

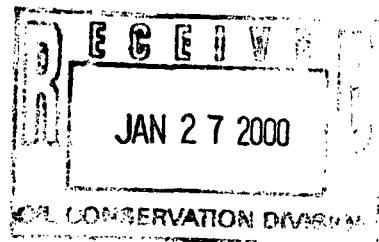


Cross Timbers Oil Company

January 26, 2000

FEDERAL EXPRESS

ATTN: Michael E. Stogner
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505



Re: Request for Administrative Approval of an Unorthodox Location
Basin Fruitland Coal Pool
Stedje Gas Com #2R
N/2 Section 27-30N-12W
San Juan County, New Mexico

Gentlemen:

Cross Timbers Operating Company hereby requests administrative approval of the following unorthodox location:

Well Name: Stedje Gas Com #2R
Pool: Basin Fruitland Coal
Location: 1,085' FNL & 660' FEL
Acreage Dedication: N/2 Section 27-30N-12W, containing 320 acres, more or less
County/State: San Juan County, New Mexico
Pool Rules: 790' from lease lines

Attached is the following support and documentation for said application:

1. C-102 Plat
2. Geologic discussion
3. Copy of certified letter sent to offset operators/owners
 - A. Plat of offset operators
 - B. List of offset operators

Cross Timbers received NSL Order #4195 for the #2 well located 1,175' FNL & 675' FEL.

We look forward to your approval and please call me at (817) 885-2336 with any questions.

Your very truly,

Edwin S. Ryan, Jr.

cc: Bobby Smith - CTOC - Midland

NMCOD - Aztec District Office
1000 Rio Brazos Road
Aztec, New Mexico 87410

Offset Operators

District I
PO Box 1980, Hobbs, NM 88241-1980

District II
PO Drawer DD, Artesia, NM 88211-0719

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

District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code 71629	*Pool Name BASIN FRUITLAND COAL
*Property Code	*Property Name STEDJE GAS COM		*Well Number 2R
*GRID No. 167067	*Operator Name CROSS TIMBERS OPERATING COMPANY		*Elevation 5476'

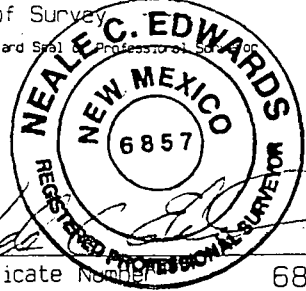
¹⁰ Surface Location

UL or lot no. A	Section 27	Township 30N	Range 12W	Lot Idn	Feet from the 1085	North/South line NORTH	Feet from the 660	East/West line EAST	County SAN JUAN
--------------------	---------------	-----------------	--------------	---------	-----------------------	---------------------------	----------------------	------------------------	--------------------

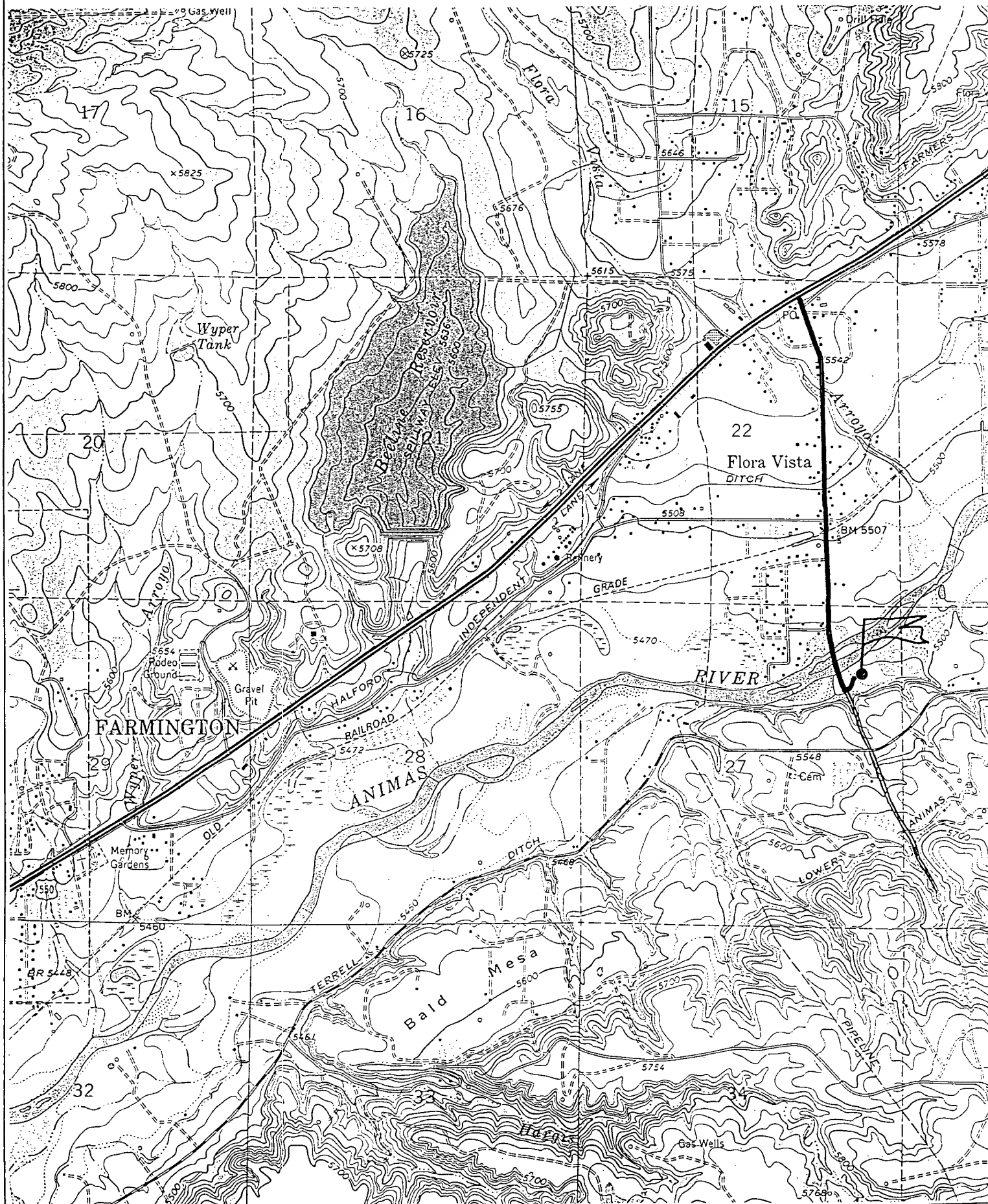
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶ 5186.28' (CALC'ED) 2547.41' (CALC'ED) 2631.41' (MEAS)	5074.08'		¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Gary L. Markestad Printed Name Vice-President / Production Title Date ¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. JANUARY 5, 2000 Date of Survey Signature and Seal of Professional Surveyor  Certificate Number 6857
	5249.64'		

SAN JUAN COUNTY, NEW MEXICO




Stedge Gas Com #2R
(Stedge Gas Com #2 Replacement Well)
1,085' FNL & 660' FEL
Section 27 - T30N-R12W
San Juan County, New Mexico

GEOLOGIC SUMMARY

The Stedge Gas Com #2R is a proposed 1,800' Fruitland Coal test to be located 1,085' FNL and 660' FEL of section 27-T30N-R12W, San Juan County, New Mexico. To date, Cross Timbers Oil Company has drilled two Fruitland Coal wells in section 27; the Duff Gas Com "C" #2 in the SW/4 and the Stedge Gas Com #2 in the NE/4.

The Duff Gas Com "C" #2 established the first Fruitland Coal production in the section. The Stedge Gas Com #2, which has an estimated 23' of basal Fruitland Coal (open hole logs were not run), was unsuccessfully completed in the coal. Based on the results of the Duff Gas Com #2 well in the SW/4 of the section, the evaluation of the cased hole log of the Stedge Gas Com #2 and the evaluation of the open hole log from the Stedge Gas Com #1E, a deeper well also in the NE/4, Cross Timbers believes that it is necessary to redrill the Stedge Gas Com #2 to successfully complete the Fruitland Coal in this spacing unit.

The new well will be approximately 91' north of the Stedge Gas Com #2. The unorthodox location is requested because of surface restrictions which prohibit the placement of a well at a legal location in the NE/4 of the section. These restrictions are primary due to existing and proposed housing developments. The unorthodox location will also allow Cross Timbers to utilize existing surface equipment from the Cross Timbers operated Stedge Gas Com #1E Dakota well.


