



Amoco Production Company

Security Life Building
Denver, Colorado 80202



May 11, 1971

File: AMR-842-986.511

Re: Application for
Unorthodox Well Locations
Ute Dome Paradox Pool
San Juan County,
New Mexico

Mr. A. L. Porter, Jr. (3)
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Sir:

Amoco Production Company proposes to drill two wells to the Paradox formation in the Ute Dome Area, Mt. Ute Indians Gas Com "B" No. 1, to be located 975' FNL, 2050' FWL, Section 11, T31N-R14W, and Ute Mt. Tribal "D" No. 2, to be located 1160' FSL, 2050' FEL, Section 4, T31N-R14W. Both of these locations are unorthodox with respect to Order No. R-46 dated December 29, 1950, for 640 acre spacing, which requires locations to be not closer than 330' to the center and 1650' from the boundaries of the respective sections.

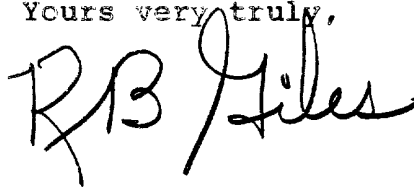
The terrain is extremely rugged in the Ute Dome Area and it is not possible to drill the wells within the normal tolerance afforded standard locations. The attached plat shows the ownership of all leases offsetting the wells which we propose to drill. Shown also on the attached plat are sketches of the topographic conditions existing in the immediate area of the two wells to be drilled. It can be seen that Well No. "D" 2 would fall within the very deep and rugged Purgatory Canyon if the standard location were complied with. Similarly, it was necessary to move the location for Well No. "B" 1 closer to the north line of Section 11 than the rules specify to avoid locating the well on the steep canyon walls or in the stream bed of the Barker Arroyo.

Amoco is the sole working interest owner in Sections 4 and 11, T31N-R14W. By certified mail, we are furnishing copies of this application to the operators of the offsetting spacing units, El Paso Natural Gas Company and Mobil Oil Corporation, with the request that these operators furnish the Commission a waiver of objection to these unorthodox locations.

Mr. A. L. Porter, Jr.
May 11, 1971
Page 2

Due to the location of our proposed wells within the 640 acre spacing unit in relation to offsetting lands, the applicant and its royalty owner, the Mt. Ute Indian tribe, are the only parties who would be affected by the granting of this application. We, therefore, request that a hearing on this matter be waived and that this application be granted on the basis of the evidence contained in this verified application. If the Commission is of the opinion that this application cannot be granted without a hearing, we request that this matter be set for hearing, preferably at the Examiner hearing set for June 2nd. We have a drilling rig active in this field and it could be ready to move to one of these locations within 30 days if approval to drill at the staked locations is granted by that time.

Yours very truly,

A handwritten signature in dark ink, appearing to read "R. B. Giles". The signature is fluid and cursive, with the first letters of each name being capitalized and prominent.

Attachment

cc: New Mexico Oil Conservation Commission (2)
1000 Rio Brazos Road
Aztec, New Mexico 87401

U. S. Geological Survey
P. O. Box 965
Farmington, New Mexico 87401

U. S. Geological Survey
Drawer 1857
Roswell, New Mexico 88201

VERIFICATION AND AFFIDAVIT

STATE OF COLORADO)
 : SS
COUNTY OF DENVER)


C. J. BOYCE, of lawful age, being first duly sworn on his oath deposes and says:

That he is employed in an engineering capacity by Amoco Production Company in its Denver, Colorado office; that Amoco Production Company's Application for unorthodox well locations, Ute Dome Paradox Pool, San Juan County, New Mexico, was prepared under his direction and supervision; that the matters and things therein set forth are true and correct to the best of his knowledge and belief; and that a copy thereof was sent by certified mail from Applicant's Denver, Colorado office on May 11, 1971, to the operators of the offsetting spacing units, at the addresses shown herein, to wit:

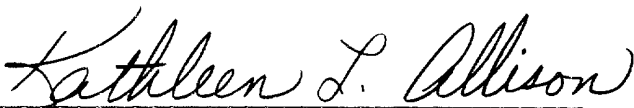
Mobil Oil Corporation
P. O. Box 633
Midland, Texas 79701

El Paso Natural Gas Company
P. O. Box 1492
El Paso, Texas 79999

and that to the best of his information, knowledge and belief, the parties above named are all of the owners to whom notice of such Application is required to be given in accordance with the provisions of the Rules and Regulations of the Oil Conservation Commission of the State of New Mexico.

