



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

March 3, 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-4223

Dear Mr. Ryan:

Reference is made to your application dated February 9, 1999 for an off-pattern non-standard Basin-Fruitland coal gas well location for Cross Timbers Oil Company's proposed Stanolind Gas Com. "D" Well No. 2 to be drilled 600 feet from the South line and 1350 feet from the East line (Lot 15/Unit O) of Section 17, Township 32 North, Range 12 West, NMPM, San Juan County, New Mexico. Lots 9 through 16 (S/2 equivalent) of Section 17 are to be dedicated to this well in order to form a standard 302.63-acre gas spacing and proration unit for the Basin-Fruitland Coal (Gas) Pool.

The application has been duly filed under the provisions of Rule 104.F of the Rules and Regulations of the New Mexico Oil Conservation Division ("Division") and 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 geologic interpretation submitted with this application indicates that a well drilled into the Basin-Fruitland Coal (Gas) Pool at the proposed off-pattern non-standard coal gas well location will be at a more favorable geologic position within the gas productive coal seam interval than a well drilled at a location considered to be standard for this 302.63-acre S/2 equivalent dedication.

By the authority granted me under the provisions of these special pool rules and Division Rule 104.F (2), the above-described unorthodox coal gas well location is hereby approved.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

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