



Amoco Production Company

Denver Region
Amoco Building
17th & Broadway
Denver, Colorado 80202

May 28, 1980

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

File: HAS-205-986.511

Dear Mr. Ramey:

Application for Right to Produce
Basin Dakota Gas from Lobato Gas Com "E" No. 1-E at an
Unorthodox Well Location in NW/4 of Section 3-T29N-R9W
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 Lobato Gas Com "E" No. 1-E,
a Basin Dakota infill well, at the unorthodox location of
1,220' FNL and 910' FWL of Section 3-T29N-R9W.

A Form C-102 is enclosed. The reason for this unorthodox
location is the presence of irrigated fields and an irrigation
ditch. 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. In this particular instance the unorthodox
location is only 100' from the south boundary of the NW/4
of Section 3.

A plat also is enclosed which shows offset wells and operators.
In this instance Amoco owns all of the offsetting leasehold
interests. Within the W/2 of Section 3, Amoco owns all
acreage except 14.68 acres in the NE/4 NW/4 which is owned
by Tenneco and Continental, both of whom have approved drilling
of this unorthodox well.

RECEIVED
JUN - 9 1980
OIL CONSERVATION DIVISION
SANTA FE

*NSL-1207
Rule 3 R-1670
No offset
Immediate*

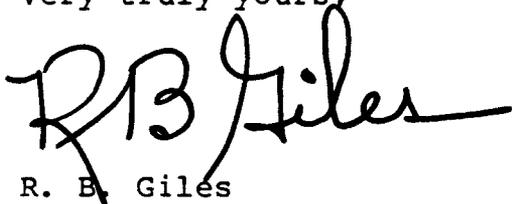
W/2 Dedication

*Basin Dakota Gas
Pool*

Joe D. Ramey
Page 2
May 28, 1980

We therefore respectfully request your immediate administrative approval of this application if you have no objection to the requested unorthodox location for this Basin Dakota test.

Very truly yours,

A handwritten signature in black ink, appearing to read "R. B. Giles". The signature is written in a cursive style with a large, prominent "R" and "G".

R. B. Giles

RBG:lkh

Attachments

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

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

YA205

VERIFICATION AND AFFIDAVIT

STATE OF COLORADO)
 : SS.
COUNTY OF DENVER)

R. B. Giles, 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 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 Lobato Gas Com "E" No. 1-E at a location 1,220' FNL and 910' FWL of Section 3-T29N-R9W 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.



R. B. Giles

Subscribed and sworn to before me this 28 day of May, 1980.



Notary Public

My Commission expires:

8-15-80

GE642

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-107
Revised 10-1-78

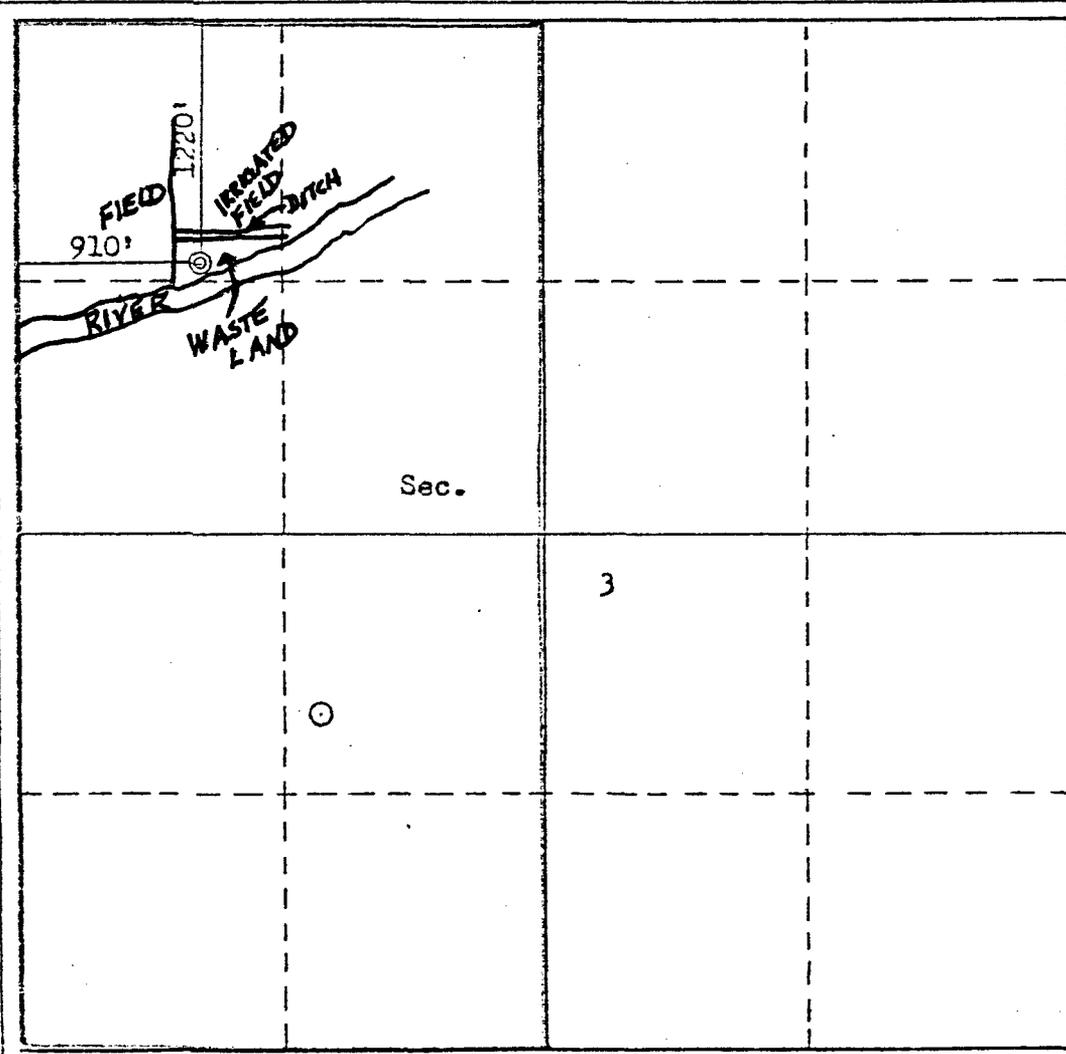
All distances must be from the outer boundaries of the Section.

Operator AMOCO PRODUCTION COMPANY			Lease LOBATO GAS COM "E"		Well No. 1E
Unit Letter D	Section 3	Township 29N	Range 9W	County San Juan	
Actual Footage Location of Well: 1220 feet from the North line and 910 feet from the West line					
Ground Level Elev. 5602	Producing Formation Dakota		Pool Basin Dakota		Dedicated Acreage: 320.60 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation Communitization and operating agreements.
Amoco owns all acreage in W/2 of Section 3 except 14.68 acres in NE/4 NW/4 which is owned by Tenneco & Contental, both of whom have approved drilling of the well.
If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

B. E. Fackrell

Name
B. E. FACKRELL

Position
DISTRICT ENGINEER

Company
AMOCO PRODUCTION COMPANY

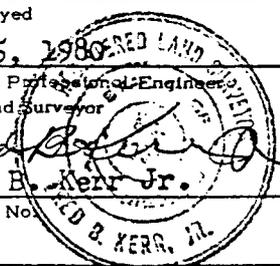
Date
MAY 7, 1980

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
May 5, 1980

Registered Professional Engineer and/or Land Surveyor
Fred B. Kerr Jr.
Fred B. Kerr Jr.

