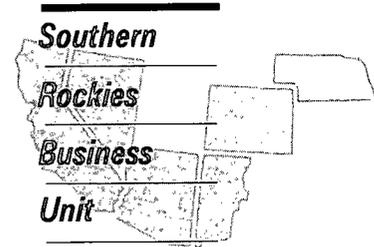


NSL

9/5/96



August 9, 1996

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
2040 S. Pacheco Street
P.O. Box 6429
Santa Fe, NM 87505

Application For Unorthodox Location
Ute Indians Well A#24
795' FSL, 395' FEL, Unit P Section 34-T32N-R14W
Ute Dome Dakota Pool
San Juan County, New Mexico

Amoco Production Company hereby requests administrative approval for an unorthodox well location for the Ute Indians Well A#24 well to be drilled in the Ute Dome Dakota Pool. The spacing unit for this well is the southeast quarter of Section 34. This well is to be drilled at an unorthodox location for the Dakota as it is closer than the required 790 foot setback to the east line. The unorthodox location is being sought for two reasons; to minimize surface disturbance and to maximize geologic potential. Moving further to the North and East in this location would require much timber cutting which is not desirable to the Ute Mountain Ute Tribe. Attachment 1 is a topographic map showing the timbered areas in yellow. Also attached is a 3-D seismic map indicating the structure and faulting on the Ute Dome. Geologically, staying in the orange shaded area of the section as shown on attachment 2 is preferable as that area is structurally higher thus reducing the risk for producing water in the Basal Dakota sand. In addition, we want to stay to the east of the brown colored fault which cuts from the northwest to the southeast in the quarter section.

Amoco is the operator of all the offsetting quarter sections so no notice is required. A copy of this application will be submitted to the BLM and the Ute Mountain Ute Tribe. Attached is a plat of the subject spacing unit, a topographic map of the surface conditions and a 3-D seismic map showing the geologically preferred location. Should you have questions, do not hesitate to call me at (303) 830-5344.

Pamela W. Staley

Attachments

cc: Frank Chavez, Supervisor
NMOCD District III
1000 Rio Brazos Road
Aztec, NM 87410

Mark Yamasaki, Amoco
Patty Haefele, Amoco

Mr. Jim Lovato
Minerals Staff Chief
701 Camino Del Rio
Durango, Colorado 81301

Mr. Craig Canfield, Director
Tribal Energy and Tax Administration
Ute Mountain Ute Tribe
P.O. Box 42
Towaoc, CO 81334

APPLICATION FOR APPROVAL OF UNORTHODOX LOCATION UNDER RULE 104-F

Ute Indians Well A#24
795' FSL, 395' FEL, Unit P Section 34-T32N-R14W
Ute Dome Dakota Pool
San Juan County, New Mexico

ATTACHMENTS:

- TOPOGRAPHIC MAP SHOWING LOCATION OF ALL OFFSET WELLS
- FORM C-102 FOR DAKOTA FORMATION
- SEISMIC MAP SHOWING DAKOTA STRUCTURE AND FAULTING OF UTE DOME
- OFFSET OPERATORS PLAT

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Hrazos Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

Form C-102
 Revised February 21, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

' API Number		' Pool Code		' Pool Name	
		86720		Ute Dome Dakota	
' Property Code		' Property Name			' Well Number
1183		UTE INDIANS A			# 24
' OGRID No.		' Operator Name			' Elevation
000778		AMOCO PRODUCTION COMPANY			5929

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	34	32 N	14 W		795	SOUTH	395	EAST	SAN JUAN

