



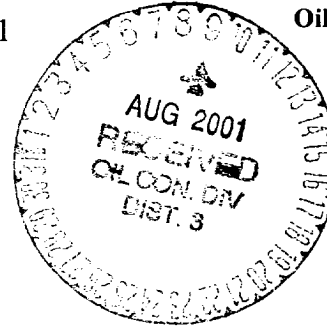
NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

August 2, 2001

Lori Wrotenbery
Director
Oil Conservation Division

Amoco Production Company
San Juan Business Unit
501 West Lake Park Boulevard
Houston, Texas 77079-3092



Attention: Mary Corley

Re: Administrative application of Amoco Production Company for an exception to the well location requirements provided within the "*Special Rules and Regulations for the Basin-Dakota Pool*," as promulgated by Division Order No. R-10987, as amended, by Division Orders No. R-10987-B and R-10987-B (1), for the Florance Well No. 30-M to be drilled 1200 feet from the South line and 2050 feet from the West line (Unit N) of Section 1, Township 29 North, Range 8 West, NMPM, San Juan County, New Mexico.

Dear Ms. Corley:

On April 27, 2001, I sent a letter requesting additional information to support Amoco Production Company's application dated April 9, 2001 (*Division application reference No. pKRV0-110641188*). To date I have not received a reply. This bureau has recently enacted a policy whereby any incomplete administrative filing older than 30 days is to be withdrawn and returned. This new policy, as I understand will, better serve our customers and help assure a quicker turn around time by this bureau on administrative filings.

In order to fully comply with this policy, I am withdrawing your application and returning it to you at this time. Thank you for your understanding and cooperation.

Sincerely

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division – Aztec
William F. Carr, Legal Counsel for Amoco Production Company - Santa Fe



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

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April 27, 2001

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Oil Conservation Division

**Amoco Production Company
San Juan Business Unit
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Attention: Mary Corley

Re: Administrative application of Amoco Production Company for an exception to the well location requirements provided within the "*Special Rules and Regulations for the Basin-Dakota Pool*," as promulgated by Division Order No. R-10987, as amended, by Division Orders No. R-10987-B and R-10987-B (1), for the Florance Well No. 30-M to be drilled 1200 feet from the South line and 2050 feet from the West line (Unit N) of Section 1, Township 29 North, Range 8 West, NMPM, San Juan County, New Mexico.

Dear Ms. Corley:

It appears that your application is incomplete. In the second paragraph you stated that this unorthodox location is "due to archaeological and surface terrain concerns in the area." Could you please more specific about these concerns and indicate the extent of this "area". Please provide data to support your application.

Further, you stated that "Amoco is the only affected party." Your application would indicate (see your computer generated 9 section plat) and the Division's records confirm that the E/2 of Section 1 is currently dedicated to Koch Exploration Company's Gonsales Well No. 1 (**API No. 30-045-24487**), located at a standard Dakota gas well location 1095 feet from the South line and 1120 feet from the East line (Unit P) of Section 1. Why is Koch **not** considered by Amoco to be an "affected party" in this instance?

Should you have any questions concerning this matter, your legal counsel should be able to assist you.

Sincerely

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division – Aztec
U. S. Bureau of Land Management - Farmington
William F. Carr, Legal Counsel for Amoco Production Company - Santa Fe

CMD : ONGARD 04/26/01 12:32:07
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TQEE

API Well No : 30 45 24487 Eff Date : 03-01-1981 WC Status : A
Pool Idn : 71599 BASIN DAKOTA (PRORATED GAS)
OGRID Idn : 12807 KOCH EXPLORATION CO
Prop Idn : 5660 GONSALES

Well No : 001
GL Elevation: 6222

U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
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B.H. Locn	:	P	1	29N	08W	FTG 1095 F S FTG 1120 F E	P
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Lot Identifier:

