

RECEIVED BUM MAIL ROOM

29 M 28 M 10: 46

FARMINGTON RESOURCE ARSA FARMINGTON, NEW MEXICO

T. D. Autry Division Production Manager

July 25, 1989

Amoco Production Company

Southern Division 1670 Broadway P.O. Box 800 Denver, Colorado 80201 303-830-4040

MINERALS BRANCH
BRANCH CHEEF
PUMES 039
Filtration seeds
12.44
AU, 367 V
AU, 80-7

Ron Fellows Area Manager Bureau of Land Management 1235 La Plata Highway Farmington, NM 87401

File: LF-102-WF

Romero Federal #1 Rio Arriba County, NM OIL CON. DIV.

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Reference is made to your letter 3162.3-2 (019) concerning Amoco's plans for the Romero Federal #1, NW/4 NW/4 Sec. 6, T29N, R4W, Rio Arriba County, New Mexico, lease SF-079756-A. The subject well is a Gallup gas completion that has been shut-in since completion in July, 1985 due to lack of market.

Amoco plans to begin a detailed evaluation of connecting this well to pipeline. This will require a significant amount of time since there are few Gallup gas completions in the area for comparative analysis. Amoco will also evaluate the wellbore for uphole potential in the Mesaverde, Pictured Cliffs and Chacra zones. Other factors that have to be considered in the evaluation include obtaining right-of-way, negotiating with the pipeline company, assessing market conditions, ordering equipment, and timing of the physical installation. Daily operations are also of concern since the well is 30-40 miles from Amoco's current operations.

Due to the unique situation of this lease, Amoco anticipates having the evaluation completed within the next twelve months. Amoco will notify your office of the status of the project before year end. If you have any questions, please contact Theresa Wisda at (303) 830-4587.

Yours truly,

THIS APPROVAL EXPIRES

cc: D. M. Basinger

D. D. Lawson

G. O. Munson

APPROVED

JUL 8 1 1989

Ken Townsend

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