1-26-00



Cross Timbers Oil Company

January 26, 2000

TO: Offset Operators - See Attached

Re: Unorthodox Location
Stedje Gas Com #2R
N/2 Section 27-30N-12W
San Juan County, New Mexico

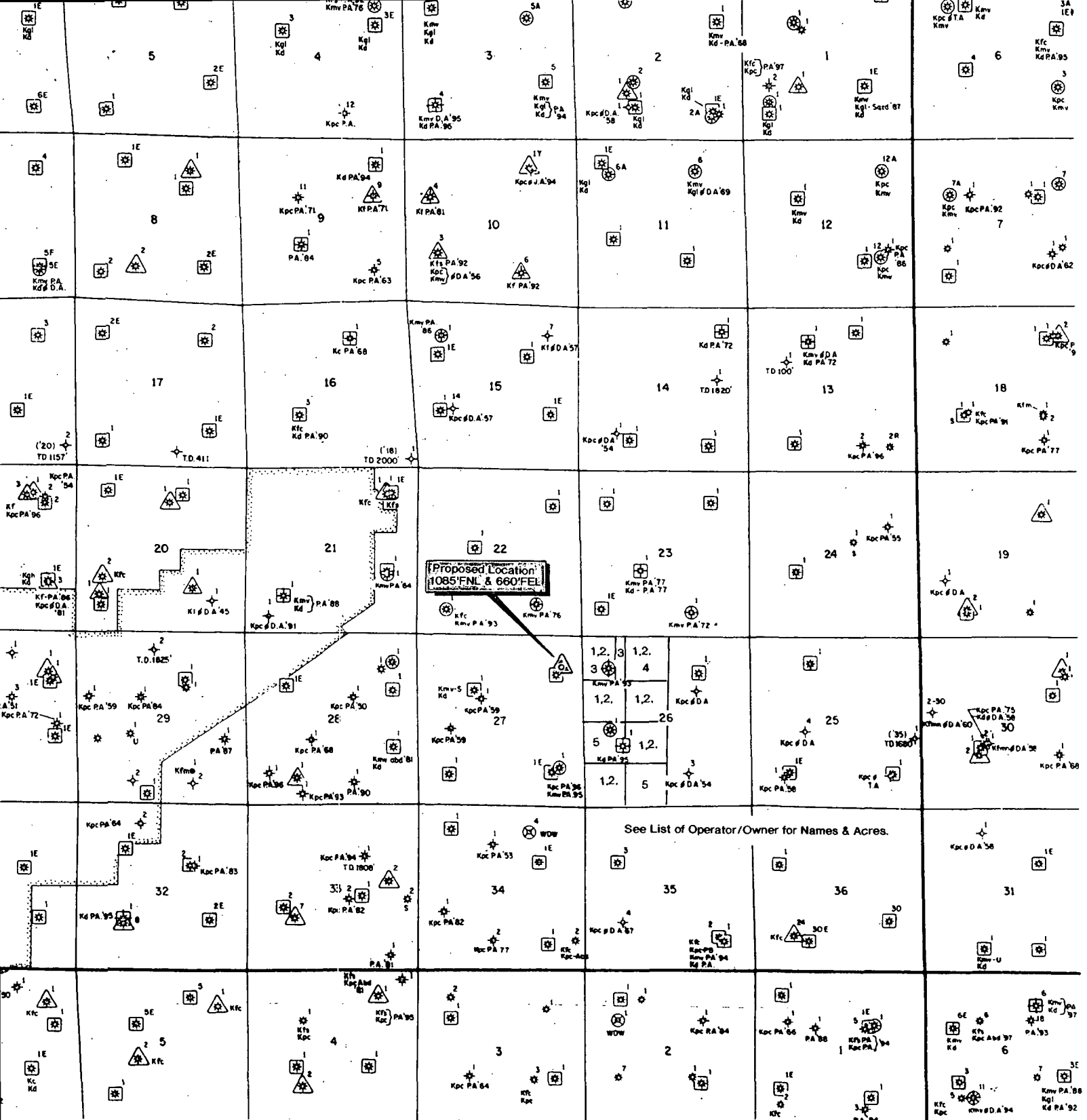
Gentlemen:

Cross Timbers Operating Company filed the attached administrative approval of the above Unorthodox Location with the New Mexico Conservation Division on January 26, 2000. If you object to the application, you must file a written objection with the Oil Conservation Division within twenty (20) days of the date the application was filed.

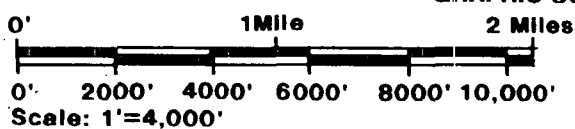
Should you have any questions please feel free to call me at (817) 885-2336.

Yours very truly,

Edwin S. Ryan, Jr.
Vice President - Land



GRAPHIC SCALE



Cross Timbers Oil Company

Stedje Gas Com 2R

N/2 Section 27-30N-12W

San Juan County, New Mexico

**OFFSET OPERATORS/OWNERS
UNORTHODOX LOCATION
STEDJE GAS COM #2
N/2 SECTION 27-30N-12W
SAN JUAN COUNTY, NEW MEXICO**

W/2 Section 26-30N-12W

- | | | | |
|---|---|---|---|
| 1 | Conoco, Inc.
600 N. Dairy Ashford
DU-3092
Houston, Texas 77079 | 5 | Robert L. Bayless
P.O. Box 1541
Farmington, New Mexico 87499 |
| 2 | Burlington Resources Oil & Gas Company
P.O. Box 4289
Farmington, New Mexico 87499 | 5 | J. Gregory Merrion
610 Reilly Ave.
Farmington, New Mexico 87401 |
| 3 | Allen K. Brown
3407 Patterson
Amarillo, Texas 79109 | See Map For Corresponding Number | |
| 3 | Edward L. Burt
P.O. Box 2277
Ruidoso, New Mexico 88345-2277 | | |
| 3 | John A. Burt
3611 SW Evengside Drive
Topeka, Kansas 66614-3837 | | |
| 3 | Mary Katherine Jones
2020 N. Peppertree Circle
Carlsbad, New Mexico 88240 | | |
| 3 | Jeanne B. Neel
16205 S. 39 th Place
Phoenix, Arizona 85044 | | |
| 4 | Bank of America, Trustee
303 Roma
Albuquerque, New Mexico 87102 | | |
| 4 | Padilla Land & Cattle Company
446 Road 300
Aztec, New Mexico 87410 | | |
| 4 | County of San Juan
100 S. Oliver Drive
Aztec, New Mexico 87410 | | |

SENDER: COMPLETE THIS SECTION

- Complete Items 1, 2, and 3. Also complete Item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Allen K. Brown
3407 Patterson
Amarillo, Texas 79109

WR - 1/26/00 - Stedje GC #2R

2. Article Number (Copy from service label)

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature

X

☐ Agent

☐ Addressee

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail

☐ Express Mail

☐ Registered

☐ Return Receipt for Merchandise

☐ Insured Mail

☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

2 137 270 163

SENDER: COMPLETE THIS SECTION

- Complete Items 1, 2, and 3. Also complete Item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Burlington Resources Oil & Gas Co.
P.O. Box 4289
Farmington, New Mexico 87499

WR - 1/26/00 - Stedje GC #2R

2. Article Number (Copy from service label)

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature

X

☐ Agent

☐ Addressee

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail

☐ Express Mail

☐ Registered

☐ Return Receipt for Merchandise

☐ Insured Mail

☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

2 137 270 162

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Conoco, Inc.
600 N. Dairy Ashford, DU-3092
Farmington, New Mexico 87499
Houston, Texas 77079
WR - 1/26/00 - Stedje GC #2R

2. Article Number (Copy from service label)

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

COMPLETE THIS SECTION ON DELIVERY

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C. Signature

X

☐ Agent

☐ Addressee

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3. Service Type

☒ Certified Mail

☐ Express Mail

☐ Registered

☐ Return Receipt for Merchandise

☐ Insured Mail

☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

2 137 270 161

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Edward L. Burt
P.O. Box 2277
Ruidoso, New Mexico 88345-2277

WR - 1/26/00 - Stedje GC #2R

2. Article Number (Copy from service label)

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery

C. Signature

X☐ Agent☐ Addressee

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☐ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes**Z 137 270 164**

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
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- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

John A. Burt
3611 SW Evengside Drive
Topeka, Kansas 66614-3837

WR - 1/26/00 - Stedje GC #2R

2. Article Number (Copy from service label)

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery

C. Signature

X☐ Agent☐ Addressee

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☐ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes**Z 137 270 165**

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Mary Katherine Jones
2020 N. Peppertree Circle
Carlsbad, New Mexico 88240

WR - 1/26/00 - Stedje GC #2R

2. Article Number (Copy from service label)

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery

C. Signature

X☐ Agent☐ Addressee

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☐ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes**Z 137 270 166**

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

SENDER: COMPLETE THIS SECTION

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Jeanne B. Neel
16205 S. 39th Place
Phoenix, Arizona 85044

WR - 1/26/00 - Stedje GC #2R

2. Article Number (Copy from service label)

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery

C. Signature

X☐ Agent☐ Addressee

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☐ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

2137270167

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Bank of America, Trustee
303 Roma
Albuquerque, New Mexico 87102

WR - 1/26/00 - Stedje GC #2R

2. Article Number (Copy from service label)

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery

C. Signature

X☐ Agent☐ Addressee

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☐ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

2137270168

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Padilla Land & Cattle Company
446 Road 300
Aztec, New Mexico 87410

WR - 1/26/00 - Stedje GC #2R

2. Article Number (Copy from service label)

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery

C. Signature

X☐ Agent☐ Addressee

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☐ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

2137270169

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

J. Gregory Merrion
610 Reilly Avenue
Farmington, NM 87401

WR - 1/26/00 - Stedje GC #2R

2. Article Number (Copy from service label)

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature

X

☐ Agent☐ AddresseeD. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

Z 137 270 178

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Robert L. Bayless
P.O. Box 1541
Farmington, NM 87499

WR - 1/26/00 - Stedje GC #2R

2. Article Number (Copy from service label)

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature

X

☐ Agent☐ AddresseeD. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

Z 137 270 171

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

County of San Juan
100 S. Oliver Drive
Aztec, New Mexico 87410

WR - 1/26/00 - Stedje GC #2R

2. Article Number (Copy from service label)

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature

X

☐ Agent☐ AddresseeD. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

Z 137 270 170



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

January 11, 1999

Cross Timbers Oil Company
810 Houston Street -- Suite 2000
Fort Worth, Texas 76102-6298
Attention: Edwin S. Ryan, Jr.

