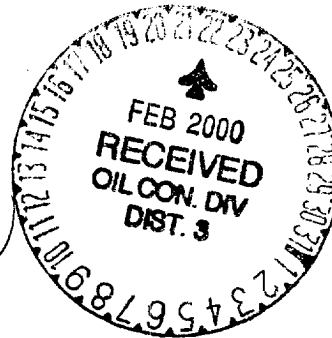




Cross Timbers Operating Company

February 18, 2000

Oil Conservation Division
Attention: Dorothy Jacquez
1000 Rio Brazos Road
Aztec, NM 87410



RE: Ute Indians A #26

Dear Dorothy,

Attached is NSL-4171 order and case 12100 and 12110. Case 12110 gave Cross Timbers Operating Company the option to drill the well directionally or vertically. Cross Timbers elected to drill the well vertically. Cross Timbers used directional downhole tools to control drill a vertical wellbore. The well was not directionally drilled to a specific location but was used to insure a vertical wellbore. No Directional Drill order was obtained for a vertical hole.

Sincerely,

Loren Fothergill
Production Engineer

LF/CAM/mw

Attachments



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Jennifer A. Salisbury
Governor
Cabinet Secretary

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
1000 RIO BRAZOS ROAD
AZTEC NM 87410
(505) 334-6178 FAX: (505) 334-6170
<http://emnrd.state.nm.us/ocd/DistrictIII/3ddistrict.htm>

February 17, 2000

TO: Loren Fothergill
FR: Dorothy, OCD
RE: Ute Indians A #26 P-2-31N-14W
30-045-29868

Your office call in with this NSL-4171, but we never received one in our office. Would you fax us a copy at 334-6170.

This is a Directional Drill, we need a DD order for this well.

C-104 is held till we get all the required reports, and will return unapproved if we don't get the reports in 2 months.

Thanks,