

## NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

May 11, 2000

Telefax No. (817) 870-1671

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

Administrative Order NSL-4446

Dear Mr. Cox:

Reference is made to the following: (i) your application dated April 17, 2000; and (ii) the New Mexico Oil Conservation Division's ("Division") records in Santa Fe: all concerning Cross Timbers Oil Company's request for an off-pattern non-standard Basin-Fruitland coal gas well location for the existing O. H. Randel Well No. 2-E (API No. 30-045-23985), located 1700 feet from the South line and 1800 feet from the East line (Unit J) of Section 10, Township 26 North, Range 11 West, NMPM, Basin-Fruitland Coal (Gas) Pool, San Juan County, New Mexico.

According to the Division's well records the O. H. Randel Well No. 2-E was initially drilled in 1980 by Energy Reserves Group, Inc. and completed in the Basin-Dakota Pool within a standard 320-acre lay-down gas spacing and proration unit comprising the S/2 of Section 10 at a standard infill gas well location.

It is our understanding that Cross Timbers Oil Company intends to abandon the Dakota interval in this well at this time and to recomplete up-hole into the Basin-Fruitland Coal (Gas) Pool. Pursuant to the "Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool," as promulgated by Division Order No. R-8768, as amended, the location of this well is considered to be unorthodox. Further, the S/2 of Section 10 is also to be dedicated to this well in order to form a standard 320-acre lay-down gas spacing and proration unit for the Basin-Fruitland Coal (Gas) Pool.

By the authority granted me under the provisions of Rule 8 of these special pool rules the abovedescribed unorthodox coal gas well location for the O. H. Randel Well No. 2-E is hereby approved.

Sincerely,

noil Underberg by De

Lori Wrotenbery Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec U. S. Bureau of Land Management - Farmington