Telefax No. (817) 870-1671

Administrative Order NSL-4195

Dear Mr. Ryan:

Reference is made to your application dated December 18, 1998 for an off-pattern non-standard Basin-Fruitland coal gas well location for your proposed Stedje Gas Com. Well No. 2 (API No. 30-045-29738) to be drilled 1175 feet from the North line and 675 feet from the East line (Unit A) of Section 27, Township 30 North, Range 12 West, NMPM, San Juan County, New Mexico. The N/2 of Section 27 is to be dedicated to this well in order to form a standard 320-acre gas spacing and proration unit for the Basin Fruitland Coal (Gas) Pool.

By the authority granted me under the provisions of Rule 8 of the "*Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool*," as promulgated by Division Order No. R-8768, as amended, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,

A large, stylized handwritten signature in dark ink, likely belonging to Lori Wrotenbery, the Director mentioned in the caption below.

Lori Wrotenbery
Director

LW/MES/kv

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



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

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

January 31, 2000

**Cross Timbers Operating Company
810 Houston Street - Suite 2000
Fort Worth, Texas 76102-6298**

Attention: Edwin S. Ryan, Jr.

Re Application dated January 26, 2000 for an unorthodox coal gas well location within the Basin-Fruitland Coal (Gas) Pool for the proposed Stedje Gas Com. Well No. 2-R to be drilled as a replacement well 1085 feet from the North line and 660 feet from the East line (Unit A) of Section 27, Township 30 North, Range 12 West, NMPM, San Juan County, New Mexico. A standard 320-acre lay-down gas spacing and proration unit comprising the N/2 of Section 27 is the proposed acreage to be dedicated to this well.

Dear Mr. Ryan:

In order for me to complete my review of your application additional information is needed concerning the well currently occupying the 320-acre gas spacing and proration unit that is the N/2 of Section 27. What is the current status of Cross Timbers' existing Stedje Gas Com. Well No. 2 (API No. 30-045-29738), located an unorthodox coal gas well location (approved by Division Administrative Order NSL-4195 dated January 11, 1999) 1175 feet from the North line and 675 feet from the East line (Unit A) of Section 27? Also what does Cross Timbers intend to do with this well?

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Farmington
Jim Bruce, Legal Counsel for Cross Timbers Operating Company - Santa Fe

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

DISTRICT I

P.O. Box 1980, Hobbs NM 88241-1980

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO.

30-045-29738

5. Indicate Type of Lease

7

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.)

Lease Name or Unit Agreement Name

Stedje Gas Com

1. Type of Well:

OIL
WELL ☐

GAS
WELL ☒

OTHER

2. Name of Operator

Cross Timbers Operating Company

8. Well No.

2

3. Address of Operator

2700 Farmington Ave., Bldg. K, Ste 1 Farmington, NM 87401

9. Pool name or Wildcat

Basin Fruitland Coal (71629)

4. Well Location

Unit Letter A : 1,175 Feet From The North Line and 675 Feet From The East Line

Section 27 Township 30N Range 12W NMPM San Juan County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

5,474' GR 5,478' KB

11.

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐

PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐

CHANGE PLANS ☐

PULL OR ALTER CASING ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐

ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐

PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: Surface Commingle Gas Production ☒

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.

Surface comingled Stedje Gas Com #2 gas production with Stedje Gas Com #1E gas production effective 10/2/99 per Commingling Order PC-1002.

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

SIGNATURE

Ray Martin

TITLE Operations Engineer

DATE 10/27/99

TYPE OR PRINT NAME Ray Martin

TELEPHONE NO. (505)324-1090

(This space for State Use)

APPROVED BY

Ernie Ruch

DEPUTY OIL & GAS INSPECTOR, DIST. 3

TITLE

DATE

NOV 4 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

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

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

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

Form C-105
Revised 1-1-89

Amended Report to match well
test on C-104.

WELL API NO. 30-045-29738
5. Indicate Type Of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG	
1a. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER <input type="checkbox"/>	
b. Type of Completion: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF RESVR <input type="checkbox"/> OTHER <input type="checkbox"/>	
2. Name of Operator Cross Timbers Operating Company	
3. Address of Operator 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401	
7. Lease Name or Unit Agreement Name Stedje Gas Com	
8. Well No.	
9. Pool name or Wildcat Basin Fruitland Coal (71629)	

4. Well Location Unit Letter <u>A</u> : <u>1,175</u> Feet From The <u>N</u> Line and <u>675</u> Feet From The <u>E</u> Line					
Section <u>27</u>		Township <u>30N</u>		Range <u>12W</u>	
NMPM		San Juan		County	
10. Date Spudded 6/7/99	11. Date T.D. Reached 6/11/99	12. Date Compl.(Ready to Prod.) 7/29/99	13. Elevations(DF & RKB, RT, GR, etc.) 5,474' GR 5,478' KB	14. Elev. Casinghead 5,474'	
15. Total Depth 1,739'	16. Plug Back T.D. 1,709'	17. If Multiple Compl. How Many Zones?	18. Intervals Drilled By X	Rotary Tools	Cable Tools
19. Producing Interval(s), of this completion - Top, Bottom, Name 1,408'-1,629' Fruitland Coal					20. Was Directional Survey Made N
21. Type Electric and Other Logs Run GR/CCL/CNL					22. Was Well Cored N

CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
7"	20#	162'	8-3/4"	65 sx Circ to surf	
4-1/2"	10.5#	1,736'	6-1/4"	265 sx Circ to surf	

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-3/8"	1.683'	
26. Perforation record (interval, size, and number) 1,408'-17', 1,462'-64', 1,467'70' (4 jspf ttl 56 - 0.34" holes) & 1,599'-1,629' (2 jspf ttl 60 - 0.34" holes).				27. ACID, SHOT, FRACTURE, CEMENT, SOEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 1,408' - 1,470' 48,302 g XL gel wtr & 47,951# sd 1,599' - 1,629' 500 g 15% acid; 86,438 g XL gel wtr & 135,705# sd			

28. PRODUCTION							
Date First Production		Production Method (Flowing, gas lift, pumping - Size and type pump) Rod pump				Well Status (Prod. or Shut-in) Prod	
Date of Test 7/30/99	Hours Tested 24	Choke Size 2"	Prod'n For Test Period	Oil - Bbl. 0	Gas - MCF 0	Water - Bbl. 27	Gas - Oil Ratio -
Flow Tubing Press. 30	Casing Pressure 0	Calculated 24-Hour Rate	Oil - Bbl. 0	Gas - MCF 0	Water - Bbl. 27	Oil Gravity - API (Corr.) -	
29. Disposition of Gas (Sold, used for fuel, vented, etc.) No prod.						Test Witnessed By Tony Sternberger	
30. List Attachments GR/CCL/CNL log: Deviation Survey							

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 <u>Ray Martin</u>		Printed Name <u>Ray Martin</u>		Title <u>Operations Eng.</u>		Date <u>9/16/99</u>	

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

Northeastern New Mexico

T. Anhy _____	T. Canyon _____	T. Ojo Alamo _____	T. Penn. "B" _____
T. Salt _____	T. Strawn _____	T. Kirtland-Fruitland <u>1,302'</u>	T. Penn. "C" _____
B. Salt _____	T. Atoka _____	T. Pictured Cliffs <u>1,638'</u>	T. Penn. "D" _____
T. Yates _____	T. Miss _____	T. Cliff House _____	T. Leadville _____
T. 7 Rivers _____	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen _____	T. Silurian _____	T. Point Lookout _____	T. Elbert _____
T. Grayburg _____	T. Montoya _____	T. Mancos _____	T. McCracken _____
T. San Andres _____	T. Simpson _____	T. Gallup _____	T. Ignacio Otzte _____
T. Glorieta _____	T. McKee _____	Base Greenhorn _____	T. Granite _____
T. Paddock _____	T. Ellenburger _____	T. Dakota _____	T. _____
T. Blinebry _____	T. Gr. Wash _____	T. Morrison _____	T. _____
T. Tubb _____	T. Delaware Sand _____	T. Todilto _____	T. _____
T. Drinkard _____	T. Bone Springs _____	T. Entrada _____	T. _____
T. Abo _____	T. _____	T. Wingate _____	T. _____
T. Wolfcamp _____	T. _____	T. Chinle _____	T. _____
T. Penn _____	T. _____	T. Permian _____	T. _____
T. Cisco (Bough C) _____	T. _____	T. Penn "A" _____	T. _____

