



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

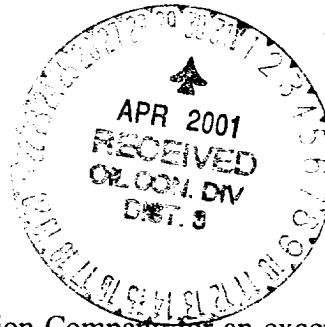
GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

April 27, 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:

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

DATE 1 <u>4/11/01</u>	SUSPENSE <u>3/1/01</u>	ENGINEER <u>M.S</u>	LOGGED <u>KW</u>	TYPE <u>NSL</u>
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110641188

ABOVE THIS LINE FOR DIVISION USE ONLY

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

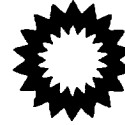
- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☐ Offset Operators, Leaseholders or Surface Owner
- [C] ☐ Application is One Which Requires Published Legal Notice
- [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public 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 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

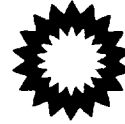
Application For Non-Standard Well Location
Florance Well No. 30M
1200' FSL, 2050' FWL, Section 01-T29N-R08W
Basin Dakota Gas Pool
San Juan County, New Mexico

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.

bp



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

7 UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

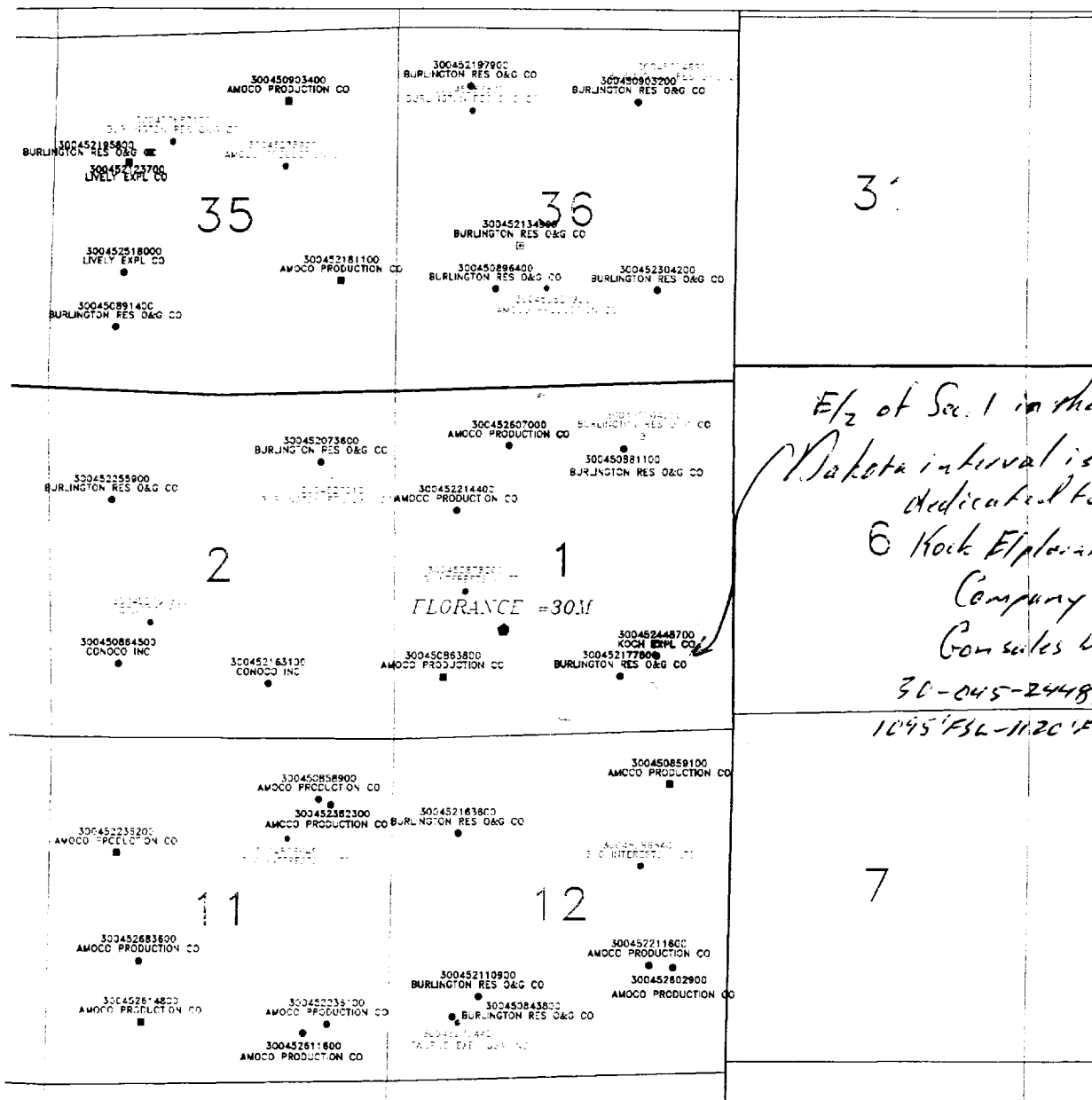
12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
323.15			