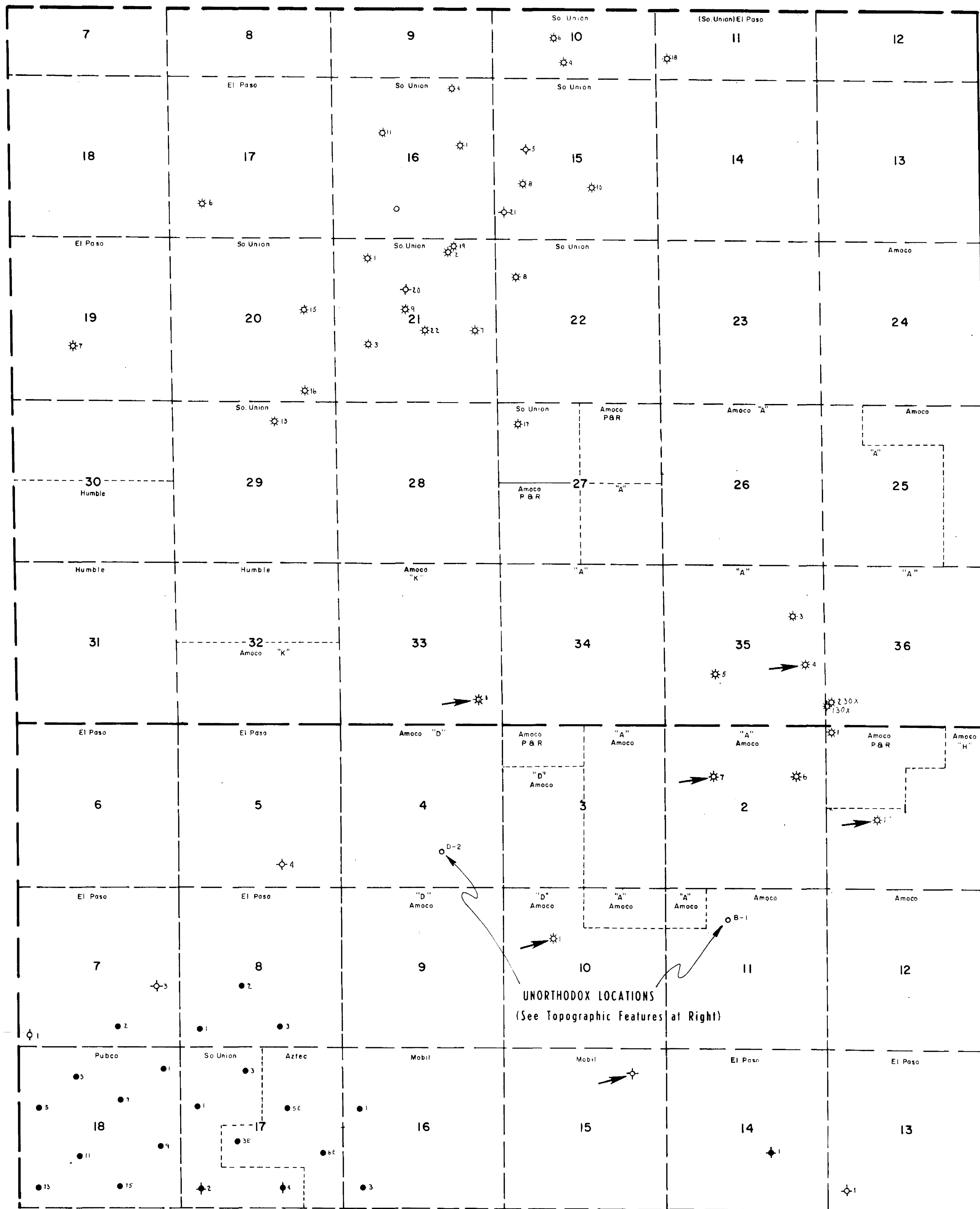

C. J. Boyce

Subscribed and sworn to before me on this 11th day of May, 1971.


