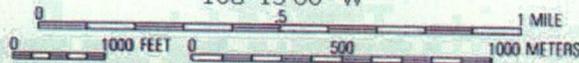
**LONG: 108-14-59.3 W (NAD 27)**

108°16'00" W

108°15'00" W

NAD27 108°14'00" W

TN MN  
11°



Map created with TOPOI® ©2002 National Geographic (www.nationalgeographic.com/topo)

# XTO ENERGY INC.

BUTTE No. 4

SEC. 18, T-30-N, R-13-W, N.M.P.M.  
SAN JUAN COUNTY, NEW MEXICO



WELL PAD -  
BUTTE No. 1E

**LEGEND**

 BUTTE No. 4



**Daggett Enterprises, Inc.**  
Surveying and Oil Field Services  
P. O. Box 15068 Farmington, NM 87401  
Phone (505) 328-1772 Fax (505) 328-8019

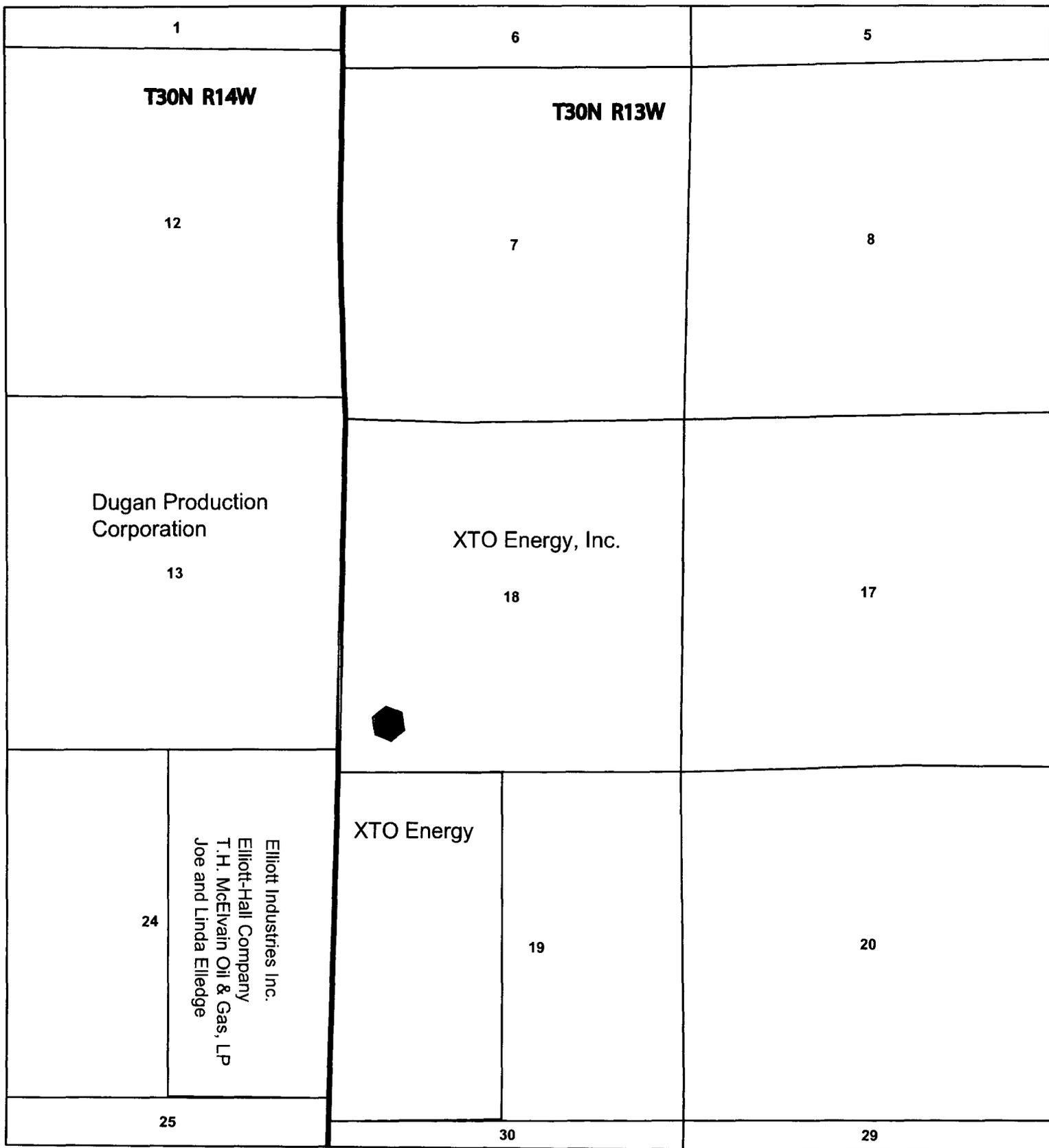
SECTION PLAT OF 9 SQUARE MILES

STATE: New Mexico COUNTY: San Juan

PROSPECT: BUTTE # 4(fc) DATE: August 11, 2006

SECTION: 18 TOWNSHIP: 30 North RANGE: 13 West

SCALE: 1"=2000'







August 11, 2006

VIA U. S. CERTIFIED MAIL

Mr. Skip Fraker  
Dugan Production Corporation  
P O Box 420  
Farmington NM 87499-0420

Re: Application for Administrative Approval of Unorthodox Location  
XTO Energy Inc.'s Butte No. 4  
440' FWL and 480' FSL, Section 18, T30N, R13W  
San Juan County, New Mexico  
Fuitland Coal Formation

Dear Skip:

Enclosed is a copy of the above captioned application that has been sent to the New Mexico Oil Conservation Commission for administrative approval. Should you not agree with the request, please notify the NMOCD within 20 days of the date of this application. If you have no objection to the application, please so indicate by signing and returning one copy of this letter to my attention at the letterhead address.

Should you have any questions or need more information, please contact me at (817) 885-2540.

Yours truly,

  
Christopher Spencer, CPL  
Landman

/cks  
Enclosures

cc: Mr. Michael Stogner, NMOCD

\_\_\_\_\_ hereby waives notice of hearing and objection to the application by XTO Energy Inc. for the non-standard location for the Butte No. 4 Well, as depicted on the enclosed plat.

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Date: \_\_\_\_\_



August 11, 2006

VIA U. S. CERTIFIED MAIL