OIL OR GAS SANDS OR ZONES

No. 1, from to
No. 2, from to
No. 3, from to
No. 4, from to

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from to feet

No. 2, from to feet

No. 3, from to feet

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-10
Revised October 18, 1991
Instructions on back
Submit to Appropriate District
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address Cross Timbers Operating Company 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401		² OGRID Number 167067
		³ Reason for Filing Code New Well
⁴ API Number 30-0 45-29738	⁵ Pool Name Basin Fruitland Coal	⁶ Pool Code 71629
⁷ Property Code	⁸ Property Name Stedje Gas Com	⁹ Well Number 2

II. ¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
A	27	30N	12W		1175	N	675	E	San Juan

¹¹ Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
¹² Lse Code	¹³ Producing Method Code Rod pump	¹⁴ Gas Connection Date	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date				

III. Oil and Gas Transporters

¹⁸ Transporter OGRID 007057	¹⁹ Transporter Name and Address El Paso Field Services 614 Reilly Ave. Farmington, NM 87401	²⁰ POD 2824000	²¹ O/G G	²² POD ULSTR Location and Description

IV. Produced Water

²³ POD 2824001	²⁴ POD ULSTR Location and Description
------------------------------	--

V. Well Completion Data

²⁵ Spud Date 6/7/99	²⁶ Ready Date 7/29/99	²⁷ TD 1739'	²⁸ PBTB 1709'	²⁹ Perforations 1408' - 1629'	³⁰ DHC, DC, MC Single
³¹ Hole Size 8-3/4"	³² Casing & Tubing Size 7", 20#, J-55	³³ Depth Set 162'	³⁴ Sacks Cement 65		
6-1/4"	4-1/2", 10.5#, J-55	1736'	265		
	2-3/8", 4.7#, J-55	1683'			

VI. Well Test Data

³⁵ Date New Oil	³⁶ Gas Delivery Date	³⁷ Test Date 8-11-99 7/30/99	³⁸ Test Length 24	³⁹ Tbg. Pressure 30	⁴⁰ Csg. Pressure 200
⁴¹ Choke Size 2"	⁴² Oil 210	⁴³ Water 27.63	⁴⁴ Gas TSTM	⁴⁵ AOF TSTM	⁴⁶ Test Method Rod pump

⁴⁷ I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Printed name:
Ray Martin

Title:
Operations Engineer

Date: 7/30/99

Phone: 324-1090

9-9-99 OIL CONSERVATION DIVISION

Approved by:

SUPERVISOR DISTRICT #5

Title:

Approval Date: SEP - 9 1999

⁴⁸ If this is a change of operator fill in the OGRID number and name of the previous operator

Previous Operator Signature	Printed Name	Title	Date
-----------------------------	--------------	-------	------

Submit to Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-105
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

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.

30-045-29738

5. Indicate Type Of Lease

STATE ☐

FEE ☒

6. State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: ☐ OIL WELL ☒ GAS WELL ☐ DRY ☐ OTHER

RECEIVED
SEP - 9 1999

Lease Name or Unit Agreement Name

Stedje Gas Com

b. Type of Completion:

NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DIFF RESVR ☐ OTHER

2. Name of Operator

Cross Timbers Operating Company

3. Address of Operator

2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401

Well No.

2

9. Pool name or Wildcat

Basin Fruitland Coal (71629)

4. Well Location

Unit Letter A : 1.175 Feet From The N Line and 675 Feet From The E Line

Section 27

Township 30N

Range 12W

NMPM

San Juan

County

10. Date Spudded

6/7/99

11. Date T.D. Reached

6/11/99

12. Date Compl.(Ready to Prod.)

7/29/99

13. Elevations(DF & RKB, RT, GR, etc.)

5,474' GR

5,478' KB

14. Elev. Casinghead

5,474'

15. Total Depth

1,739'

16. Plug Back T.D.

1,709'

17. If Multiple Compl. How Many Zones?

18. Intervals Drilled By

Rotary Tools

X

Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name

1,408'-1,629' Fruitland Coal

20. Was Directional Survey Made

N

21. Type Electric and Other Logs Run

GR/CCL/CNL

22. Was Well Cored

N

CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
7"	20#	162'	8-3/4"	65 sx Circ to surf	774'
4-1/2"	10.5#	1,736'	6-1/4"	265 sx Circ to surf	436'

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-3/8"	1.683'	

25. TUBING RECORD

26. Perforation record (interval, size, and number)

1,408'-17', 1,462'-64', 1,467'-70' (4 jspf ttl 56 - 0.34" holes) & 1,599'-1,629' (2 jspf ttl 60 - 0.34" holes).

27. ACID, SHOT, FRACTURE, CEMENT, SOEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
1,408' - 1,470'	48,302 g XL gel wtr & 47,951# sd
1,599' - 1,629'	500 g 15% acid; 86,438 g XL gel wtr & 135,705# sd

28. PRODUCTION

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

Date of Test 8/11/99	Hours Tested 24	Choke Size 2"	Prod'n For Test Period	Oil - Bbl. 0	Gas - MCF 0	Water - Bbl. 63	Gas - Oil Ratio -
Flow Tubing Press. 0	Casing Pressure 200	Calculated 24-Hour Rate	Oil - Bbl. 210	Gas - MCF 0 75714	Water - Bbl. 63	Oil Gravity - API (Corr.) -	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

No prod.

Test Witnessed By

Tony Sternberger

30. List Attachments

GR/CCL/CNL log; Deviation Survey

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

Ray Martin

Printed Name

Ray Martin

Title

Operations Eng.

Date

9/8/99

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

Northeastern New Mexico

T. Anhy _____	T. Canyon _____	T. Ojo Alamo _____	T. Penn. "B" _____
T. Salt _____	T. Strawn _____	T. Kirtland-Fruitland <u>1,302'</u>	T. Penn. "C" _____
B. Salt _____	T. Atoka _____	T. Pictured Cliffs <u>1,638'</u>	T. Penn. "D" _____
T. Yates _____	T. Miss _____	T. Cliff House _____	T. Leadville _____
T. 7 Rivers _____	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen _____	T. Silurian _____	T. Point Lookout _____	T. Elbert _____
T. Grayburg _____	T. Montoya _____	T. Mancos _____	T. McCracken _____
T. San Andres _____	T. Simpson _____	T. Gallup _____	T. Ignacio Otzte _____
T. Glorieta _____	T. McKee _____	Base Greenhorn _____	T. Granite _____
T. Paddock _____	T. Ellenburger _____	T. Dakota _____	T. _____
T. Blinebry _____	T. Gr. Wash _____	T. Morrison _____	T. _____
T. Tubb _____	T. Delaware Sand _____	T. Todilto _____	T. _____
T. Drinkard _____	T. Bone Springs _____	T. Entrada _____	T. _____
T. Abo _____	T. _____	T. Wingate _____	T. _____
T. Wolfcamp _____	T. _____	T. Chinle _____	T. _____
T. Penn _____	T. _____	T. Permian _____	T. _____
T. Cisco (Bough C) _____	T. _____	T. Penn "A" _____	T. _____

OIL OR GAS SANDS OR ZONES

No. 1, from to
No. 2, from to
No. 3, from to
No. 4, from to

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....
 No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology

From	To	Thickness in Feet	Lithology

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

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

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

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO.
30-045-29738

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.)

LEASE NAME OR UNIT AGREEMENT NAME

Stedje Gas Com

1. TYPE OF WELL:
OIL WELL ☐ GAS WELL ☒ OTHER ☐

2. NAME OF OPERATOR
CONOCO INC.

3. ADDRESS OF OPERATOR
10 DESTA DR., SUITE 100W, MIDLAND, TX 79705-4500

4. WELL LOCATION

Unit Letter A : 1175' Feet From The NORTH Line and 675' Feet From The EAST Line

Section 27 Township 30N Range 12W NMPM San Juan County

10. ELEVATION (Show whether DF, RKB, RT, GR, etc.)

5474' GL

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐
OTHER: Change in Construction ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOBS ☐
OTHER: ☐

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.

Please note 7" casing will be 20#, NOT 23# as previously submitted on APD.

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

SIGNATURE: _____ TITLE: Agent for Cross Timbers DATE 5-21-99

TYPE OR PRINT NAME: VERLA JOHNSON TELEPHONE NO. (505) 324-3960

(This space for State Use)

APPROVED BY Charlie T. Horn TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE MAY 24 1999
CONDITIONS OF APPROVAL, IF ANY:

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs NM 88241-1980

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

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

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO.

30-045-29738

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 2700 Farmington Avenue,
Bldg K, Suite 1, Farmington, NM 87401 (505) 324-1090

7. Lease Name or Unit Agreement Name

Stedje Gas Com

8. Well No.

2

9. Pool name or Wildcat

Basin Fruitland Coal (71629)

4. Well Location

Unit Letter A : 1175 Feet From The North Line and 675 Feet From The East Line

Section 27 Township 30N Range 12W NMPM San Juan County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

GR 5474', KB 5478'

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐

PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐

CHANGE PLANS ☐

PULL OR ALTER CASING ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐

ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐

PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: Spud and all casing ☒

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.

