

June 24, 1980

NSL - 1225

Amoco Production Company

Denver Region Amoco Building 17th & Broadway Denver, Colorado 80202 Southern Division 303 - 830 - 4040

NS 1225 Rul 71780

Joe D. Ramey, Director (3) Department of Energy and Minerals Oil Conservation Division P. O. Box 2088 Santa Fe, NM 87501

File: HAS-218-986.511

Dear Mr. Ramey:

Application for Right to Produce Basin Dakota Gas from Jack Frost "D" No. 1-E at an Unorthodox Well Location in SW/4 of Section 26-T27N-R10W, San Juan County, New Mexico

By this verified application submitted in triplicate, Amoco Production Company requests approval to produce gas from the Basin Dakota formation in Jack Frost "D" No. 1-E, a Pool Basin Dakota infill well, at the unorthodox location of 580' FSL and 1,850' FWL of Section 26-T27N-R10W.

A Form C-102 showing the reason for this unorthodox location is enclosed. The well is in the Angel Peak Recreation Area and if staked in a standard location in the SW/4 of Section 26 would be in view of the camping area. A scenic lookout point is located in the camping area. The BLM has requested we put our wells in a location that cannot be seen from the lookout points. For this reason, we have staked the well down the bluffs and away from the camping area. This well site is an exception because the permissible location for a Basin Dakota infill well must be at least 790' from the outer boundary line of the undrilled quarter section of the 320 acre proration unit, and be at least 130' from any quarter quarter section line or subdivision inner boundary.

A plat also is enclosed which shows offset wells and operators. By the attached Verification and Affidavit that is a part of this application, all affected offset operators of Basin Dakota wells are being notified by certified mail of this

Joe D. Ramey, Director June 24, 1980 Page Two

unorthodox location request. In this instance, El Paso Natural Gas and Dugan Production Company are affected offset operators. If there is no objection to this unorthodox location request, we ask that El Paso and Dugan each signify on three (3) copies of this letter in the space provided below, sending one copy to you at the NMOCC, one copy to me, and retaining the third copy for their own files. In the absence of an objection from either affected offset operator within twenty (20) days, and provided you have no objection to this application, we shall appreciate receiving your administrative approval. Of course, if there is an objection, please set the matter for hearing.

Respectfully spomitted,
R. B. Gils

RBG/mlm

Enclosures

cc:

Frank Chavez, Supervisor District III New Mexico Oil Conservation Commission 1000 Rio Brazos Road Aztec, NM 87410

James Simms
United States Geological Survey
P. O. Box 965
Farmington, NM 87401

YF138

The undersigned has no objection to Amoco's request for an unorthodox well location for its Jack Frost "D" Well No. 1-E to be located 580' FSL and 1,850' FWL of Section 26-T27N-R10W, San Juan County, New Mexico.

| By: | : | | |
|---------------|-------|------|--|
| Representing: | | | |
| Dated: | | | |

VERIFICATION AND AFFIDAVIT

STATE OF COLORADO)
: ss
COUNTY OF DENVER)

oath, deposes and says:

R. B. Giles, of lawful age, being first duly sworn on his

That he is employed in an engineering capacity by Amoco Production Company in its Denver, Colorado, office; that he has been qualified as an expert engineering witness by the New Mexico Oil Conservation Division and his qualifications have been made of record; that he has testified numerous times before the New Mexico Oil Conservation Division on well spacing matters; that Amoco's application for approval of the right to produce Basin Dakota gas from Jack Frost "D" No. 1-E at a location 580' FSL and 1,850' FWL of Section 26-T27N-R10W, as an unorthodox location in 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 beliefs; and that a copy thereof was sent by certified mail from Applicant's Denver, Colorado, office on June 24, 1980, to the following affected offset operators, at the addresses shown herein, to wit:

John A. Ahlm
El Paso Exploration Company
P. O. Box 289
Farmington, NM 87401

Dugan Production Company P. O. Box 234 Farmington, NM 87401

and to the best of his information, knowledge and belief, the operators above named are the only operators to whom notice of such application is required to be given in accordance with Rule 104 of the Rules and Regulations of the New Mexico Oil Conservation Division.

B. AILES

Subscribed and sworn to before me this 24th day of June, 1980.

Sylva & Seaman

My Commission expires:

8-15-80

YF136

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION P. O. BOX 2088 SANTA FE, NEW MEXICO B7501

Form C-107 Revised 10-1-78

All distances must be from the cuter boundaries of the Section.

| AMOCO PRODUCTION COMPANY Unit Letter Section Township Range County N 26 27N 10W San Juan Actual Footage Location of Well: 580 feet from the South line and 1850 feet from the West Ground Level Elev. Producing Formation Basin Dakota 1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks interest and royalty). 3. If more than one lease is dedicated to the well, outline each and identify the ownersh interest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the interest dated by communitization, unitization, force-pooling etc? A Yes No If answer is "yes," type of consolidation Operating Agreem If answer is "no," list the owners and tract descriptions which have actually been consthis form if necessary.) No allowable will be assigned to the well until all interests have been consolidated (by forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has a sion. | s of all owners been consoli- nents olidated. (Use reverse side of |
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| l her | CERTIFICATION |
| l her | · |
| toine | eby certify that the information con- ed herein is true and complete to the of my knowledge and belief. |
| Name R.A Positic | |
| Compa AMO Date | TRICT ENGINEER OCO PRODUCTION COMPANY OE 3, 1980 |
| | 2, 1,00 |
| PEAK PEAK Unde Lists | reby certify that the well location in on this plat was plotted from field is of actual surveys made by me or my supervision, and that the same use and correct to the best of my ledge and belief. |
| 1850' M Registr end/of | arveyed av 1980 Ad Profrigtonia Engineer Land Surveyor ede B. Kerr Jri |

EXISTING DAKOTA WELLS

PROPOSED WELL LOCATION

ROADS

Joe D. Ramey, Director June 24, 1980 Page Two

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Respectfully submitted,

RBG/mlm

Enclosures

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James Simms United States Geological Survey P. O. Box 965 Farmington, NM 87401

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| Ву: | y · ff , William | |
|---------------|------------------|-----------|
| Representing: | Nugan Str | sel lost. |
| Dated: | -27-810 | |

Joe D. Ramey, Director June 24, 1980 Page Two

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By:

Danzaskiina

Dated.

OIL CONSERVATION COMMISSION DISTRICT

| OIL CONSERVATION COMMISSION BOX 2088 | DATE_ | Juni 27, 1980 |
|--|-------|------------------------------------|
| | RE: | Proposed MC |
| | | Proposed DHC |
| | | Proposed NSL |
| | | Proposed SWD |
| | | Proposed WFX |
| | | Proposed PMX |
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| Gentlemen: | | |
| There events date and deather dated | . > | 7.1980 |
| I have examined the application dated | e c | 7,1786 |
| for the Chinaco Proce. Co lack Sout 10 7#16 | | 1:-76-77 10-10W |
| Operator Lease and Well | | <u>N-7677 N-10₩</u> Unit, S-T-R |
| operator , notice and were | | , 5 |
| and my recommendations are as follows: | | |
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| A CONTRACTOR OF THE PARTY OF TH | Yours | very truly, |
| JULOSIO | Yours | very truly, |
| CIT COME TO STAND | Yours | very truly, |
| SANTA FE | Yours | very truly, |