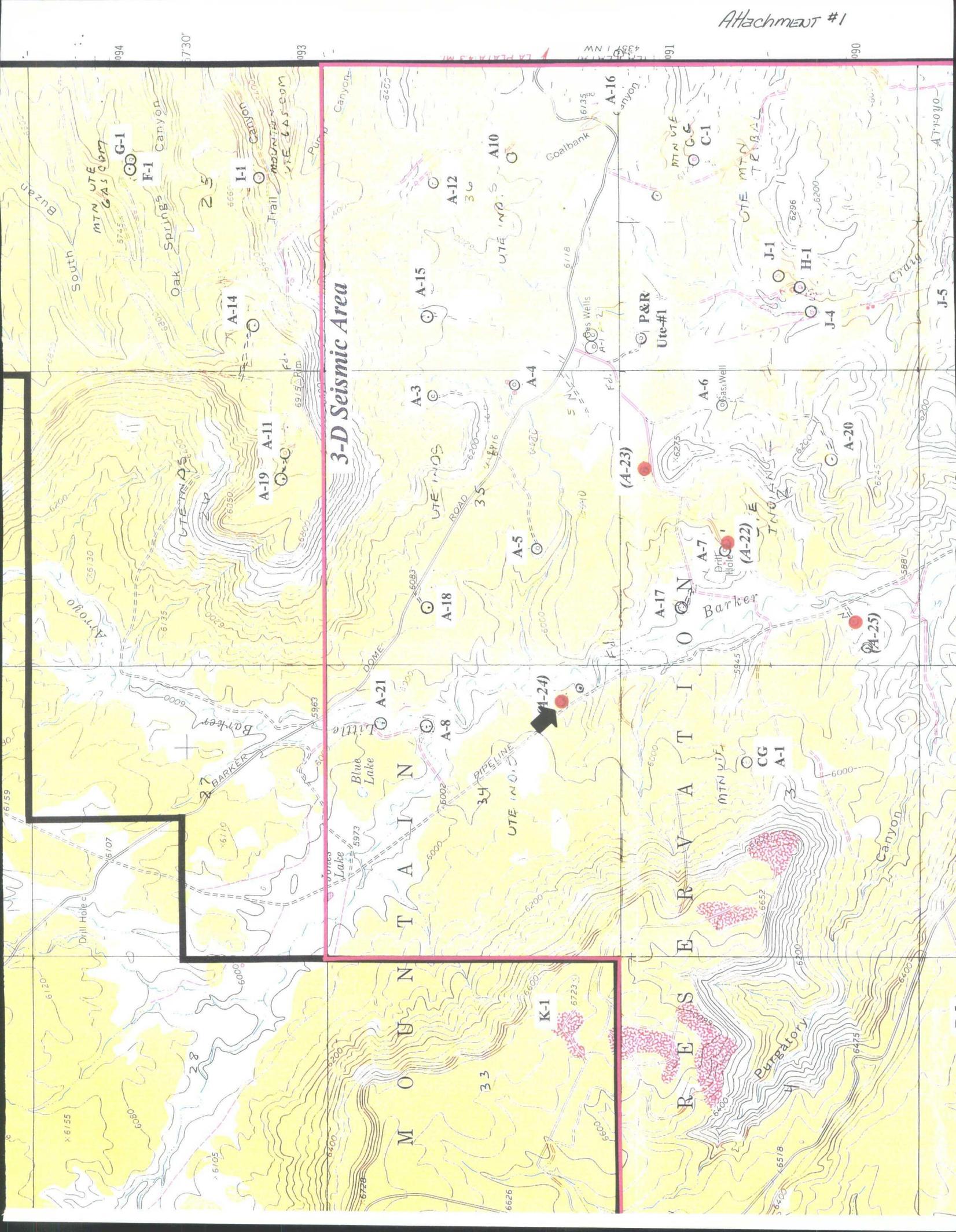
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
160			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16		34	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p><i>Patty Haefele</i> Signature Patty Haefele Printed Name Staff Assistant Title 8/7/96 Date</p>	
				<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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 belief.</p> <p>August 1, 1996</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor: </p>
				7016
				Certificate Number