Dedicated Acre: 321.05

Lease Type : F

Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC

CMD : ONGARD 04/26/01 12:32:17
 OG6ACRE C102-DEDICATE ACREAGE OGOMES -TQEE
 Page No : 1

API Well No : 30 45 24487 Eff Date : 04-30-1991
 Pool Idn : 71599 BASIN DAKOTA (PRORATED GAS)
 Prop Idn : 5660 GONSALES Well No : 001
 Spacing Unit : 29977 OCD Order : Simultaneous Dedication:
 Sect/Twp/Rng : Acreage : 321.05 Revised C102? (Y/N) :
 Dedicated Land:

S	Base	U/L	Sec	Twp	Rng	Acreage	L/W	Ownership	Lot	Idn
	G		1	29N	08W	40.00	N	FD		
	H		1	29N	08W	40.00	N	FD		
	I		1	29N	08W	40.00	N	FD		
	J		1	29N	08W	40.00	N	FD		
	O		1	29N	08W	40.00	N	FD		
	P		1	29N	08W	40.00	N	FD		
A		1	1	29N	08W	40.26	N	FD		
B		2	1	29N	08W	40.79	N	FD		

E0005: Enter data to modify or PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
 PF07 BKWD PF08 FWD PF09 PF10 LAND PF11 NXTSEC PF12 RECONF

CMD : ONGARD 04/26/01 12:31:58
 OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TQEE
 Page No: 1

OGRID Identifier : 12807 KOCH EXPLORATION CO
 Pool Identifier : 71599 BASIN DAKOTA (PRORATED GAS)
 API Well No : 30 45 24487 Report Period - From : 01 2000 To : 04 2001

API Well No	Property Name	Prod. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 45 24487	GONSALES	01 00 31	1543	4 F
30 45 24487	GONSALES	02 00 29	1112	4 F
30 45 24487	GONSALES	03 00 31	1281	1 F
30 45 24487	GONSALES	04 00 30	1516	1 F
30 45 24487	GONSALES	05 00 31	1470	1 F
30 45 24487	GONSALES	06 00 26	1169	1 F
30 45 24487	GONSALES	07 00 28	1316	1 F

Reporting Period Total (Gas, Oil) :

M0002: This is the first page

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
 PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

CMD : ONGARD 04/26/01 09:56:24
 OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TQEE
 Page No: 2

OGRID Identifier : 12807 KOCH EXPLORATION CO
 Pool Identifier : 71599 BASIN DAKOTA (PRORATED GAS)
 API Well No : 30 45 24487 Report Period - From : 01 2000 To : 04 2001

API Well No	Property Name	Prodn. MM/YY	Days Prod	Production Volumes Gas	Oil	Water	Well Stat
30 45 24487	GONSALES	08 00	31	1432		1	F
30 45 24487	GONSALES	09 00	30	1252		1	F
30 45 24487	GONSALES	10 00	31	1284		1	F
30 45 24487	GONSALES	11 00	30	1284		1	F
30 45 24487	GONSALES	12 00	31	1225		1	F

Reporting Period Total (Gas, Oil) : 15884 18

M0001: This is the last page

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
 PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

DATE: 4/11/01	SUSPENSE: 5/1/01	ENGINEER: MS	LOGGED: KN	TYPE: NSL
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ABOVE THIS LINE FOR DIVISION USE ONLY

110641188

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
 [DD-Directional Drilling] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Directional Drilling
☒ NSL ☐ NSP ☐ DD ☐ SD

Check One Only for [B] and [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☒ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

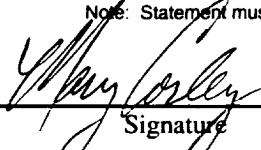
[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

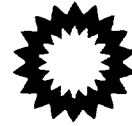
[F] ☐ Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Mary Corley  Sr. Regulatory Analyst 04/10/2001
 Print or Type Name Signature Title Date