6/7/99 MIRU Wayne Smith drlg Rig #1. Spudded 8-3/4" hole @ 3:00 pm (MST), 6/7/99. Drld to 170' & RU and ran 7", 20#, J-55, STC csg and set @ 162'. RU Cementers, Inc. and cmt'd w/65 sx C1 B cmt containing 2% CaCl (15.6 ppg, 1.18 cuft/sx). Total cmt 76.7 cuft. Plug down @ 8:30 pm 6/7/99. Displaced cmt w/5 BFW. Circ 23 sx of cmt to surface. Did not drop plug. WOC 15 3/4 hrs. NU, test BOP and csg to 1000 psig, OK. Drld out cmt w/6-1/4" bit. Drilled 6-1/4" hole to 1739', TD. RU and ran 4-1/2", 10.5#, J-55 csg and set @ 1736'. RU BJ Services and cmt'd csg w/165 sx 35/65 Poz B cmt w/6% gel. 5#/sx gilsonite & 1/4#/sx celloflake (12.4 pg, 1.92 cuft/sx), followed w/100 sx C1 B cmt w/5#/sx gilsonite, 1/4# sx celloflake (15.6 ppg, 1.19 cuft/sx). Displ w/27 bbls FW. PD @ 4:30 pm (MST), 6/11/99. Bumped plug to 1500 psig, 680 psig over final displ. Float held. Circ 61 sx cmt to surf. Ttl cmt volume 436 cuft. ND BOP, set slips, cut off 4-1/2" csg. RR @ 12:00 noon, 6/12/99. WOC.

Administrative Order NSL-4195.

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 6/15/99

TYPE OR PRINT NAME Bobby L. Smith TELEPHONE NO. 915/682-8873

(This space for State Use)

APPROVED BY [Signature] DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE JUN 21 1999

CONDITIONS OF APPROVAL, IF ANY:

ORIGINAL

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

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

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

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO.

30-045-29738

5. INDICATE TYPE OF LEASE

STATE ☐ FEE ☒

6. STATE OIL & GAS LEASE NO.

FEE

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

3. ADDRESS OF OPERATOR

2700 Farmington Ave., Bldg K, Ste. 1 Farmington, NM 87402 505-324-1090

4. WELL LOCATION

Unit Letter A : 1175' Feet From The North Line and 675' Feet From The East Line

Section 27 Township 30N Range 12W NMPM SAN JUAN County

10. ELEVATION (Show whether DF, RKB, RT, GR, etc.)

5474' G. L.

11.

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

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK ☐

PLUG AND ABANDON ☐

REMEDIAL WORK ☐

ALTERING CASING ☐

TEMPORARILY ABANDON ☐

CHANGE PLANS ☒

COMMENCE DRILLING OPNS. ☐

PLUG AND ABANDONMENT ☐

PULL OR ALTER CASING ☐

CASING TEST AND CEMENT JOBS ☐

OTHER: ☐

OTHER: ☐

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.

The Stedje Gas Com #2 will have 7" casing, 20# weight not 23# as previously submitted on APD.
The depth will of casing will be 160' not 200' as previously submitted on APD.

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

SIGNATURE: Debra Sittner

TITLE: AGENT FOR CROSS TIMBERS

DATE 6/7/99

TYPE OR PRINT NAME: DEBRA SITTNER, Permitting Supervisor

TELEPHONE NO. (505) 324-3965

(This space for State Use)

APPROVED BY: Eric Bosch

TITLE: DEPUTY OIL & GAS INSPECTOR, DIST. 33

DATE 6-11-99
JUN 11 1999

CONDITIONS OF APPROVAL, IF ANY:

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I

P.O. Box 1980, Hobbs NM 88241-1980

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO.

30-045-29738

5. Indicate Type of Lease

STATE ☐

FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Stedje Gas Com

8. Well No.

2

9. Pool name or Wildcat

Basin Fruitland Coal (71629)

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 2700 Farmington Avenue,

Bldg K, Suite 1, Farmington, NM 87401 (505) 324-1090

4. Well Location

Unit Letter A : 1175 Feet From The North Line and 675 Feet From The East Line

Section 27 Township 30N Range 12W NMPM San Juan County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

GR 5474', KB 5478'

11.

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐

PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐

CHANGE PLANS ☐

PULL OR ALTER CASING ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐

ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐

PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: Spud and all casing ☒

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.

6/7/99 MIRU Wayne Smith drlg Rig #1. Spudded 8-3/4" hole @ 3:00 pm (MST), 6/7/99. Drld to 170' & RU and ran 7". 20#, J-55, STC csg and set @ 162'. RU Cementers, Inc. and cmt'd w/65 sx C1 B cmt containing 2% CaCl (15.6 ppg, 1.18 cuft/sx). Total cmt 76.7 cuft. Plug down @ 8:30 pm 6/7/99. Displaced cmt w/5 BFW. Circ 23 sx of cmt to surface. Did not drop plug. WOC 15 3/4 hrs. NU, test BOP and csg to 1000 psig, OK. Drld out cmt w/6-1/4" bit. Drilled 6-1/4" hole to 1739'. TD. RU and ran 4-1/2". 10.5#, J-55 csg and set @ 1736'. RU BJ Services and cmt'd csg w/165 sx 35/65 Poz B cmt w/6% gel, 5#/sx gilsonite & 1/4#/sx celloflake (12.4 pg, 1.92 cuft/sx), followed w/100 sx C1 B cmt w/5#/sx gilsonite, 1/4# sx celloflake (15.6 ppg, 1.19 cuft/sx). Displ w/27 bbls FW. PD @ 4:30 pm (MST), 6/11/99. Bumped plug to 1500 psig, 680 psig over final displ. Float held. Circ 61 sx cmt to surf. Ttl cmt volume 436 cuft. ND BOP, set slips, cut off 4-1/2" csg. RR @ 12:00 noon, 6/12/99. WOC.

Administrative Order NSL-4195.

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 6/15/99

TYPE OR PRINT NAME Bobby L. Smith

TELEPHONE NO. 915/682-8873

(This space for State Use)

APPROVED BY

Shirley L. Smith

DEPUTY OIL & GAS INSPECTOR, DIST. 43

TITLE

DATE

JUN 21 1999

CONDITIONS OF APPROVAL, IF ANY:



Cross Timbers Oil Company

December 18, 1998

Federal Express

RECEIVED
DEC 24 1998

OIL CON. DIV.
DIST. 3

Lori Wrotenbery, Director
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Re: Request for Administrative Approval of an Unorthodox Location
Basin Fruitland Coal Pool
Stedje Gas Com #2
N/2 Section 27-30N-12W
San Juan County, New Mexico

Gentlemen:

Cross Timbers Operating Company hereby requests administrative approval of the following unorthodox location:

Well Name:	Stedje Gas Com #2
Pool:	Basin Fruitland Coal
Location:	1175' FNL & 675' FEL
Acreage Dedication:	N/2 Section 27-30N-12W, containing 320 acres, more or less
County/State:	San Juan County, New Mexico
Pool Rules:	790' from lease lines

Attached is the following support and documentation for said application:

1. C-102 Plat
2. Geologic discussion
3. Copy of certified letter sent to offset operators/owners
 - A. Plat of offset operators
 - B. List of offset operators

We look forward to your approval and please call me at (817) 877-2336 with any questions.

Yours very truly,


Edwin S. Ryan, Jr.

Edwin S. Ryan, Jr.

cc: Bobby Smith - CTOC Midland

NMCOB - Aztec District Office
1000 Rio Brazos Road
Aztec, New Mexico 87410

Offset Operators

15	5186.28'	1175'	675'	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
				Signature Gary L. Markestad Printed Name Vice-President / Production Title Date	
2547.41'	27 OIL CON. DIV. DEC 2 4 1998	5249.64'	18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.		
2631.41'			OCTOBER 16, 1998 Date of Survey Signature and Seal of Professional Surveyor  Certificate No. 6857		
	5074.08'				

**STEDJE GAS COM #2
GEOLOGIC SUMMARY**

The Stedje Gas Com #2 is a proposed 1800 ft. Fruitland coal test to be located 1175' FNL, and 675' FEL of Section 27-T30N-R12W, San Juan County, New Mexico. Cross Timbers has recently drilled the Duff Gas Com "C" #2 as a Fruitland coal test in the SW ¼ of Section 27.

Existing well control shows that the basal coal of the Fruitland Formation extends across all of Section 27 and the surrounding sections. Excellent coal production has been established approximately 1½-2 miles to the SW and approximately 3 miles to the east from the basal coal with similar thicknesses as that found in Section 27. Based on a shallow resistivity cutoff of 50 ohms, approximately 22 ft. of basal coal pay is expected at the proposed location.

An unorthodox location is requested because of surface restrictions which prohibit the placement of a well at a legal location in the NE¼ of the section, primarily due to existing and proposed housing developments. The proposed unorthodox location will share the pad used by a current deeper well, the Stedje Gas Com #1E, which is also operated by Cross Timbers.

Gary K. Burch
12/9/98



Cross Timbers Oil Company

December 21, 1998

TO: Offset Operators - See Attached

Re: Unorthodox Location
Stedje Gas Com # 2
N/2 Section 27-30N-12W
San Juan County, New Mexico

Gentlemen:

Cross Timbers Operating Company filed the attached application for administrative approval of the above Unorthodox Location with the New Mexico Oil Conservation Division on December 21, 1998. If you object to the application, you must file a written objection with the Oil Conservation Division within twenty (20) days of the date the application was filed.

