



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

May 4, 1995

**Amoco Production Company
Southern Rockies Business Unit
P.O. Box 800
Denver, Colorado 80201**

Attention: Pamela W. Staley

Administrative Order NSL-3523

Dear Ms. Staley:

Reference is made to your application dated March 13, 1995 for a non-standard Gallup oil well location for your existing Gallegos Canyon Unit Well No. 230 (API No. 30-045-11628), which was drilled in 1966 and completed in the Basin-Dakota Pool at a standard gas well location 790 feet from the South line and 1060 feet from the West line (Unit M) of Section 23, Township 28 North, Range 12 West, NMPM, San Juan County, New Mexico.

It is our understanding that Amoco intends to properly plug the Dakota interval and recomplete said well up-hole into the Simpson-Gallup Oil Pool.

By the authority granted me under the provision of the "*Special Rules and Regulations for the Simpson-Gallup Oil Pool*", as promulgated by Division Order no. R-2375, as amended, and Division Memorandum 4-86 dated June 2, 1986, the above-described unorthodox oil well location is hereby approved. Further, the S/2 SW/4 of said Section 23 shall be dedicated to said well forming a standard 80-acre oil spacing and proration unit for said pool.

Sincerely,

William J. LeMay
Director

WJL/mes

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington