



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

April 28, 1997

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OIL CON. DIV.
DIST. 3

Amoco Production Company
San Juan Business Unit
P.O. Box 800
Denver, Colorado 80201
Attention: Pamela W. Staley, Regulatory Affairs Engineer

Administrative Order NSL-3791

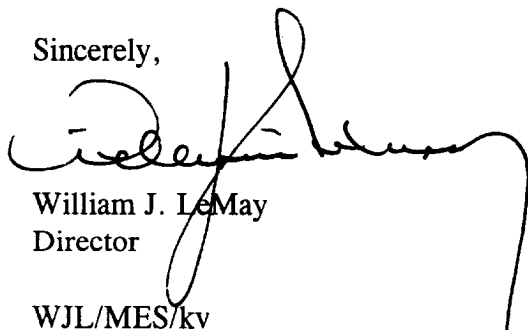
Dear Ms. Staley:

Reference is made to your application dated April 15, 1997 for a non-standard Basin-Fruitland coal gas well location for your existing Gallegos Canyon Unit Well No. 242 (API No. 30-045-11736), which was drilled in 1966 and completed in the Basin-Dakota Pool at a standard gas well location 1500 feet from the North line and 1850 feet from the West line (Unit F) of Section 24, Township 28 North, Range 12 West, NMPM, San Juan County, New Mexico.

It is our understanding that this well is to be recompleted up-hole into 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, as amended, is also unorthodox. Further, the N/2 of said Section 24 is to be dedicated to the well to form a standard 320-acre gas spacing and proration unit for said pool.

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

Sincerely,



William J. LeMay
Director

WJL/MES/kv

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

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**Amoco Production Company
San Juan Business Unit**

1670 Broadway
Post Office Box 800
Denver, Colorado 80201
303-830-4040

April 15, 1997

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
2040 S. Pacheco Street
P.O. Box 6429
Santa Fe, NM 87505

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OIL CON. DIV.
DIST 3

**Application For Unorthodox Location
Gallegos Canyon Unit Well No. 242
1850' FWL, 1500' FNL, Unit F Section 24-T28N-R12W
Basin Fruitland Coal Pool
San Juan County, New Mexico**

Amoco Production Company hereby requests administrative approval for an unorthodox well location for the Gallegos Canyon Unit Well No. 242 well in the Basin Fruitland Coal Pool. Amoco plans to recompleteness this well from the Dakota formation to the Basin Fruitland Coal. This well is at an orthodox location for the Dakota, however, the Basin Fruitland Coal Pool Rules require all Fruitland wells to be in the Northeast or Southwest quarter of the section. Because of the recompleteness of this well from the Dakota, it will be in an unorthodox location in the Fruitland. Attached is a copy of the C-102 for the Fruitland Coal formation.

Amoco is the only offset operator in the Fruitland Coal formation, so no notice is necessary to Offset Operators. Attached are plats showing the location of the well, all wells drilled in the area and the C-102 described above. Should you have questions regarding this application, do not hesitate to call me at (303) 830-5344

Pamela W. Staley
Regulatory Affairs Engineer

Attachments

cc: Frank Chavez, Supervisor
NMOCD District III
1000 Rio Brazos Road
Aztec, NM 87410

Mark Yamasaki, Amoco
Nancy Whitaker, Amoco
Irina Mitselmakher, Amoco
Wellfile
Proration Files - NM

APPLICATION FOR APPROVAL OF UNORTHODOX LOCATION UNDER RULE 104-F

**Gallegos Canyon Unit Well No. 242
1850' FWL, 1500' FNL, Unit F Section 24-T28N-R12W
Basin Fruitland Coal Pool**

ATTACHMENTS:

- 9-SECTION PLAT SHOWING LOCATION OF ALL OFFSET WELLS
- FORM C-102 FOR FRUITLAND COAL FORMATION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
11 South First., 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
2040 South Pacheco
Santa Fe, New Mexico 87505