3-D Seismic Area

A-24

South Buzan

Oak Springs Canyon

Trail

UTEMTS

A-19

A-11

A-14

A-3

A-12

A-10

A-15

A-4

A-16

A-6

A-23

A-20

A-7

A-22

A-25

A-17

A-18

A-5

A-21

A-8

A-24

A-2

A-1

A-13

A-9

A-14

A-11

A-10

A-15

A-4

A-16

A-6

A-23

A-20

A-7

A-22

A-21

A-8

A-24

A-2

A-1

A-13

A-9

A-14

A-11

A-10

A-15

A-4

A-16

A-6

A-23

A-20

A-7

A-22

A-21

A-8

A-24

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A-15

A-4

A-16

A-6

A-23

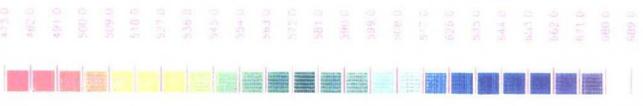
A-20

A-7

A-22

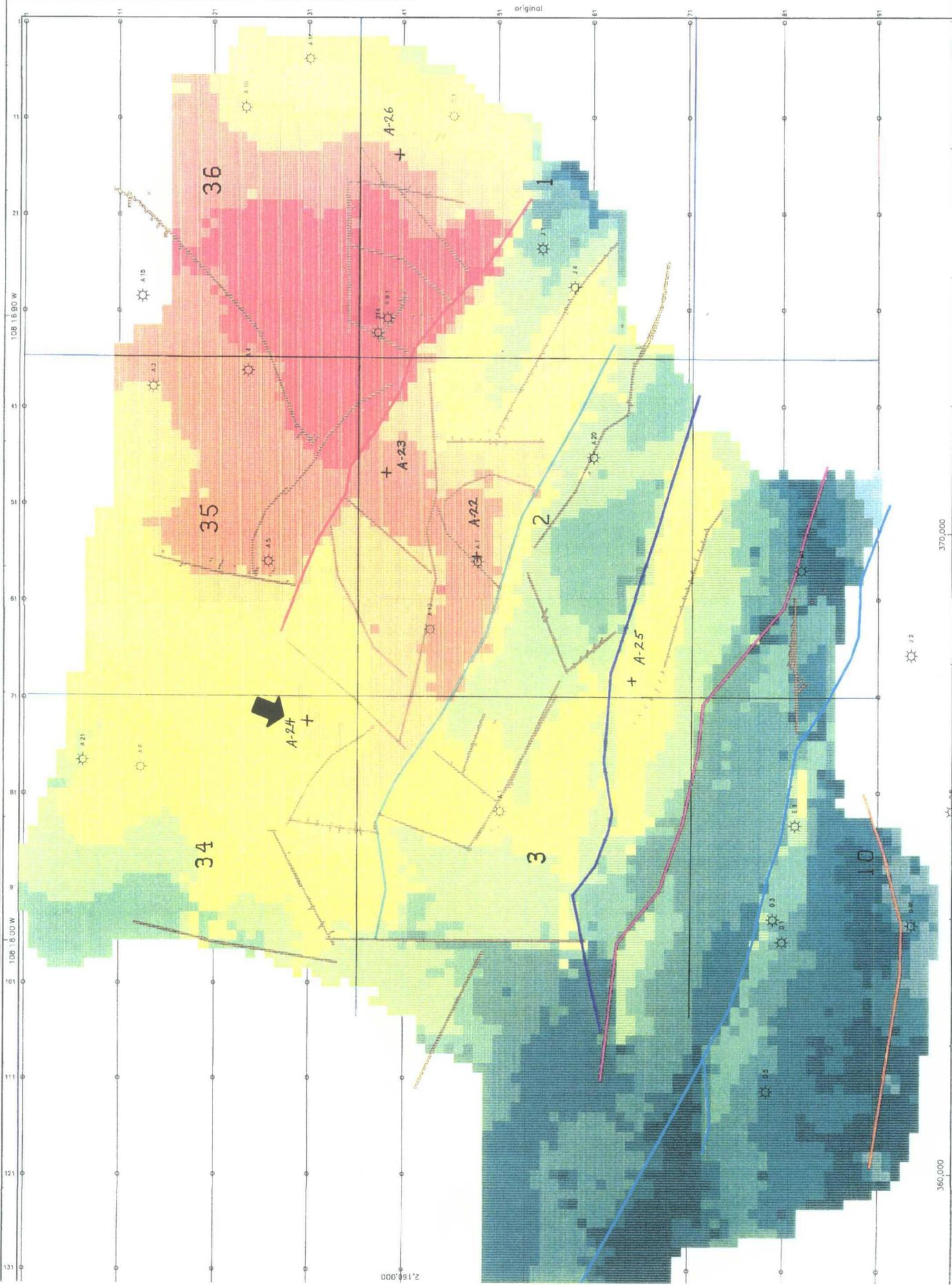
FT

3800
3700
3600
3500
3400
3300



ATTACHMENT #2

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1-Aug-1996 16:13
bmap_ute_dome_18.cgm, for .zgsf05.at, desgsf05



370,000

350,000

bmap_ute_dome_18
1-Aug-1996 16:13
bmap_ute_dome_18.cgm, for .zgsf05.at, desgsf05

COUNTY *San Juan* POOL *Ute Dome - Dakota*

TOWNSHIP *32 North* RANGE *13 West* NMPM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Ext: $\frac{SW}{4}$ Sec 30 (R-5339, 2-1-77) EXT: $\frac{N}{2} + \frac{SE}{4}$ Sec. 30 (R-6056, 8-1-79)

Ext: $\frac{N}{2}$ Sec 31 (A-7046, 8-6-82)