



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

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

March 21, 2000

**Cross Timbers Operating Company
810 Houston Street - Suite 2000
Fort Worth, Texas 76102-6298**

Attention: George A. Cox



Re: Division Administrative Order NSL-4403

Dear Mr. Cox:

Per your letter dated March 15, 2000, Division Administrative Order NSL-4403, dated February 10, 2000, which order approved for the R. B. Sullivan Well No. 1-R to be drilled within a standard 160-acre gas spacing and proration unit comprising the NE/4 of Section 11, Township 27 North, Range 10 West, NMPM, San Juan County, New Mexico, at an unorthodox gas well location for the Fulcher Kutz-Pictured Cliffs Pool 1400 feet from the North line and 2500 feet from the East line (Unit G) of Section 11, is hereby suspended.

Sincerely,

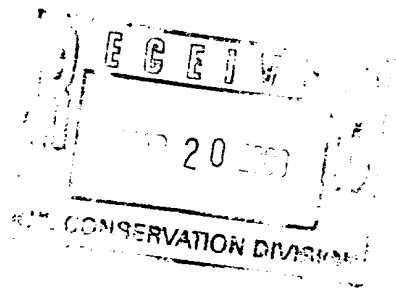
Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division – Aztec
File: NSL-4403



Cross Timbers Oil Company



March 15, 2000

Michael E. Stogner
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

RE: Administrative Order NSL-4403
R.B. Sullivan #1R Well
1,400' FNL & 2,500' FEL (SW/4 NE/4)
Unit G, Section 11-T27N-R10W
San Juan, New Mexico
Fulcher Kutz Pictured Cliffs

Dear Mr. Stogner:


On January 19, 2000, Cross Timbers Oil Company requested the above referenced unorthodox location. On February 10, 2000, your office issued order NSL-4403. When Cross Timbers first started to look for a location for this well, it was determined that the primary location and the alternate location were both going to require an unorthodox location. Therefore, we applied for our primary location. Since the time period of our internal work for the locations, the set back rules have changed and our alternate location would now conform to existing rules.

The above captioned location is in a box canyon and the surface owner is planning on building a house in the canyon. The surface owner was concerned about the visual impact, but the main concern was with the potential noise from a compressor and pumping unit.

Cross Timbers has decided to move this well to our alternate location of 1,980' FNL and 1,975' FEL of the Section. This change is being done to comply with the existing spacing rules and to accommodate concerns of the surface owner.

This letter is to advise you of our location change and to explain our position for not drilling in the location that was granted. I know that you put in a great deal of work into the review and granting of unorthodox location request. This letter is not a requirement, but I felt I should explain why we now will drill in a location that conforms to the current spacing rules. Should you have any questions, please feel free to contact me at (817) 885-2454.

Sincerely,
CROSS TIMBERS OIL COMPANY


George A. Cox, CPL
Landman