Form C-102
Revised October 18, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 3004511736	Pool Code 71629	Pool Name BASIN FRUITLAND COAL GAS
Property Code 000570	Property Name GALLEGOS CANYON UNIT	Well Number 242
OGRID No. 000778	Operator Name AMOCO PRODUCTION COMPANY	Elevation 5707 RDB

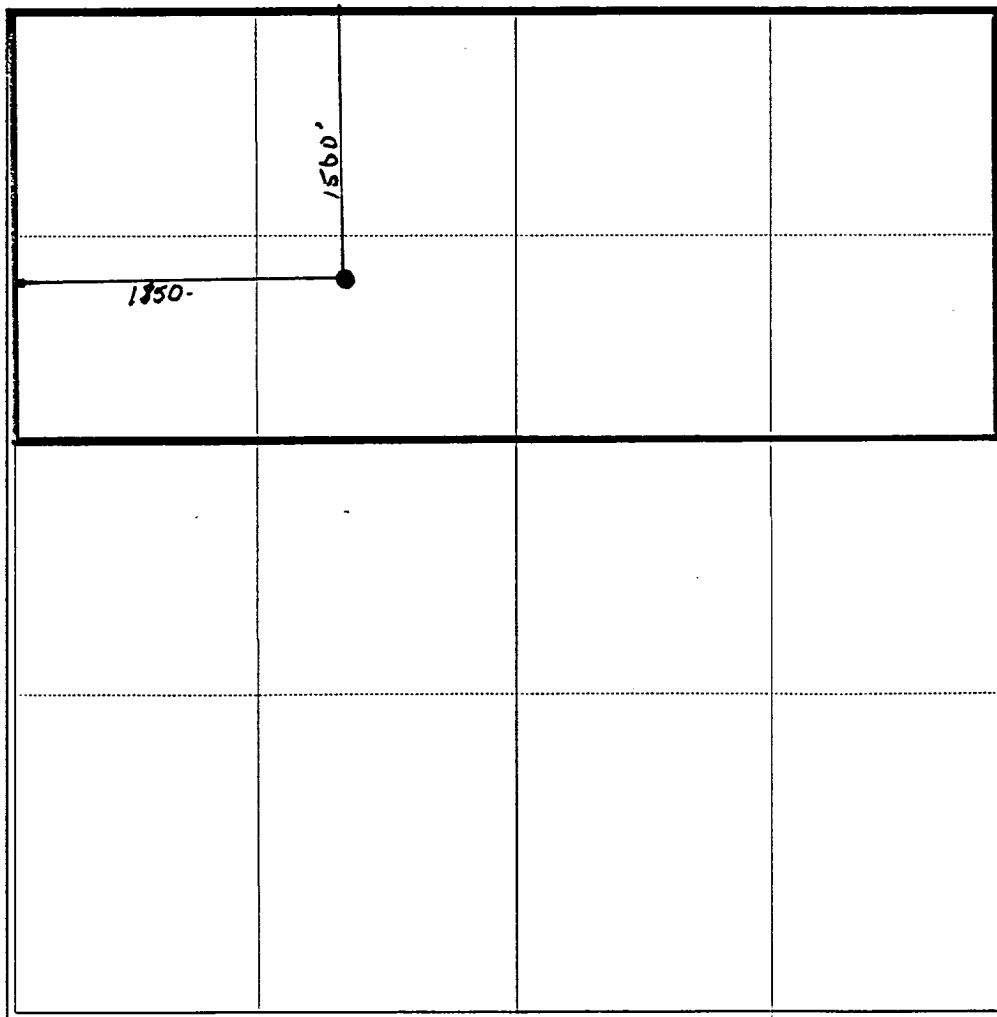
Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
UNIT F	24	28N	12W		1500	NORTH	1850	WEST	San Juan

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
Dedicated Acreage: 320		Joint or Infill	Consolidation Code		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**

	OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i> Signature <i>Nancy I. Whitaker</i> Printed Name Nancy I. Whitaker Position Staff Assistant Date 01/23/1997
	SURVEY CERTIFICATION <i>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 knowledge and belief.</i> 03/07/1966 Date of Survey Signature & Seal of Professional Surveyor JAMES P. LEESE Certificate No. 1463