



Cross Timbers Operating Company

December 7, 1998

Mr. Frank Chavez
New Mexico Oil Conservation
1000 Rio Brazos Rd
Aztec, New Mexico 87410

RECEIVED
DEC 14 1998
OIL CON. DIV.
LINE 3

Dear Mr. Chaves

A-28-30N-12W

Cross Timbers Operating Company (CTOC) has drilled the Mc Coy Gas Com D #2 on fee acreage. CTOC proposes to produce the well through El Paso Field Services' meter for the Mc Coy Gas Com C #1 and D #1.

The Mc Coy Gas Com D #2 is being drilled on the well pad for the Mc Coy Gas Com C #1. These locations are in a sub division. To reduce the impact to the subdivision, the landowner has requested the production equipment be set with the C#1's equipment on the D #1 location.

The Mc Coy Gas Com C #1 and D #1 are surface commingled per PC 890 order. CTOC proposes to change the meter from surface commingled to a CPD. The production will be allocated by setting of allocation meters on the C #1 and D #2 flow lines. The Mc Coy Gas Com D #1 allocation will be determined by subtracting the C #1 & D #2 production from the CDP master meter.

xc: well file
Gary Markestad
Terry Mathews

Sincerely:

Loren W. Fothergill
Loren W Fothergill

564-6503

*Will submit final application.
JC 12-22-98*

WELL INFORMATION

Well Name	Location	Pool	Formation	Volume MCFPD
McCoy Gas Com C #1	28A, T30N, R 12W	Flora Vista	Mesa Verde	350
McCoy Gas Com D #1	28H, T30N, R 12W	Basin	Dakota	100
McCoy Gas Com D #2	28A, T30N, R 12W	Basin	Fruitland Coal	250