

PERMITS WEST, INC.
PROVIDING PERMITS for LAND USERS
37 Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

April 10, 2004

Frank Chavez
NM Oil Conservation Div.
1000 Rio Brazos Rd.
Aztec, NM 87410

30-045-32303

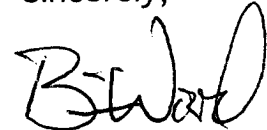
Dear Frank,

A

As required by NM Oil Conservation Division Rule 102. C., I have notified (see attachment) XTO Energy Inc. that Elm Ridge Resources, Inc. is applying to drill its Buena Suerte 33rd Com 1-T well in the same quarter-quarter (SESW 33-26n-11w) in which XTO has its Gallegos 4 well (API 30-045-21291). The former is a Fruitland coal gas well. The latter is a Basin Dakota gas well. BLM will forward their approved APD once they have approved the APD.

Please call me if you have any questions.

Sincerely,



Brian Wood



PERMITS WEST, INC.
PROVIDING PERMITS for LAND USERS
37 Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

April 10, 2004

Jeff Patton
XTO Energy Inc.
2700 Farmington Ave., Bldg. K, #1
Farmington, NM 87401

Dear Jeff,

As required by NM Oil Conservation Division Rule 102. C., I am notifying you that Elm Ridge Resources, Inc. is applying to drill a Fruitland coal gas well in the same quarter-quarter as XTO's Gallegos 4 (API 30-045-21291), which is a Dakota well. Distance between well bores will be 190'. Elm Ridge's APD is enclosed. This is a notice only. Action is required only if you have questions.

Please call me if you have any questions.

Sincerely,


Brian Wood

cc: NMOCD