Should you have any questions please feel free to call me at (817)877-2336.

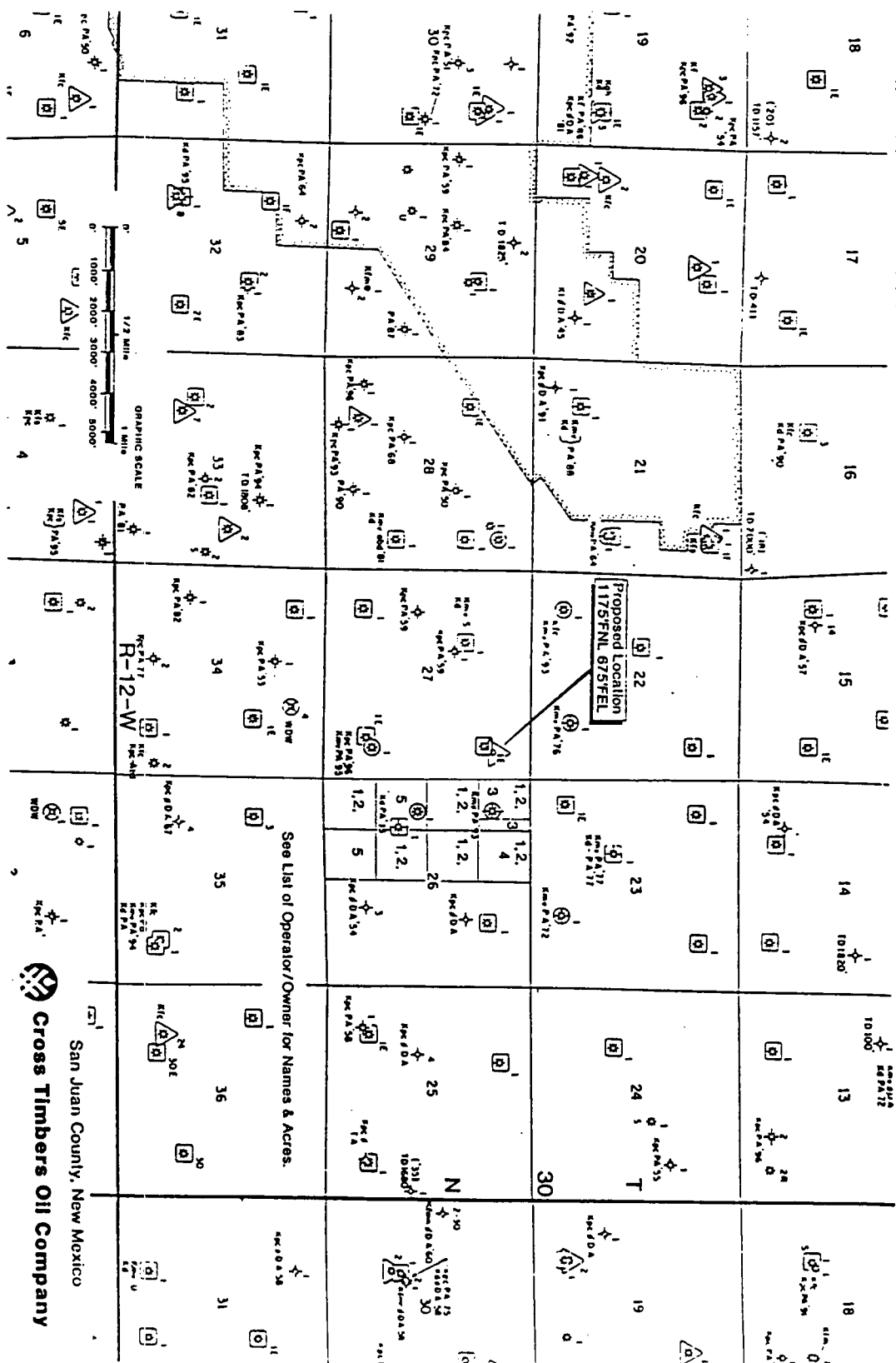
Yours very truly,

Edwin S. Ryan, Jr.

OFFSET OPERATORS/OWNERS
UNORTHODOX LOCATION
STEDJE GAS COM #2
N/2 SECTION 27-30N-12W
SAN JUAN COUNTY, NEW MEXICO

W/2 Section 26-30N-12W

- | | | | |
|---|--|---|--|
| 1 | Conoco Inc.
10 Desta Drive, Suite 100W
Midland, Texas 79705 | 5 | Robert L. Bayless
P.O. Box 1541
Farmington, New Mexico 87499 |
| 2 | Burlington Resources Oil &
Gas Company
P.O. Box 4289
Farmington, New Mexico 87499 | 5 | J. Gregory Menion
610 Reilly Ave.
Farmington, New Mexico 87401 |
| See map for corresponding number | | | |
| 3 | Allen K. Brown
3407 Patterson
Amarillo, Texas 79109 | | |
| 3 | Edward L. Burt
1305 W. Avenue M
Lovington, New Mexico 88260 | | |
| 3 | John A. Burt
7901 S. Council
Oklahoma City, Oklahoma 73169 | | |
| 3 | Mary Katherine Jones
2020 N. Peppertree Circle
Carlsbad, New Mexico 88240 | | |
| 3 | Jeanne B. Neel
3504 Patterson
Amarillo, Texas 79109 | | |
| 4 | Albuquerque National Bank, Trustee
P.O. Box 1344
Albuquerque, New Mexico 87103 | | |
| 4 | Padilla Land & Cattle Company
446 C. R. 300
Aztec, New Mexico 87410 | | |
| 4 | County of San Juan
100 S. Oliver Drive
Aztec, New Mexico 87410 | | |



DISTRICT I
PO Box 1980, Hobbs, NM 88240

DISTRICT II
PO Box DD, Artesia, NM 88210

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 Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, NM 87504-2088

Form C-101
Revised February 21, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 6 Copies

Fee Lease - 5 Copies

COPY

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEPEN, PLUGBACK, OR ADD A ZONE

1. OPERATOR NAME AND ADDRESS CROSS TIMBERS OPERATING COMPANY 6001 Highway 64, Farmington, NM 87401 505-632-5200 (Gary L. Markestadt)		2. OGRID NUMBER 167067	
4. PROPERTY CODE 22641		5. PROPERTY NAME STEDJE GAS COM	
		3. API NUMBER 45-29738	
		6. WELL NUMBER #2	

7. SURFACE LOCATION

U/I or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	27	T30N	R12W		1175'	North	675'	East	SAN JUAN

8. PROPOSED BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE

U/I or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

9. Proposed Pool 1

BASIN FRUITLAND COAL 71629

10. Proposed Pool 2

11. Work Type Code N	12/ Well Type Code G	13. Cable/Rotary ROTARY	14. Lease Type Code FEE	15. Ground Level Elevation 5474'
16. Multiple NO	17. Proposed Depth 2000'	18. Formation Basin Fruitland Coal	19. Contractor Not Awarded	20. Spud Date 11/98

21. Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
8-3/4"	7"	23#, J-55, ST&C	200'	100	SURFACE
6-1/4"	4-1/2"	10.5#, J-55, ST&C	2000'	200	SURFACE

22. Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Casing/Cement Program to 200': 100 sacks Class B cement containing 2% CACI₂, 1/4 PPS celloflake. Circulate to surface.

Casing/Cement Program to 2000': 100 sacks of 35/65/6 Poz cement containing 6% gel, 5 PPS Gilsonite, 1/4 PPS celloflake, followed by 100 sacks of Class G cement containing 5 PPS gilsonite, 1/4 PPS celloflake. Use 25% excess over volume calculated from open hole logs to bring TOC up to surface.

A rig equipped with a double BOP will be used.