Kathleen L. Allison
Notary Public

My Commission expires July 24, 1974.

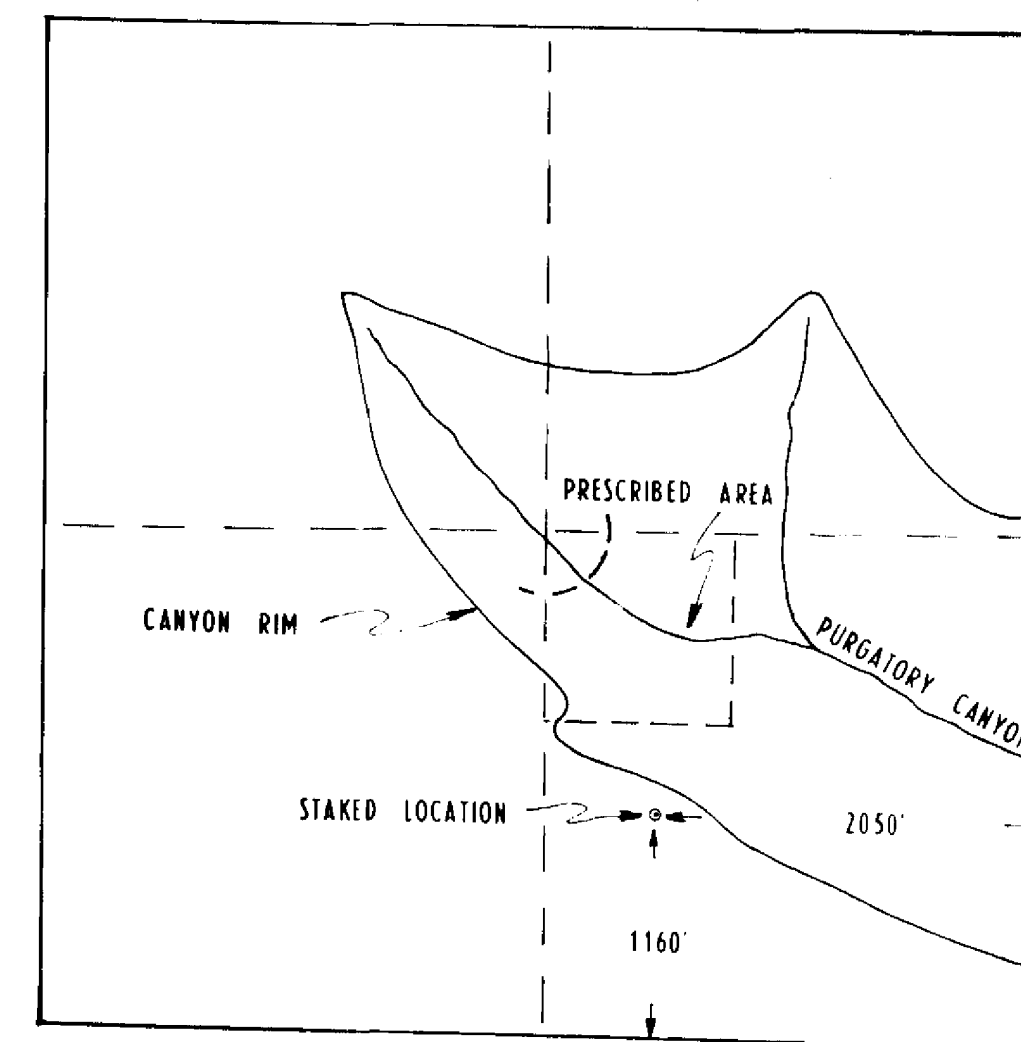
R-14-W



AMOCO PRODUCTION COMPANY
DENVER DIVISION
BARKER CREEK-UTE DOME AREA
SAN JUAN CO., NEW MEXICO
SCALE: 1"=2000'