**San Juan Business Unit
Amoco Production Company**

A Part of the BP Amoco Group
501 WestLake Park Blvd.
Houston, TX 77079-3092

Phone: 281-366-4491

April 09, 2001

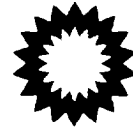
Mr. Michael Stogner
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Application For Non-Standard Well Location
Florance Well No. 30M
1200' FSL, 2050' FWL, Section 01-T29N-R08W
Basin Dakota Gas Pool
San Juan County, New Mexico

Amoco Production Company hereby requests administrative approval for an non-standard well location for our Florance well no. 30M to be drilled and completed in both the Basin Dakota and the Blanco Mesaverde Gas Pools and downhole commingled. The subject well will require a non-standard location exception for the Basin Dakota completion as the proposed location does not conform to the Dakota location requirements that stipulate that a well be located no closer than 660' to any outer boundary of the quarter section on which the well is located. The proposed well location is 590' from the east line of the quarter section as shown on the attached Form C-102.

The well was originally proposed to be drilled at a standard location for both formations however, due to archaeological and surface terrain concerns in the area the location had to be changed. We, therefore, respectfully request than administrative approval be granted for this Dakota location due to the archaeological and surface terrain. An application will be made to commingle the Mesaverde and Dakota via a separate application. The well is outside the well location window for the Dakota by being too close to the interior quarter section line thereby crowding our own spacing unit. Amoco is the only affected party.

Additionally, we offer that the Dakota is not a viable stand-alone project. The Mesaverde in the area has been highly productive and poses some drainage concerns, particularly if the location is too close to current producers. By completing the well at the proposed location it conforms to Mesaverde spacing requirements, prevents waste in the Mesaverde, minimizes interference with other Mesaverde wells and allows maximum drainage and recovery of the Mesaverde resource.



Also attached for your reference is a 9 Section plat with the subject well and surrounding wells identified, a portion of a topographic map with the well identified, and a map indicating directions to the well location.

Your attention to this matter is greatly appreciated. Should you have any questions concerning this application please do not hesitate to call me at 281-366-4491.

Sincerely,

A handwritten signature in cursive script that reads "Mary Corley".

Mary Corley

Sr. Regulatory Analyst

corleym1@bp.com

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

District I
PO Box 1980, Hobbs NM 88241-1980
District II
PO Drawer KK, Artesia, NM 87211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102

Revised February 21, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
	71599 & 72319	BASIN DAKOTA & BLANCO MESAVERDE
⁴ Property Code	⁵ Property Name	⁶ Well Number
000518	Florance	# 30M
⁷ OGRID No.	⁸ Operator Name	⁹ Elevation
000778	AMOCO PRODUCTION COMPANY	6226

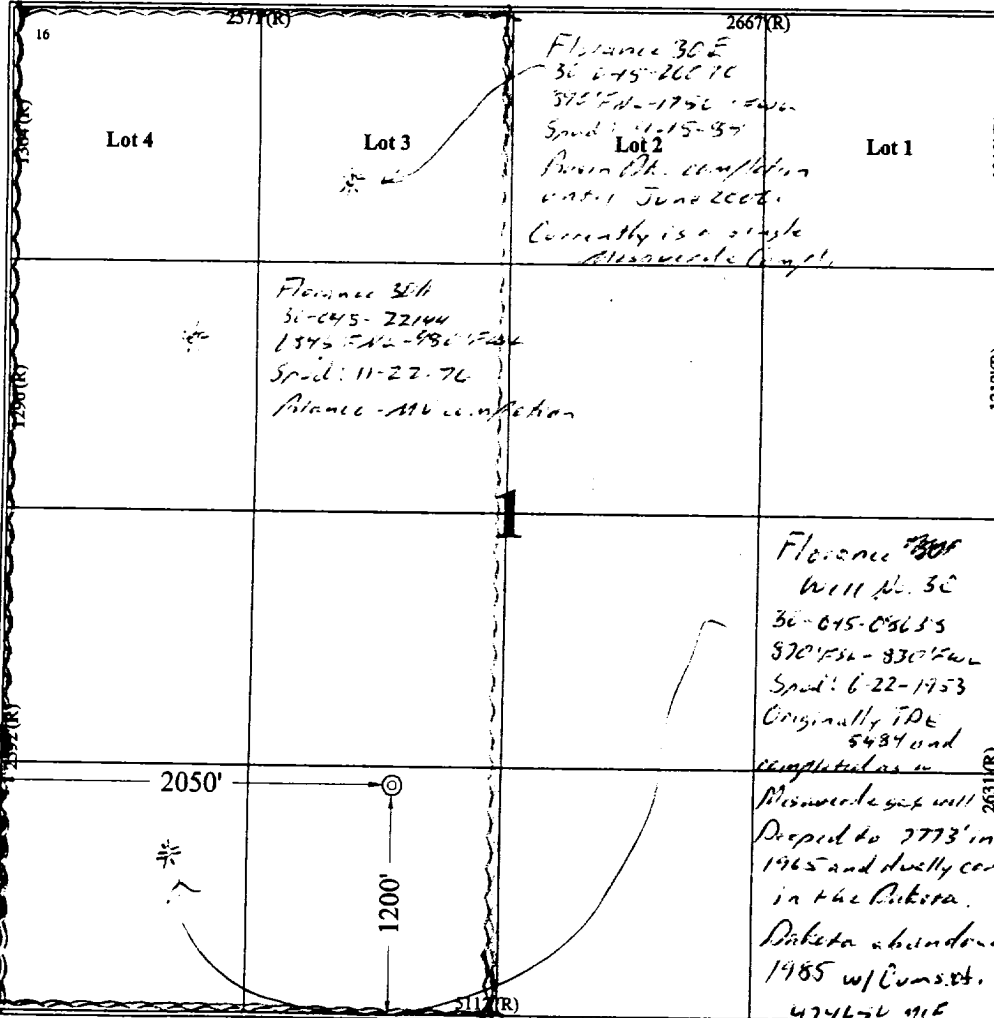
¹⁰ Surface Location

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	1	29 N	8 W		1200	SOUTH	2050	WEST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