Certificate No.
3950

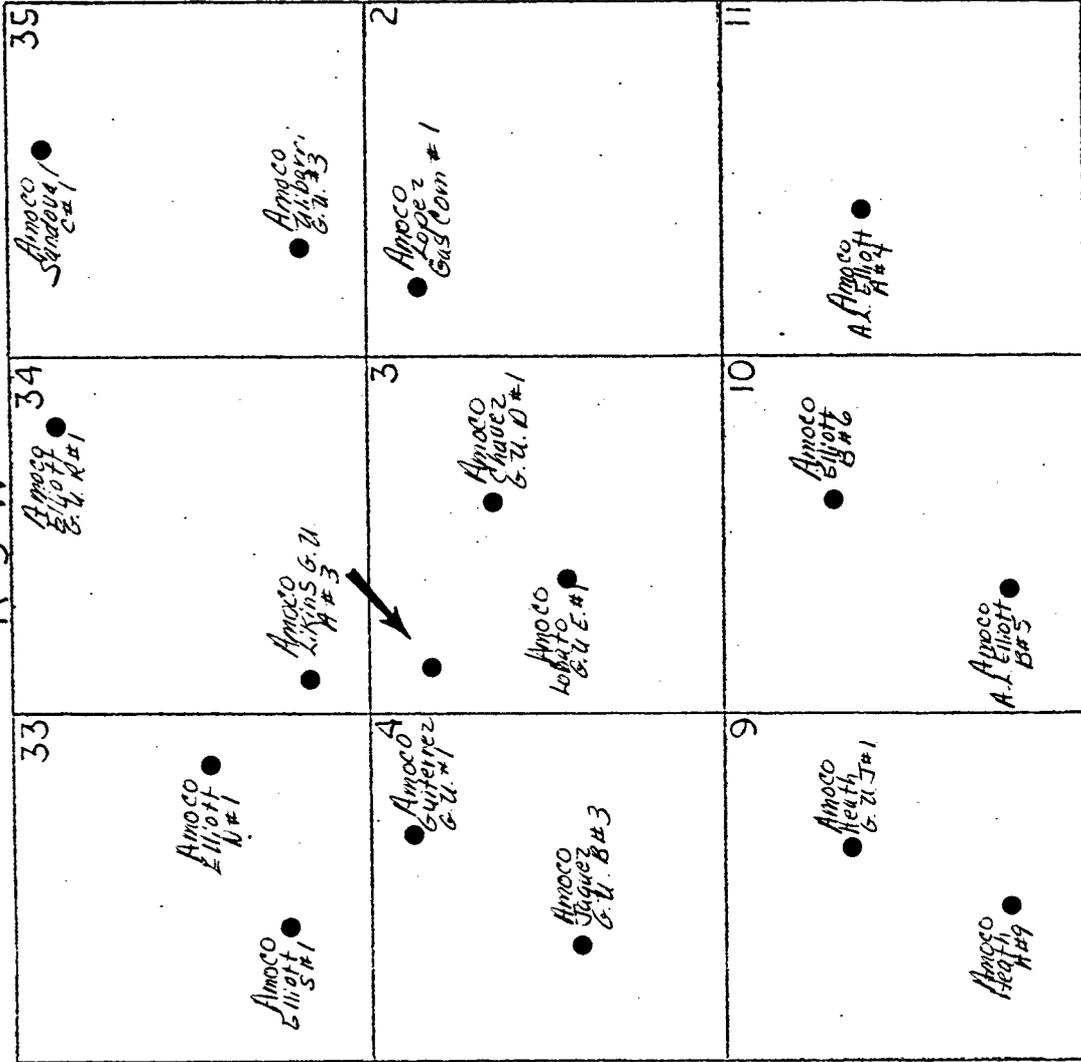


LOBATO GAS COM E #1E

R 9 W

T 30 W

T 29 N



EXISTING DAKOTA WELLS ●

UNORTHODOX LOCATION ●

File ~~1954~~ - 1154-1207

OIL CONSERVATION COMMISSION
Cyto DISTRICT

RECEIVED
JUN 10 1980
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO

DATE June 10, 1980

RE: Proposed MC _____
Proposed DHC _____
Proposed NSL x _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated June 9, 1980
for the Amoco Prod. Co. Lubita Gas Co. #1E D-329N-9W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve

Yours very truly,

Frank S. Davy