Ms. Denise Greer  
T. H. McElvain Oil & Gas, LP  
1050 17<sup>th</sup> Street Suite 1800  
Denver CO 80265

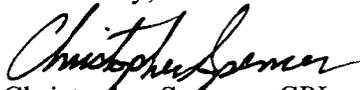
Re: Application for Administrative Approval of Unorthodox Location  
XTO Energy Inc.'s Butte No. 4  
440' FWL and 480' FSL, Section 18, T30N, R13W  
San Juan County, New Mexico  
Fuitland Coal Formation

Dear Denise:

Enclosed is a copy of the above captioned application that has been sent to the New Mexico Oil Conservation Commission for administrative approval. Should you not agree with the request, please notify the NMOCD within 20 days of the date of this application. If you have no objection to the application, please so indicate by signing and returning one copy of this letter to my attention at the letterhead address.

Should you have any questions or need more information, please contact me at (817) 885-2540.

Yours truly,

  
Christopher Spencer, CPL  
Landman

/cks  
Enclosures

cc: Mr. Michael Stogner, NMOCD

\_\_\_\_\_ hereby waives notice of hearing and objection to the application by XTO Energy Inc. for the non-standard location for the Butte No. 4 Well, as depicted on the enclosed plat.

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Date: \_\_\_\_\_



August 11, 2006

VIA U. S. CERTIFIED MAIL

Joe and Linda Elledge  
P O Box 111  
Farmington NM 87401

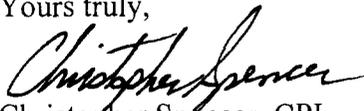
Re: Application for Administrative Approval of Unorthodox Location  
XTO Energy Inc.'s Butte No. 4  
440' FWL and 480' FSL, Section 18, T30N, R13W  
San Juan County, New Mexico  
Fuitland Coal Formation

Dear Mr. and Mrs. Elledge:

Enclosed is a copy of the above captioned application that has been sent to the New Mexico Oil Conservation Commission for administrative approval. Should you not agree with the request, please notify the NMOCD within 20 days of the date of this application. If you have no objection to the application, please so indicate by signing and returning one copy of this letter to my attention at the letterhead address.