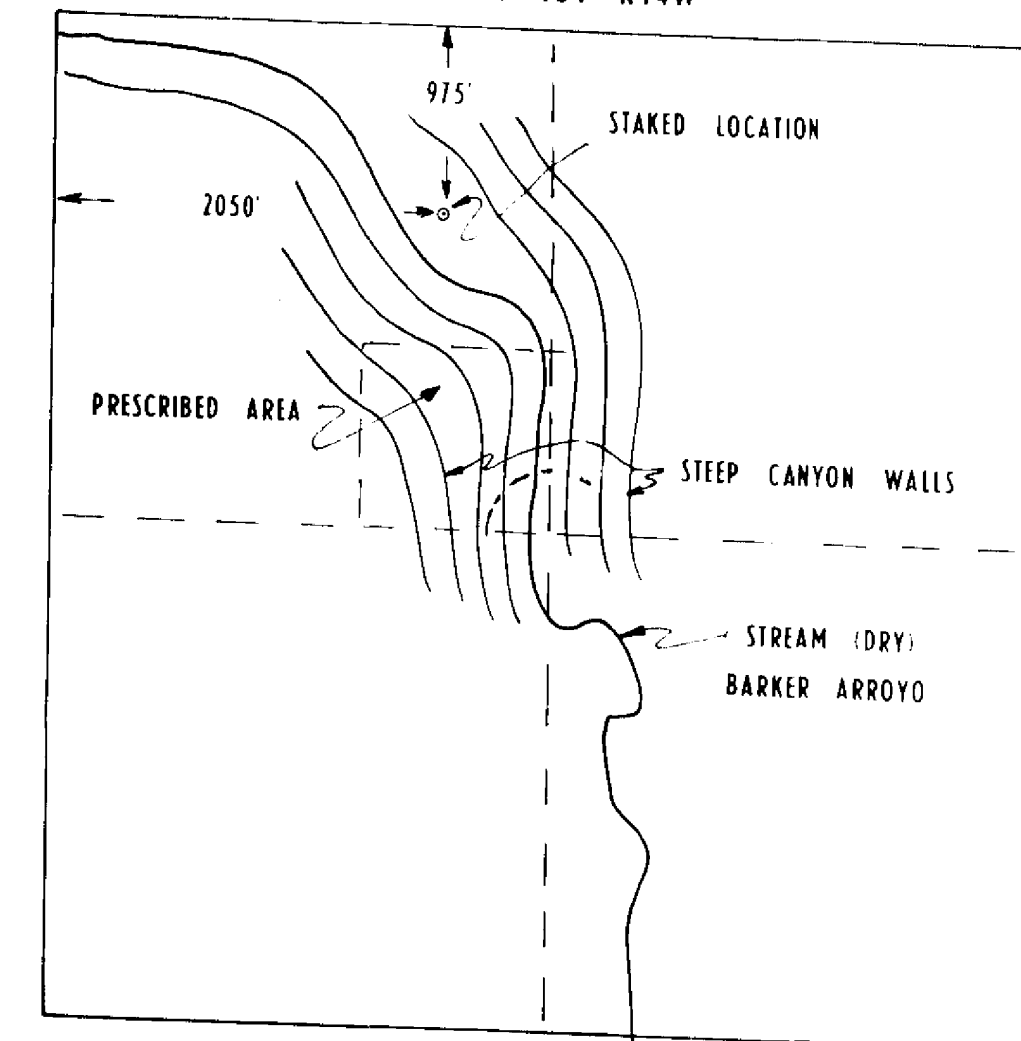
OWNERSHIP PLAT FOR UNORTHODOX LOCATION EXCEPTION APPLICATION

SEC. 4 T31N R14W



LOCATION OF UTE MOUNTAIN TRIBAL 'D' WELL NO. 2

SEC. 11 T31 R14W



LOCATION OF MT. UTE INDIANS GAS COM. 'B' NO. 1