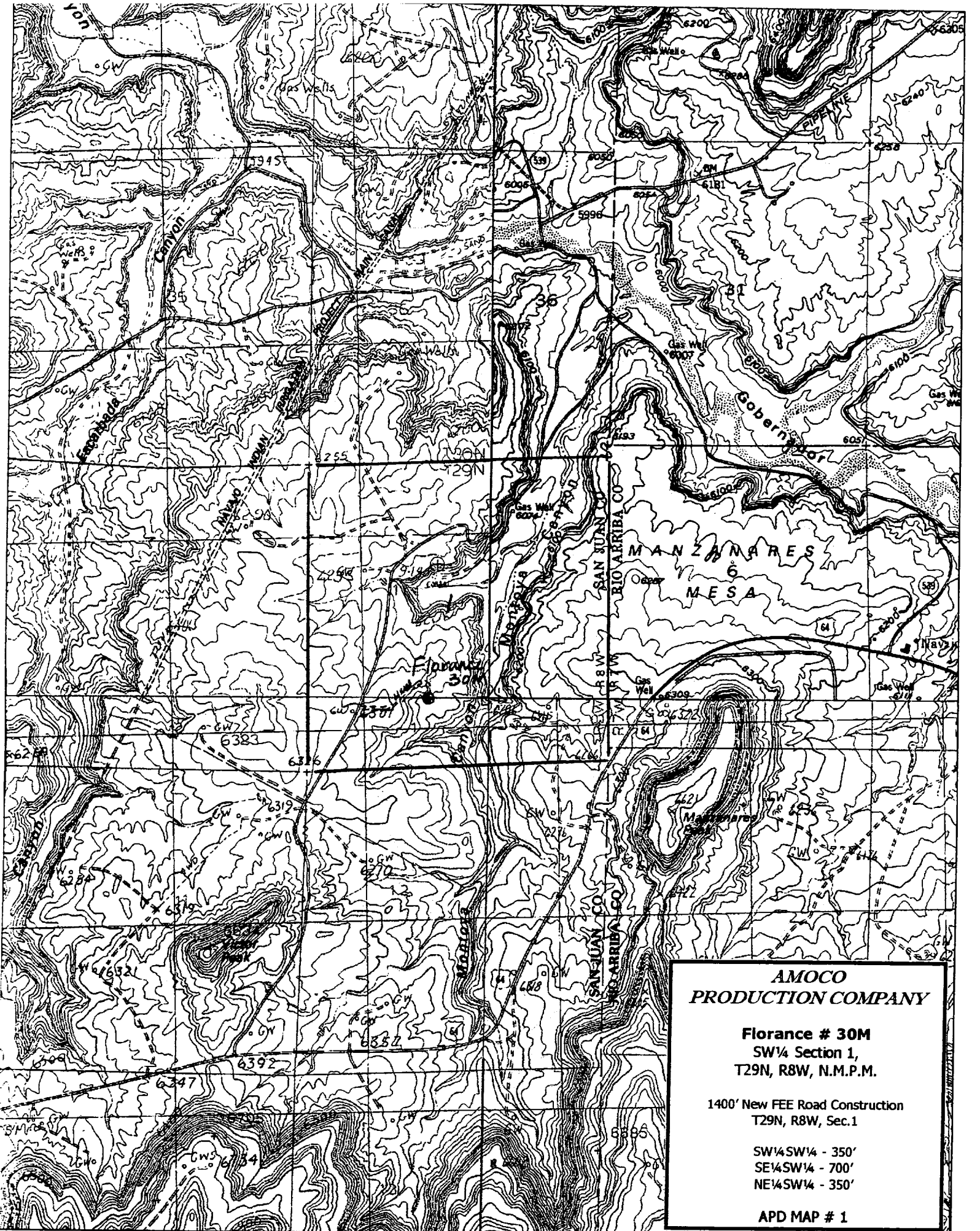
¹² UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹³ Dedicated Acres	¹⁴ Joint or Infill	¹⁵ Consolidation Code	¹⁶ Order No.						
323.15									

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

¹⁶	¹⁷ OPERATOR CERTIFICATION
	<p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Mary Corley</i> Signature MARY CORLEY Printed Name SR. REGULATORY ANALYST Title 04-09-2001 Date</p>
¹⁸ SURVEYOR CERTIFICATION	
<p>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 belief.</p> <p>March 21, 2001 Date of Survey Signature and Seal of Professional Surveyor <i>GARY D. VANN</i> 7016 Certificate Number</p>	

(R) - BLM Record 233436

Well location shown on this plat is the same as the location shown on the BLM Record 233436



