JA CA

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

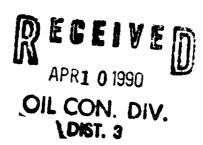
GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

April 3, 1990

Hixon Development Co. P.O. Box 2810 Farmington, NM 87499

Attention: John C. Corbett, Vice-President



Administrative Order NSL-2775

Dear Mr. Corbett:

Reference is made to your application of March 6, 1990 for a non-standard coal gas well location for your Famous Amos Well No. 1 which was drilled in June, 1989 to test the Pictured Cliffs formation at a standard gas well location 990 feet from the North line and 1750 feet from the West line (Unit C) of Section 31, Township 25 North, Range 10 West, NMPM, Basin Fruitland Coal (Gas) Pool, San Juan County, New Mexico. Lots 1 and 2, the NE/4 and the E/2 NW/4 of said Section 31 shall be dedicated to the well forming a standard 319.28-acre gas spacing and proration unit for said pool.

It is my understanding that the Pictured Cliffs zone will be properly plugged back and said well will be recompleted to the Basin-Fruitland Coal (Gas) Pool, which pursuant to the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool, as promulgated by Division Order No. R-8768, is unorthodox.

By the authority granted me under the provisions of Rule 8 of said Division Order No. R-8768, the above-described unorthodox coal gas well location is hereby approved.

Sincerely,

William J. LeMay

Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec

US Bureau of Land Management - Farmington





STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE

REY CARRUTHERS
GOVERNOR

1(KX) FIIO BHAZOS FIOAD AZTEC, NEW MEXICO 87410 (505) 334-6178

Date: 5-13-90 ATTN: Muther Stagner
Oil Conservation Division P.O. Box 2088 Santa Fe, NM 87504-2088
Re: Proposed MC Proposed DMC Proposed NSL Proposed SWD Proposed WFX Proposed PMX
Gentlemen:
I have examined the application dated 3-8-90
for the HIXON DEVELOPMENT CO. FAMOUS AMOS #/ Operator Lease & Well No.
C-31-25N-10ceand my recommendations are as follows: Unit, S-T-R
Apaprone
Yours truly,
Die Kurk

March 6, 1990

Mr. Bill LeMay Director NM Oil Conservation Division P.O. Box 2088 Santa Fe, New Mexico 87504



Subject: Application for Unorthodox Location

Famous Amos Well No. 1

990' FNL, 1750' FWL Section 31, T25N, R10W NMPM

San Juan Co., NM

Dear Mr. LeMay:

Hixon Development Company proposes to recomplete the referenced well from the Pictured Cliffs formation to the Fruitland Coal. The well will become a part of the Basin Fruitland Coal Gas Pool.

Hixon has provided notice to offset operators and owners under NMOCD Order No. R-8768, Rule 8 of our intention to recomplete a well that is not in either the NE/4 or the SW/4 of a governmental section. Operators were asked to return the notices to Hixon and copies of those responses that have been returned are enclosed with this request for your inspection. We have not yet heard from several interest owners as noted on the enclosed Attachment "A".

No completion report has been filed as the well has yet to sell gas. We are also waiting on the BLM to assign to us the NE/4 of Sec. 31, which we purchased in January's Federal lease sale.

If I can answer any questions concerning this matter please do not hesitate to call me at 1-326-3325 or write to me at the letterhead address.

Very truly yours,

John C. Carlett

John C. Corbett

Vice President - Exploration

enclosures

CH CON. DIV

Submit to Appropriate District Office State Lease - 4 copies Fee Lease - 3 copies

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-102 Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator					Lease				Well No.			
Hixon De	evelo	pment	Company			Famous Ar	1					
		Township			Range		County	4				
С		31	25	North				9	San Juan			
Actual Footage Loca	tion of	Well:	h		<u> </u>							
990	feet fi	rom the	North	line and	175	50	feet from	<u>the</u> West	line			
Ground level Elev. Producing Formation					Pool				Dedicated Acreage:			
6705			ruitland		Basin Fruitland Coal				320	Acres		
I. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.												
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).												
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.? Yes No If answer is "yes" type of consolidation If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of												
this form if neccessary. No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.												
FIIIIIIIII	 TTTT	111111	mmmmm	umami		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	<u>-</u>	OPERAT	OR CERTIFIC	CATION		
E		·		3		 	31		certify that the			
		ļ	990 '	3] i	1		in in true and co ledge and belief.	implete to the		
E		ļ	990	3		 	3 1	est of my know	isage and only.			
E		ļ	1	3		[!	日は	ignature		1 1		
Ε		ļ.		=		l I	√ E	Jaka.	Caca	bett		
1750			- (0)	3			- 1 2-	rinted Name				
E		_		<u> </u>			₹/\	John C. (Corbett			
Ē		Į		3				osition				
į		ļ		4		<u> </u>			sident-Exp	loration		
<u> </u>		ļ		3	•	•		Company	_			
Ē		ļ		3		ļ			velopment	Company		
E NM 58890				1 1700		} } DIM +	∃ '	Date 4/C	/29			
E NM 58890	١	ļ				on BLM to	3 =		/ 6 /			
E INIT 20090	, !!!!!	щ	SECTION	1 31 1SS	ue our n	ew lease.	اقس	SURVEY	OR CERTIFIC	CATION		
				R	ECE	AED		on this plat wasctual surveys supervison, an correct to the belief.	fy that the well livas plotted from the made by me and that the samue best of my k	field notes of or under my e is true and		
		ļ		n G	MARO8	990		Date Surveyed	March 31, 19	989		
				T				Signature & Se	Salah Dio	Trops		
					IL CON DIST.	3 	.	E day of	(5979)	Cour		
								Edgar L	Machine Control	1210 81		
0 330 660	990	1320	1650 1980 2310	2640 20	000 1500	1000 500	0		WEST LAND OF	1111,		

VIO MOO 18

VOT	ICE OF STAKING	······································	1				
NOI	ICE OF STARTING	6.	Lease Number				
(No)	t to be used in place of lication for Permit to Dr	NM 58890					
1.	Oil Well Gas Well	(Specify) Tribe Name					
2.	Name of Operator:	8.	Unit Agreement	Name			
	Hixon Development Compa						
3.	Name of Specific Contac	9.	Farm or Lease Name				
	Aldrich L. Kuchera		Famous Amos				
4.	Address & Phone No. of	10.	Well No.				
•	P.O. Box 2810, Farmingt (505) 326-3325		1				
5.	Surface Location of Wel	11.	Field or Wildcat Name				
	990' FNL, 1750' FWL Section 31, T25N, R10W		Wildcat				
	San Juan County, New Me	12.	Sec., T., R., M	., or Blk			
			and Survey or A	rea			
			Section 31, T25N, R10W				
15.	Formation Objective(s)	16. Estimated Well Depth	13.	County, Parish or Borough	14. State		
	Pictured Cliffs	1750'		San Juan	New Mexico		
17.	Additional Information address, and telephone	(as appropriate; mu number)	st in	nclude surface ow	ner's name,		

18. Signed John C Cachel Title Exploration Date 4/6/87