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

Signature:

Printed Name: GARY L. MARKESTAD

Title: VICE PRESIDENT, PRODUCTION

Date: 11/13/98

Phone: (505) 632-5200

OIL CONSERVATION DIVISION

APPROVED BY:

Ernie Busch

TITLE: DEPUTY OIL & GAS INSPECTOR, DIST. #3

Approval Date: NOV 20 1998 Expiration Date: NOV 20 1999

Conditions of Approval: HOLD C-104 FOR NSL

Attached:

District I
PO Box 1980, Hobbs, NM 88241-1980

District II
PO Drawer 00, Artesia, NM 88211-0719

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

District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-29738		*Pool Code 71629	*Pool Name BASIN FRUITLAND COAL
*Property Code 22641	*Property Name STEDJE GAS COM		*Well Number 2
*OGRID No. 167067	*Operator Name CROSS TIMBERS OPERATING COMPANY		*Elevation 5474'

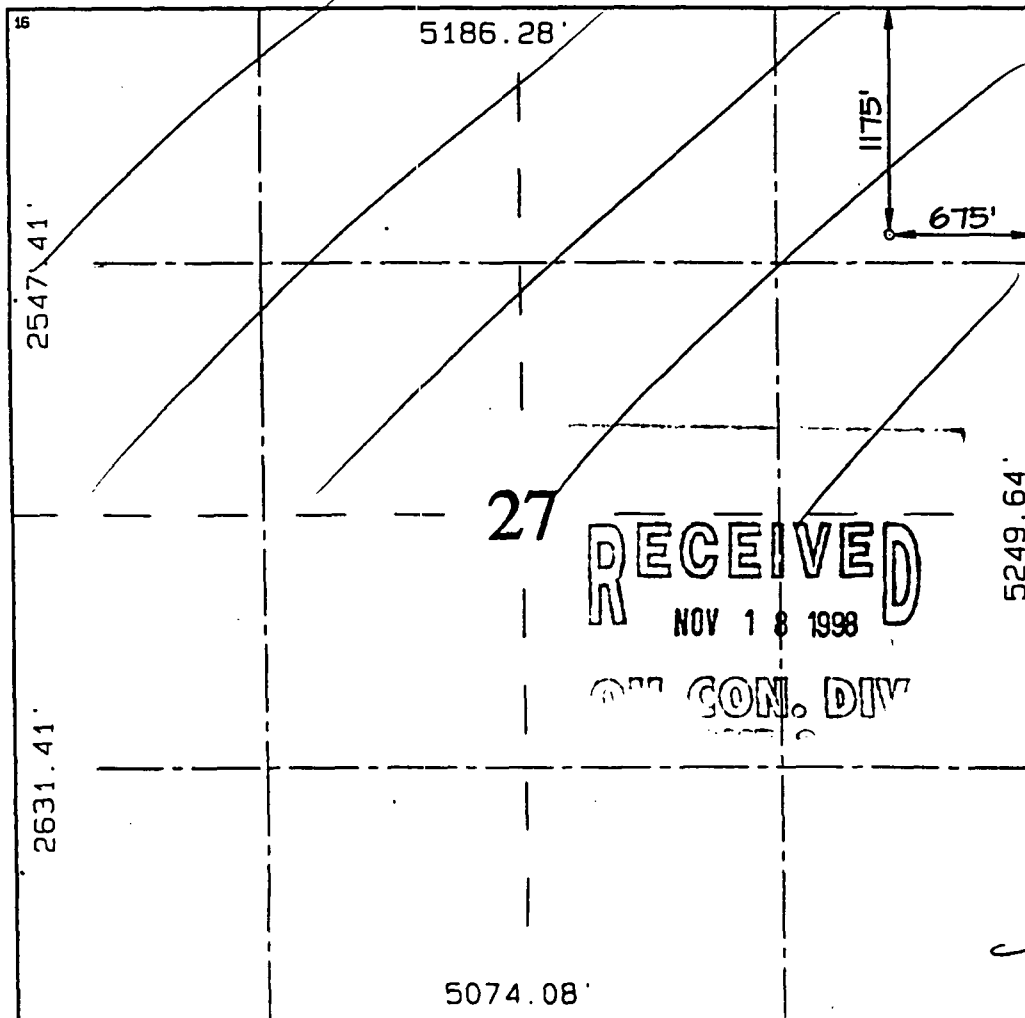
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	27	30N	12W		1175	NORTH	675	EAST	SAN JUAN

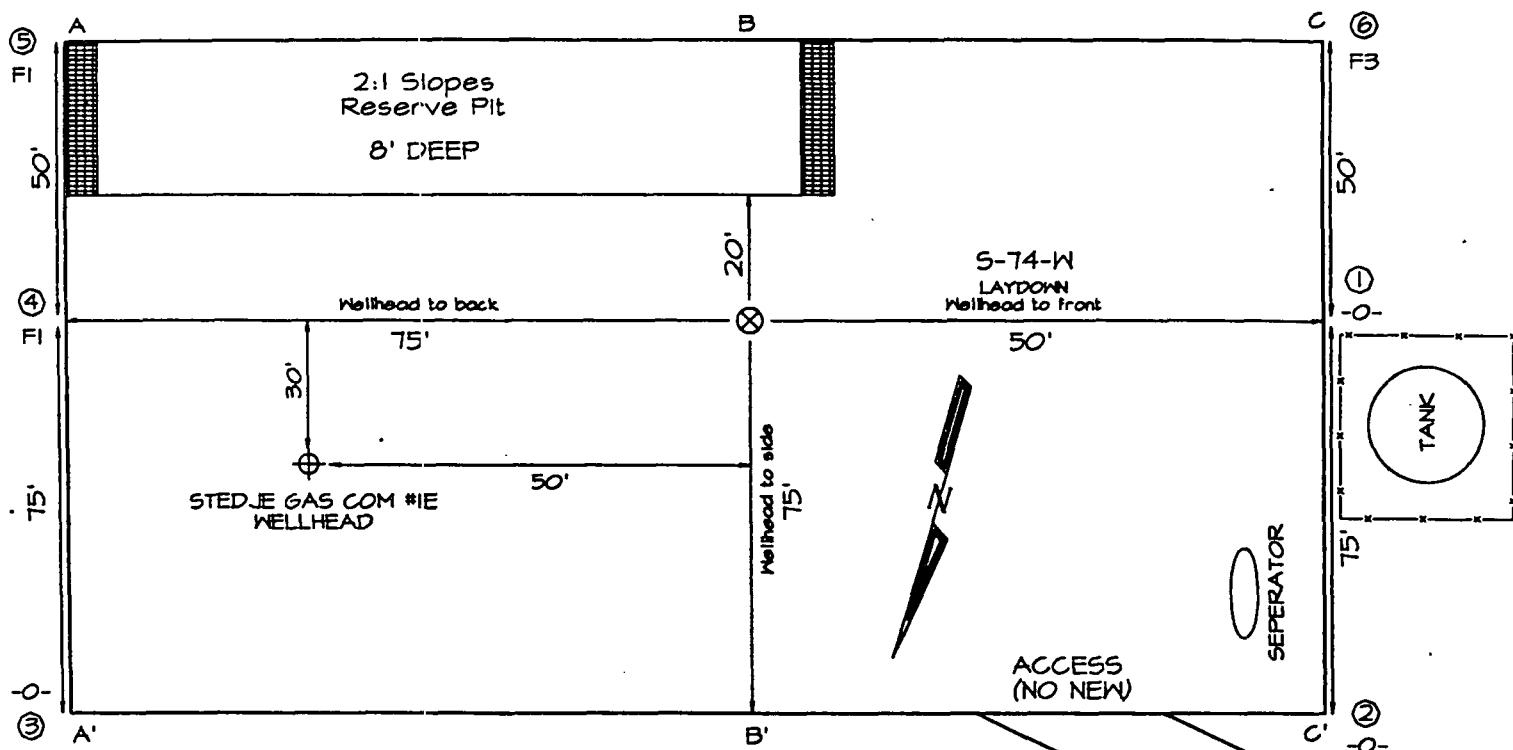
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres NORTH 112		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature Gary L. Markestad</p> <p>Printed Name Vice-President / Production</p> <p>Title</p> <p>Date 11/14/98</p>
	<p>¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>OCTOBER 16, 1998</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>NEALE C. EDWARDS NEW MEXICO 6857</p> <p>Certificate Number</p>

CROSS TIMBERS OPERATING COMPANY
STEDJE GAS COM #2, 1175' FNL & 675' FEL
SECTION 27, T30N, R12W, NMPM, SAN JUAN COUNTY, NEW MEXICO
GROUND ELEVATION: 5474' DATE: OCTOBER 16, 1998



A-A'						
5484'						
5474'						
5464'						

B-B'						
5484'						
5474'						
5464'						

C-C'						
5484'						
5474'						
5464'						