Should you have any questions or need more information, please contact me at (817) 885-2540.

Yours truly,

  
Christopher Spencer, CPL  
Landman

/cks  
Enclosures

cc: Mr. Michael Stogner, NMOCD

\_\_\_\_\_ hereby waives notice of hearing and objection to the application by XTO Energy Inc. for the non-standard location for the Butte No. 4 Well, as depicted on the enclosed plat.

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Date: \_\_\_\_\_



August 11, 2006

VIA U. S. CERTIFIED MAIL

Elliott Industries Inc.  
P O Box 1355  
Roswell NM 88202

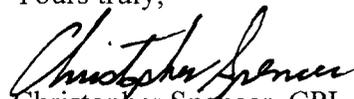
Re: Application for Administrative Approval of Unorthodox Location  
XTO Energy Inc.'s Butte No. 4  
440' FWL and 480' FSL, Section 18, T30N, R13W  
San Juan County, New Mexico  
Fuitland Coal Formation

Ladies and Gentlemen:

Enclosed is a copy of the above captioned application that has been sent to the New Mexico Oil Conservation Commission for administrative approval. Should you not agree with the request, please notify the NMOCD within 20 days of the date of this application. If you have no objection to the application, please so indicate by signing and returning one copy of this letter to my attention at the letterhead address.

Should you have any questions or need more information, please contact me at (817) 885-2540.

Yours truly,

  
Christopher Spencer, CPL  
Landman

/cks  
Enclosures

cc: Mr. Michael Stogner, NMOCD

\_\_\_\_\_ hereby waives notice of hearing and objection to the application by XTO Energy Inc. for the non-standard location for the Butte No. 4 Well, as depicted on the enclosed plat.

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Date: \_\_\_\_\_



August 11, 2006

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P O Box 1231  
Ogden UT 84402

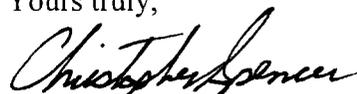
Re: Application for Administrative Approval of Unorthodox Location  
XTO Energy Inc.'s Butte No. 4  
440' FWL and 480' FSL, Section 18, T30N, R13W  
San Juan County, New Mexico  
Fuitland Coal Formation

Ladies and Gentlemen:

Enclosed is a copy of the above captioned application that has been sent to the New Mexico Oil Conservation Commission for administrative approval. Should you not agree with the request, please notify the NMOCD within 20 days of the date of this application. If you have no objection to the application, please so indicate by signing and returning one copy of this letter to my attention at the letterhead address.

Should you have any questions or need more information, please contact me at (817) 885-2540.

Yours truly,

  
Christopher Spencer, CPL  
Landman

/cks  
Enclosures

cc: Mr. Michael Stogner, NMOCD

\_\_\_\_\_ hereby waives notice of hearing and objection to the application by XTO Energy Inc. for the non-standard location for the Butte No. 4 Well, as depicted on the enclosed plat.

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Date: \_\_\_\_\_

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**Joe & Linda Elledge**  
 P.O. Box 111  
 Farmington, NM 87401

CS; Butte #4; 08/11/06

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**Mr. Skip Fraker**  
**Dugan Production Corporation**  
 P.O. Box 420  
 Farmington, NM 87499-0420

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**Elliott-Hall Company**  
 P.O. Box 1231  
 Ogden, UT 84402

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**Elliott Industries Inc.**  
 P.O. Box 1355  
 Roswell, NM 88202

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**Ms Denise Greer**  
**T.H. McElvain Oil & Gas, LP**  
 1050 17th Street, Suite 1800  
 Denver, CO 80265

CS; Butte #4; 08/11/06

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