



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

July 3, 2000

Lori Wrotenbery

Director

Oil Conservation Division

Cross Timbers Producing Company
810 Houston Street - Suite 2000
Fort Worth, Texas 76102-6298
Attention: George A. Cox

Telefax No. (817) 870-1671

Administrative Order NSL-4475

Dear Mr. Cox:

Reference is made to your application dated June 9, 2000 for an exception to the well location requirements provided within the "*Special Rules and Regulations for the Basin-Dakota Pool*," as promulgated by New Mexico Oil Conservation Division ("Division") Order No. R-10987, as amended. The W/2 of Section 16, Township 30 North, Range 11 West, NMPM, San Juan County, New Mexico is to be dedicated to the proposed well in order to form a standard 320-acre stand-up gas spacing and proration unit for the Basin-Dakota Pool.

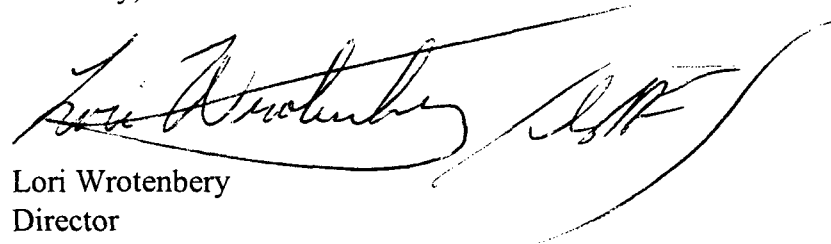
The application has been duly filed under the provisions of Division Rules 104.F and 605.B.

By the authority granted me under the provisions of Division Rule 104.F (2), the following described well to be drilled at an unorthodox gas well location in Section 16 is hereby approved:

Aztec Com. "4" Well No. 1
2370' FNL & 2045' FWL (Unit F).

Further, the aforementioned well and spacing unit will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico.

Sincerely,



Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec
New Mexico State Land Office - Santa Fe