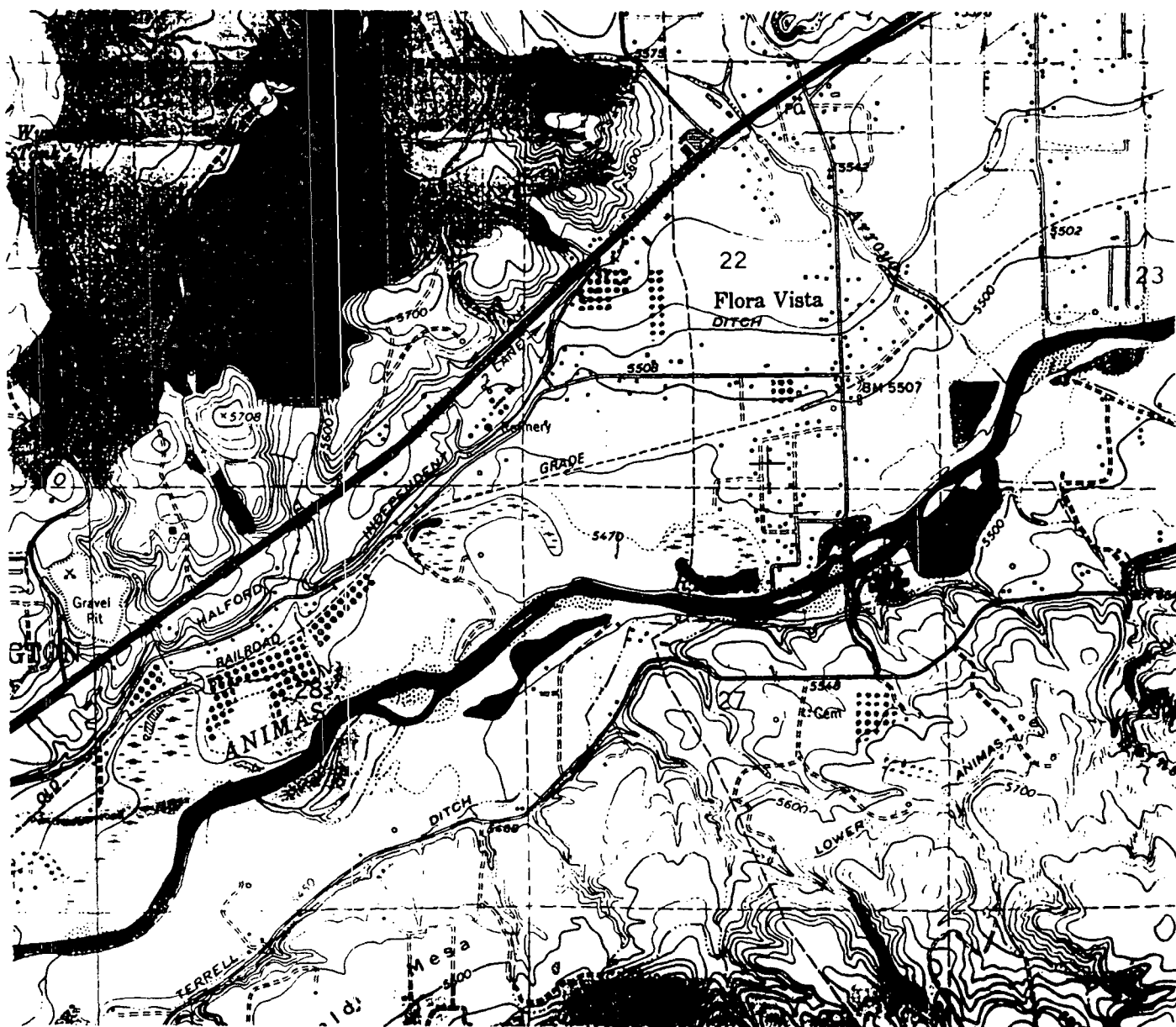
Note: Contractor should call One-Call for location of any marked or unmarked buried pipelines or cables on well pad and/or access road at least two (2) working days prior to construction

CROSS TIMBERS OPERATING COMPANY

STEDJE GAS COM A #1

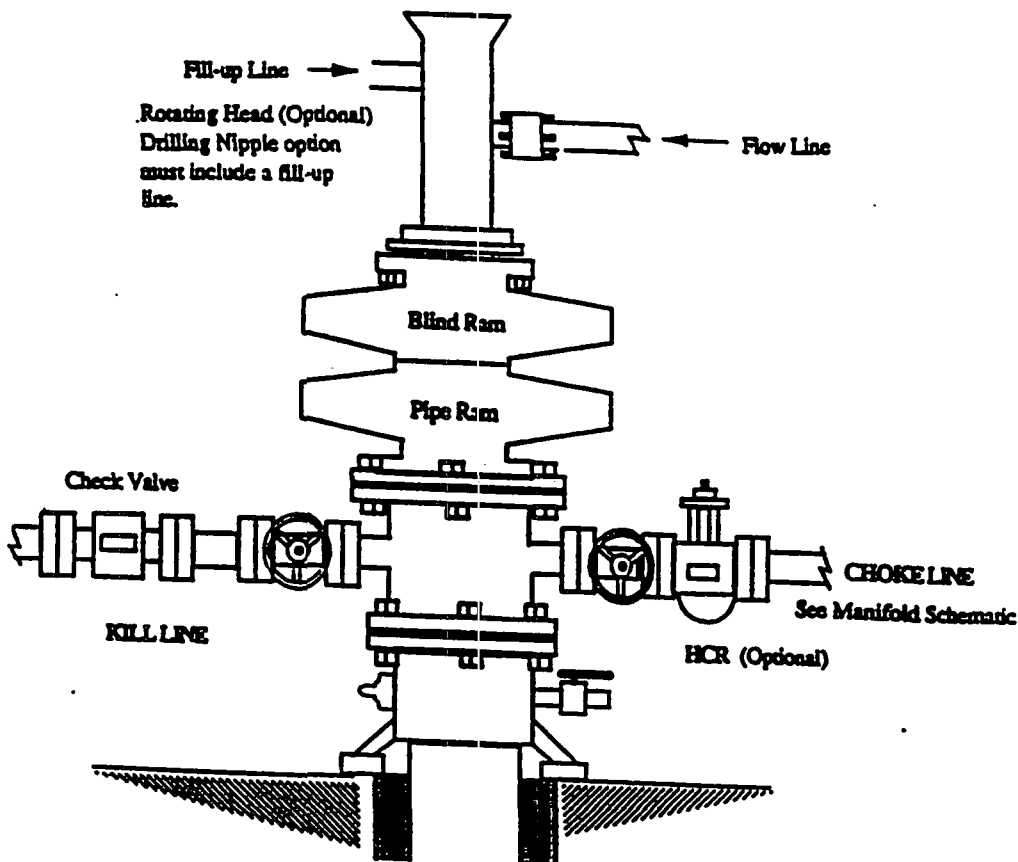
1175' FNL- 675' FEL, Sec. 27, T30N-R12W

Proposed Basin Fruitland Coal Well

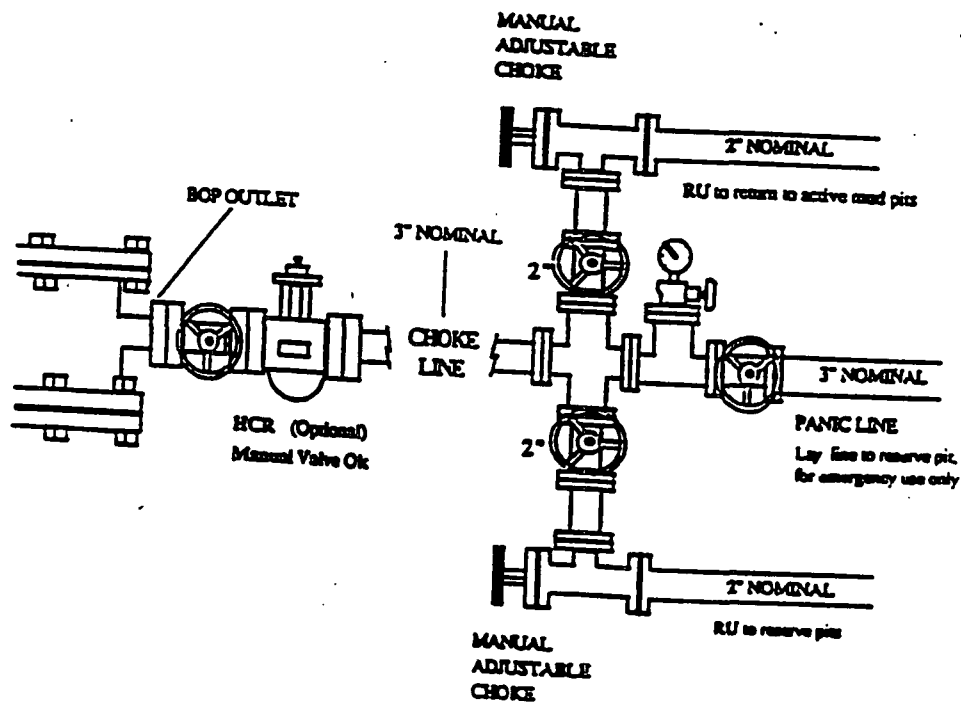


USGS Flora Vista, New Mexico 7.5' Series Scale 1:24000

BOPE SCHEMATIC FOR DRILLING OPERATIONS
CLASS I - NORMAL PRESSURE
CROSS TIMBERS OPERATING COMPANY STANDARD



CHOKER MANIFOLD SCHEMATIC FOR DRILLING OPERATIONS
2M & 3M SERVICE
CROSS TIMBERS OPERATING COMPANY STANDARD



CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

01/31/00 10:23:28
OGOMES -TPSS
PAGE NO: 1

Sec : 27 Twp : 30N Rng : 12W Section Type : NORMAL

D 40.00 Fee owned	C 40.00 Fee owned	B 40.00 Fee owned	A 40.00 Fee owned A A
E 40.00 Fee owned	F 40.00 Fee owned A	G 40.00 Fee owned	H 40.00 Fee owned

PF01 HELP
PF07 BKWD

PF02
PF08 FWD

PF03 EXIT
PF09 PRINT

PF04 GoTo
PF10 SDIV

PF05
PF11

PF06
PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

01/31/00 10:23:32
OGOMES -TPSS
PAGE NO: 2

Sec : 27 Twp : 30N Rng : 12W Section Type : NORMAL

L 40.00	K 40.00	J 40.00	I 40.00
Fee owned	Fee owned	Fee owned	Fee owned
M 40.00	N 40.00	O 40.00	P 40.00
Fee owned	Fee owned	Fee owned	Fee owned
A A			A A

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07 BKWD	PF08 FWD	PF09 PRINT	PF10 SDIV	PF11	PF12