

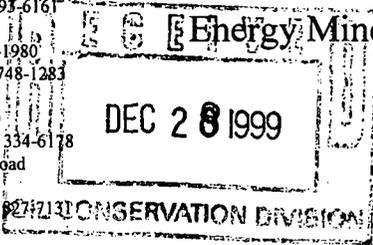
1521

New Mexico

Form C-142

Date 06/99

District I - (505) 393-6161
1625 N. French Dr.
Hobbs, NM 88241-1980
District II - (505) 748-1283
811 S. First
Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road
Aztec, NM 87410
District IV - (505) 827-7131



Energy Minerals and Natural Resources Department

Oil Conservation Division

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

**SUBMIT ORIGINAL
PLUS 2 COPIES
TO THE SANTA FE
OFFICE**

APPLICATION FOR NEW WELL STATUS

I. Operator and Well

Operator name & address Cross Timbers Operating Co. 2700 Farmington Avenue, Building K, Suite 1 Farmington, New Mexico 87401							OGRID Number 167067		
Contact Party Loren Fothergill							Phone 505-324-1090		
Property Name Quine Gas Com					Well Number 2		API Number 30-045-29704		
UL K	Section 31	Township 30N	Range 12W	Feet From The 1490	North/South Line FSL	Feet From The 1965	East/West Line FWL	County San Juan	

II. Date/Time Information

Spud Date 10/05/99	Spud Time 12:45 p.m.	Date Completed 11/17/99	Pool Basin Fruitland Coal
-----------------------	-------------------------	----------------------------	------------------------------

III. Attach copies of Form C-103 or Federal Form 3160-5 showing date/time of drilling commenced and Form C-105 or Federal Form 3160-4 showing well was completed as a producer.

IV. Attach a list of all working interest owners with their percentage interests.

V. AFFIDAVIT:

State of New Mexico)

ss.

County of San Juan)

Loren Fothergill, being first duly sworn, upon oath states:

- I am the Operator, or authorized representative of the Operator, of the above-referenced well.
- To the best of my knowledge, this application is complete and correct.

Signature Loren W Fothergill Title Production Engineer Date 12/27/99

SUBSCRIBED AND SWORN TO before me this 27th day of December 1999.

[Signature]
Notary Public

My Commission expires: 6/10/03

FOR OIL CONSERVATION DIVISION USE ONLY:

VI. CERTIFICATION OF APPROVAL:

This Application is hereby approved and the above-referenced well is designated a New Well. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval.

Signature <u>[Signature]</u>	Title <u>P.E. Spee.</u>	Date <u>JAN 18 2000</u>
---------------------------------	----------------------------	----------------------------

VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: 1/18/00

NOTICE: The operator must notify all working interest owners of this New Well certification.

PVZV2010729115

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 87240
 District II
 8150 1st First, Artesia, NM 87210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised March 25, 1999

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

WELL API NO.
 30-045-29704

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG-BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
 Oil Well Gas Well Other

2. Name of Operator
 Cross Timbers Operating Company

3. Address of Operator
 3000 N. Garfield, Suite 175 Midland, TX 79705

4. Well Location
 Unit Letter K : 1490 feet from the South line and 1965 feet from the West line
 Section 31 Township 30N Range 12W NMPM County Lea

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
 GR 5445'

RECEIVED
 OCT 19 1999
 REC'D / SAN JUAN
 OCT 22 1999

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PLUG OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: Spud and all casing <input checked="" type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

MIRU RT. Spudded 8-3/4" hole @ 12:45 pm, 10/05/99, and drld to 220' & ran 7", 20#, J-55, STC csg & set @ 218'. RU & cmt'd csg w/78sx Cl B cmt w/3% CaCl & 1/4#/sx flocele (15.6 ppg, 1.18 cuft/sx). Ttl slurry vol 92 cuft. Disp cmt w/7 BFW. PD @ 1:00 pm, 10/6/99. Bumped plug to 500 psig (400 psig over final disp press). Float held. Circ 35sx cmt to surf. WOC 17 hrs. NU & tstd BOP to 250-1000 psig, OK. Drld out cmt w/6-1/4" bit and drld formation to 1605'. RU & ran 4-1/2", 10.5#, J-55, STC csg & set @ 1603'. RU Dowell Schlumberger & cmt'd csg w/75 sx Cl B cmt w/2% D-79, 1/4#/sx celloflake & 2% CaCl (11.4 ppg, 2.87 cuft/sx) followed w/75 sx Cl B cmt w/2% D-79, 1/4#/sx celloflake & 2% CaCl (13.5 ppg, 1.71 cuft/sx). Ttl slurry vol 343 cuft. Disp cmt w/24.5 BFW. PD @ 8:30 pm, 10/12/99. Bumped plug to 1050 psig (575 psig over final disp press). Float held. Circ 15 sx cmt to surf. ND BOP. Set slips on 4-1/2" csg/15,000# tens. Released rig @ 12:00 pm, 10/13/99. WO completion.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Bobby L. Smith TITLE Drilling/Operations Manager DATE 10/15/99

Type or print name Bobby L. Smith Telephone No. 915/682-8873

(This space for State Official SIGNED BY CHARLIE T. PERRY
 APPROVED BY _____ TITLE _____ DATE OCT 19 1999
 Conditions of approval, if any:

Submit to Appropriate District Office
 State Lease - 6 copies
 Fee Lease - 5 copies
DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-105
 Revised 1-1-89

OIL CONSERVATION DIVISION
 2040 Pacheco St.
 Santa Fe, NM 87505

DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO.
 30-045-29704

5. Indicate Type Of Lease
 STATE FEE

6. State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT

RECEIVED
 DEC 6 1999

1a. Type of Well: OIL WELL GAS WELL DRY OTHER
 b. Type of Completion: NEW WELL WORK OVER DEEPEN PLUG BACK DIFF RESVR

7. Lease Name or Unit Agreement Name
 Quine Gas Com
REC'D / SAN JUAN

2. Name of Operator
 Cross Timbers Operating Company

8. Well No.
 #2 DEC 20 1999

3. Address of Operator
 2700 Farmington Ave., Bldg. K, Ste 1 Farmington, NM 87401

9. Pool name or Wildcat
 Basin Fruitland Coal

4. Well Location
 Unit Letter K : 1490 Feet From The South Line and 1965 Feet From The West Line
 Section 31 Township 30 N Range 12 W NMPM San Juan County

10. Date Spudded 10/05/99
 11. Date T.D. Reached 10/12/99
 12. Date Compl.(Ready to Prod.) 11/17/99
 13. Elevations(DF & RKB, RT, GR, etc.) GR 5,445'
 14. Elev. Casinghead

15. Total Depth 1,603'
 16. Plug Back T.D. 1,559'
 17. If Multiple Compl. How Many Zones?
 18. Intervals Drilled By Rotary Tools 0-1,603' Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name 1,444' -69'
 20. Was Directional Survey Made Yes

21. Type Electric and Other Logs Run Platform Express CNL, Arry Induction, GR CCL
 22. Was Well Cored No

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
7"	20#	218'	8-3/4"	78 sx C1 B w/3% Cac12	
4-1/2"	10.5#	1,603'	6-1/4"	150 Sx C1 B	

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-3/8"	1,507'	

26. Perforation record (interval, size, and number)
 1,444' -69' w/4 JSPF (100 - 0.38" holes)

27. ACID, SHOT, FRACTURE, CEMENT, SOEZE, ETC.
 DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED
 1,444' -69' 88,950 gals gel wtr & 103,000# 16/30 sand

28. PRODUCTION

Date First Production
 Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping
 Well Status (Prod. or Shut-in) SI

Date of Test 11/26/99 Hours Tested 24 Choke Size 2" Prod'n For Test Period Oil - Bbl. 0 Gas - MCF TSTM Water - Bbl. 53 Gas - Oil Ratio

Flow Tubing Press. 11 psig Casing Pressure 12 psig Calculated 24-Hour Rate Oil - Bbl. 0 Gas - MCF TSTM Water - Bbl. 53 Oil Gravity - API (Corr.)

29. Disposition of Gas (Sold, used for fuel, vented, etc.)
 To be sold
 Test Witnessed By John Rector

30. List Attachments

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature Loren W. Fothergill Printed Name Loren W. Fothergill Title Operation Engineer Date 12/03/99

**CROSS TIMBERS GROUP
INTEREST MEMO**

*CLM ✓ /
LWF ✓
WF ✓ MW 11/8/99*

Distribution: Ken Staab	Betty Moots	Tim Plue/Shirley Ottinger	Don Barton/Peg Terrell
Bennie Kniffen	Scott Clair	Melanie Ramirez	Oklahoma City/Midland
Mark Stevens	Joy Webster	Terry Reid/Jean Ann Dobbs	Tyler/Farmington
Terry Schultz	Dave Schroeder	Bill Manning	File Book
Pat Benson	<u>J. Stadulis/R. Tracy</u>	Kelly Stinnett	Well File

Date Prepared November 3, 1999 Well Name Quine Gas Com #2
 Lease Number See Designation of Unit Well Number 71334

Orig Memo Supp Memo

REC'D / SAN JUAN

LOCATION DATA		NOV 0 8 1999		
Location <u>S/2 Section 31-T30N-R12W</u> <u>San Juan County, New Mexico</u>		Section/Township(Blk)/Range(Svy) County/State		
Exact Well Spot <u>1,490' FSL & 1,965' FWL</u>				
Type of Deal (Rework, New Well, F/O, Support, etc.) <u>New Well</u>				
WELL OWNERSHIP	WORKING INTEREST %		NET REVENUE INTEREST %	
	BPO	APO	BPO	APO
Operator & Address Cross Timbers Oil Company	100%	99.89333%	83.249187% .02242% RI <u>39156% ORRI</u> 83.663167%	83.15585% .02242% RI <u>39156% ORRI</u> 83.56983%
Non-Operators: Address if CTOC Operator Jensen Brothers	0	.10667%	.013333%	.10667%
TOTAL	100%	100.0%	83.6765%	83.6765%
W.I. should be carried to 5 places and should total 100%				

DEAL	<u>AFE # 98540</u>
<p>RI & ORRI same as Quine Gas Com #1 (DK) with two additions.</p> <p>Reason for Payout: Jensen Brothers, owner of a .34 acre mineral interest would not lease. Therefore, they are paid a 1/8 Royalty before payout of 100% and participate with their mineral interest after payout. Please net check them APO. No JOA will be executed so use customary overhead.</p>	