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

<p>16</p> <p>257(R)</p> <p>2667(R)</p> <p>Lot 4</p> <p>Lot 3</p> <p>Florance 30E 36-645-2667C 390'FW-1750'FW Spud: 11-15-97 Basin Dh. completion until June 2000 Currently is a single Mesaverde Comp.</p> <p>Lot 2</p> <p>Lot 1</p> <p>1312(R)</p> <p>1312(R)</p> <p>1312(R)</p> <p>2631(R)</p> <p>2050'</p> <p>1200'</p> <p>2117(R)</p> <p>Florance 30A 36-645-72144 1846'FW-480'FW Spud: 11-22-76 Blanco-MV completion</p> <p>Florance 30 Well No. 30 36-645-08635 370'FW-830'FW Spud: 6-22-1953 Originally TDE 5484 and completed as a Mesaverde gas well Drilled to 7773' in 1965 and dually completed in the Dakota. Dakota abandoned in 1985 w/Coms. etc. 474650 MLE</p>		<p>17 OPERATOR CERTIFICATION</p> <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></p> <p>Signature</p> <p>MARY CORLEY</p> <p>Printed Name</p> <p>SR. REGULATORY ANALYST</p> <p>Title</p> <p>04-09-2001</p> <p>Date</p> <p>18 SURVEYOR CERTIFICATION</p> <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</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>GARY D. VANN</p> <p>NEW MEXICO</p> <p>REGISTERED PROFESSIONAL LAND SURVEYOR</p> <p>7016</p> <p>7016</p> <p>Certificate Number</p>
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(R) - BLM Record 233436

Well is currently in a state of Abandonment

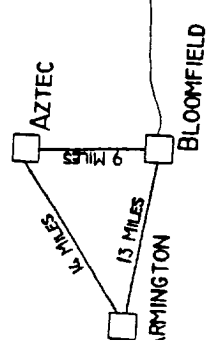
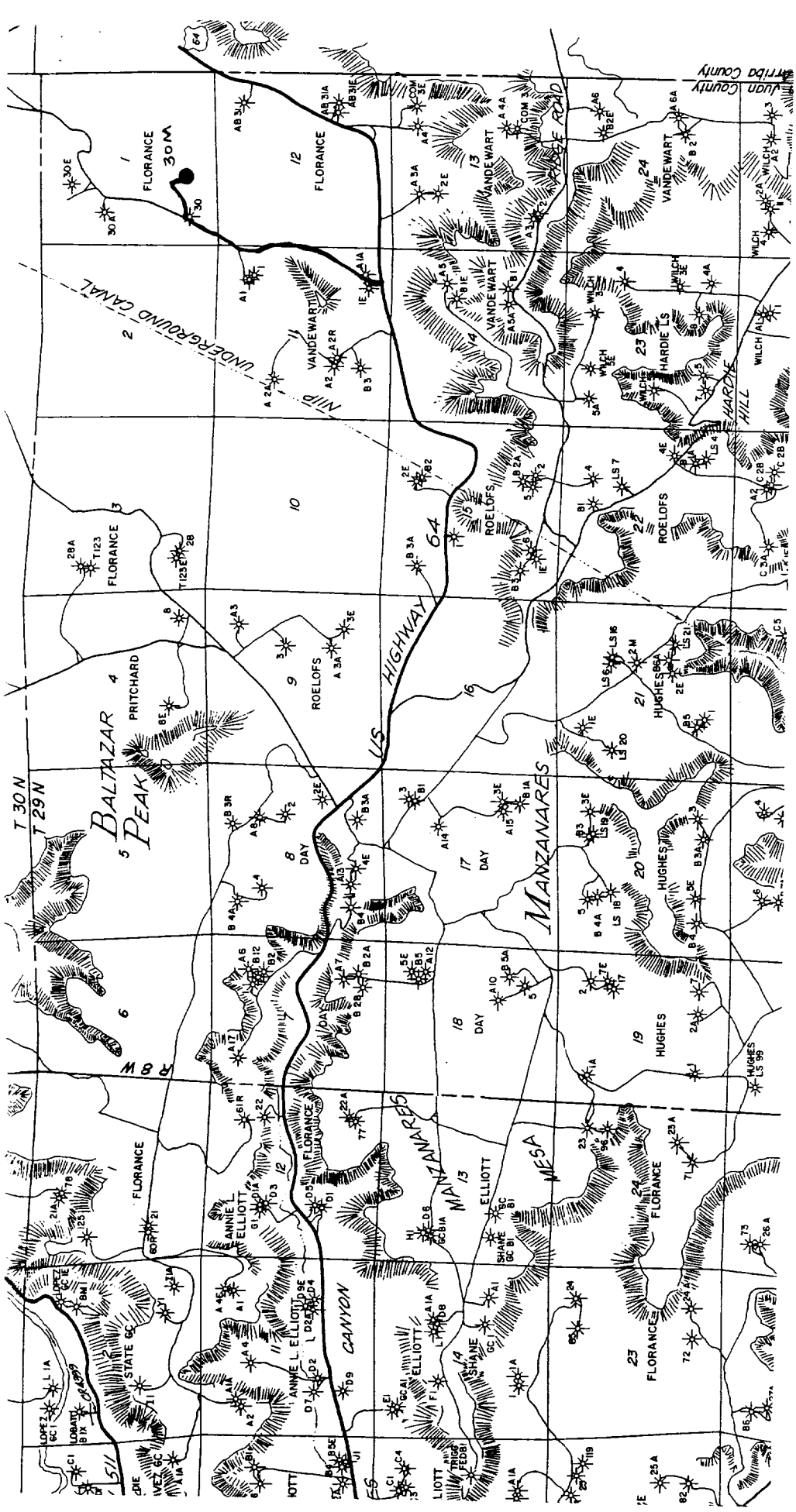


- DAKOTA ACTIVE WELL
- ◻ DAKOTA INACTIVE WELL
- MESAVRDE ACTIVE WELL
- ◻ MESAVRDE INACTIVE WELL
- PICTURED CLIFFS ACTIVE WELL
- ◻ PICTURED CLIFFS INACTIVE WELL

AMOCO PRODUCTION COMPANY
HOUSTON, TEXAS

9 Section Plat
29N8W Section 1
Florance 30M

SCALE: 1" = 400' DATE: 26-JAN-2001



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:

