

well file



**Amoco Production Company**

Denver Region  
Amoco Building  
1670 Broadway  
Denver, Colorado 80202  
303-830-4040

May 12, 1983

Mr. Frank T. Chavez - District Supervisor  
New Mexico Oil Conservation Division  
1000 Rio Brazos Road  
Aztec, New Mexico 87410

File: SWS-134-986.511

Acreage Dedication for the Jicarilla Tribal 396 No. 1  
NE/4 NE/4 Section 8-T23N-R3W  
Chacon Dakota Associated Pool  
Rio Arriba County, New Mexico

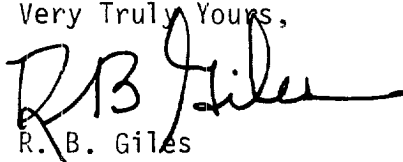
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In your letter of March 2, 1983 you advised Amoco's Farmington office that the above captioned well did not have the correct acreage dedication. Under the present pool rules this well, due to the increase in GOR, was reclassified as a gas well and was required to have an acreage dedication of 320 acres. A reply to your letter was sent by our Farmington office on March 30, 1983, in which it was requested that the E/2 of Section 8 be established as the 320 acre proration unit for this well.

We would now like to advise you that Amoco intends to pursue a Non-standard proration unit, consisting of the NE/4 of Section 8, for the Jicarilla Tribal 396 No. 1. This action is necessitated since the proposed 320 acre proration unit would require the simultaneous dedication of acreage to both an oil and gas well, which is prohibited by Rule 5 (b) of the Chacon Dakota pool rules.

This office is currently preparing an application for this non-standard proration unit as provided for in the pool rules. If you have any questions or require any additional information please contact Mr. Alan Wood, phone 303-830-4327, in our Denver office.

Very Truly Yours,

  
R.B. Giles

CAW/sma

cc: Mr. Joe D. Ramey - Director  
New Mexico Oil Conservation Division  
P.O. Box 2088  
Santa Fe, New Mexico 87501

