



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

April 9, 1980

I-19-28 N 71W

Mr. E. E. Svoboda
Amoco Production Company
501 Airport Drive
Farmington, New Mexico 87401

Re: Sediment Oil Destruction Permit for Gallegos Canyon Unit #254

Dear Mr. Svoboda:

The referenced permit form C-117A is being returned not approved. Field inspection indicates that the volume of oil in the pit is much greater than estimated and is economically recoverable. If the pit oil is to be removed from the lease for reclamation, please refer to Rule 311 and file form C-117B, a copy of which is enclosed. If the oil is treated and recovered on the lease no special report will be needed.

If you have any questions, please call this office.

Yours truly,

Frank T. Chavez
District Supervisor

xc: Oil Conservation Division, Santa Fe
U.S.G.S., Farmington

FTC:no

Enclosures