

# J. D. Cutter Proration and Unitization Manager

## **Amoco Production Company**

Denver Region 1670 Broadway P.O. Box 800 Denver, Colorado 80201 303-830-4040

September 26, 1985

Mr. Richard L. Stamets, Director (3) New Mexico Oil Conservation Division P.O. Box 2088 Santa Fe, New Mexico 87501

File: JDC-372-986.511

Application for Special Field Rules Hogback-Pennsylvanian Oil Pool San Juan County, New Mexico Care 8734

Amoco Production Company hereby makes application for an Order from the New Mexico Oil Conservation Division for creation of the referenced pool as an oil pool, to establish special field rules and designation of the pool to include all of the following described lands;

#### Township 29 North, Range 16 W

Section 7: S/2 Section 20: W/2
Section 17: SW/4 Section 29: NW/4
Section 18: All Section 30: N/2
Section 19: All

# Township 29 North, Range 17W

Section 12: SE/4 Section 24: E/2 Section 13: E/2

We respectfully request that this application be set for hearing on the October 23, 1985 Examiners Hearing Docket, or sooner.

Amoco, as owner of working interest and operating rights in nearly all of the lands described has hertofore drilled and completed three (3) wells in the Pennsylvanian formation and is now testing a fourth well therein. Based upon the production rates of oil and non-flammable gas from these wells, we are of the opinion that this pool should be properly classified as an oil pool.

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We respectfully ask that the Division enter its order establishing special field rules for the production of oil from the Pennsylvanian formation underlying the lands described above.

In support of this request, Amoco states that:

- 1. Establishment of oil spacing units is necessary in order to protect correlative rights and assist in the prevention of waste.
- 2. A spacing unit of 160 acres will accomplish this and is not smaller than can be efficiently and economically drained and developed by one well.

We also ask that the order specify:

- 1. Each 160 acre unit consist of a governmental quarter section or equivalent therto as established by governmental survey.
- 2. Future wells be located no nearer than 660 ft. from the 160 acre unit boundary.
- 3. Appropriate exceptions be considered for any hertofore permitted, drilling or drilled wells not in conformance with the requested order, with each such exception well to be designated the permitted well for the proration unit upon which it is located.
- 4. No limiting GOR be established and venting be allowed for the produced gas, which is non-flammable.
- 5. An oil allowable greater than the regular depth bracket allowable for 160 acres be assigned this oil pool based upon evidence to be presented at the hearing.

and that the requested order contain such other and additional provisions as may appear appropriate from the evidence in the record, and that are consistent with the requests made by this application.

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The attached Verification and Affidavit of mailing to owners within the described area is a part of this application.

J. D. Cutter

Q.L. Cutter/CB

Enclosures

CJB/sma

cc: Frank Chavez
New Mexico Oil Conservation Division
1000 Rio Bravos Road
Aztec, NM 87410

U.S. Department of the Interior Bureau of Land Management Caller Service 4104 Fannington, NM 87499

Petroleum Engineer P.O. Box 146 Window Rock, AZ 86515

Raymond T. Duncan, Oil Properties 1717 S. Harrison, Penthouse 1 Denver, CO 80210

## VERIFICATION AND AFFIDAVIT

STATE OF COLORADO )
: ss
COUNTY OF DENVER )

Charles 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 he has responsibilities for New Mexico proration matters; that Amoco's application for an order from the Division establishing 160 acre proration units and special field rules for the Hogback Pennsylvanian Oil 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 beliefs; and that a copy thereof was sent by certified mail from Applicant's Denver, Colorado office on September 26, 1985 to the affected offset owners listed below:

Dines Worsham Company c/o First of Denver Attn: Trust Minerals Box 5825, Terminal Annex Denver, CO 80217 Vida Francis Ellison Trust P.O. Box 18248, Capital Hill Sta. Denver, CO 80218

Cecil S. Knox 8514 West 10th Street Lakewood, CO 80215 Gertrude E. Griffith Estate P.O. Box 18248, Capital Hill Sta. Denver, CO 80218

Louise A. Lamphere 661 Hope St. Providence, RI 02906

and to the best of his information, knowledge and beliefs, these are the only owners within the affected area to whom notice of such application is required in accordance with the General Rules and Regulations of the Oil Conservation Division.

Charles J. Boyce

Subscribed and sworn to before me this 26th day of September, 1985.

Notary Public