

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 8015  
Order No. R-7543

APPLICATION OF AMOCO PRODUCTION  
COMPANY FOR TWO NGPA WELL CATEGORY  
DETERMINATIONS, SAN JUAN COUNTY,  
NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on January 18, 1984, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 25th day of May, 1984, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Amoco Production Company, seeks a determination by the Division that its Keys Gas Com "G" Well No. 1 located 1480 feet from the South line and 1620 feet from the West line of Section 27 and its State Gas Com "BX" Well No. 1 located 1490 feet from the South line and 1790 feet from the West line of Section 32, both wells in Township 32 North, Range 10 West, NMPM, San Juan County, New Mexico, meet the N.G.P.A. well category criteria for High Cost, Occluded Natural Gas Produced from Coal Seams, under Section 107 of the Natural Gas Policy Act of 1978, and the applicable rules of the Federal Energy Regulatory Commission.

(3) That said Keys Com "G" Well No. 1 was open hole completed at an interval from 2714 feet to 2759 feet.

(4) That said State Gas Com "BX" Well No. 1 was also open hole completed at an interval from 2840 feet to 2878 feet.

(5) That the combined geological and engineering data presented establishes that both subject wells have been completed in a "coal seam" and that the produced natural gas is "occluded natural gas" as defined by the provisions of Section 107 of the Natural Gas Policy Act of 1978 and the applicable rules of the Federal Energy Regulatory Commission.

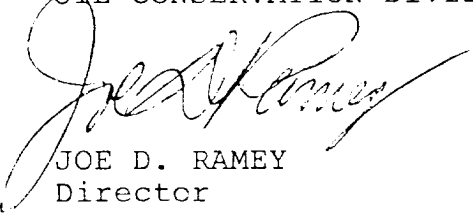
IT IS THEREFORE ORDERED:

(1) That the Amoco Production Company's Keys Gas Com "G" Well No. 1 in Section 27 and its State Gas Com "BX" Well No. 1 in Section 32, both in Township 32 North, Range 10 West, NMPM, San Juan County, New Mexico, have been completed in a "coal seam" and that the natural gas production is "occluded natural gas" as defined by the provisions of Section 107 of the Natural Gas Policy Act of 1978, and the applicable rules of the Federal Energy Regulatory Commission.

(2) That jurisdiction of this cause is hereby retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
JOE D. RAMEY  
Director

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OIL CON. DIV.

DIST. 3