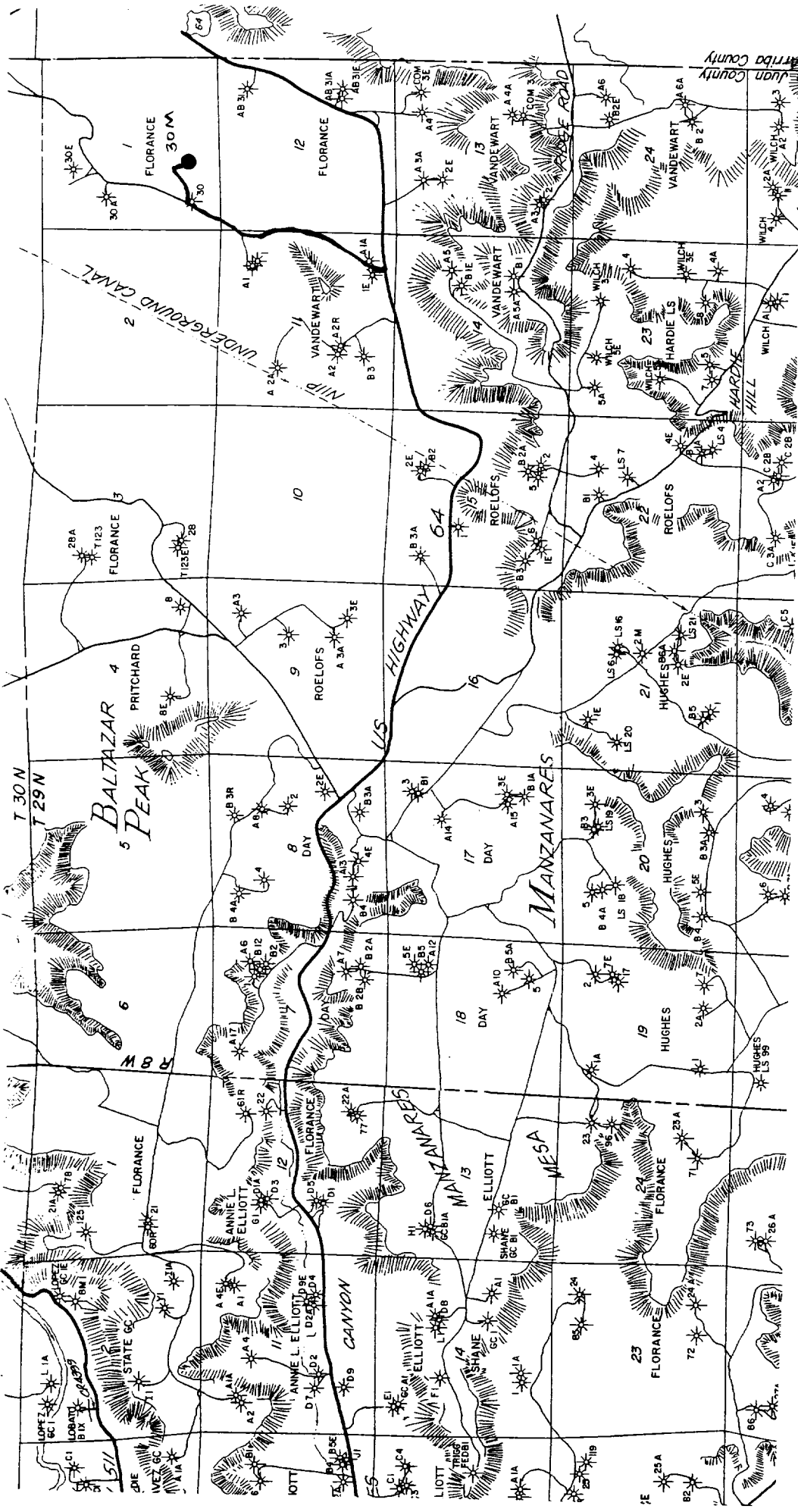
**AMOCO
PRODUCTION COMPANY**

Florance # 30M
SW¼ Section 1,
T29N, R8W, N.M.P.M.

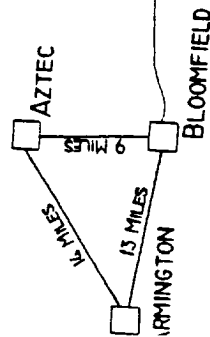
1400' New FEE Road Construction
T29N, R8W, Sec.1

SW¼SW¼ - 350'
SE¼SW¼ - 700'
NE¼SW¼ - 350'

APD MAP # 1



LAT: 36°45.0'
LONG: 107°37.8'
AMOCO PRODUCTION COMPANY
Florance # 30M
SW¼ Sec. 1, T29N, R8W, NMPM
RAIL POINT:
MUD POINT:
CEMENT POINT:



US Hwy 64
 20.4 miles

