

OIL CONSERVATION DIVISION

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 STATE GAS COM BZ		Well No. 1
Unit Letter I	Section 32	Township 29N	Range 10W	County San Juan

Actual Footage Location of Well:
1850 feet from the **South** line and **1080** feet from the **East** line

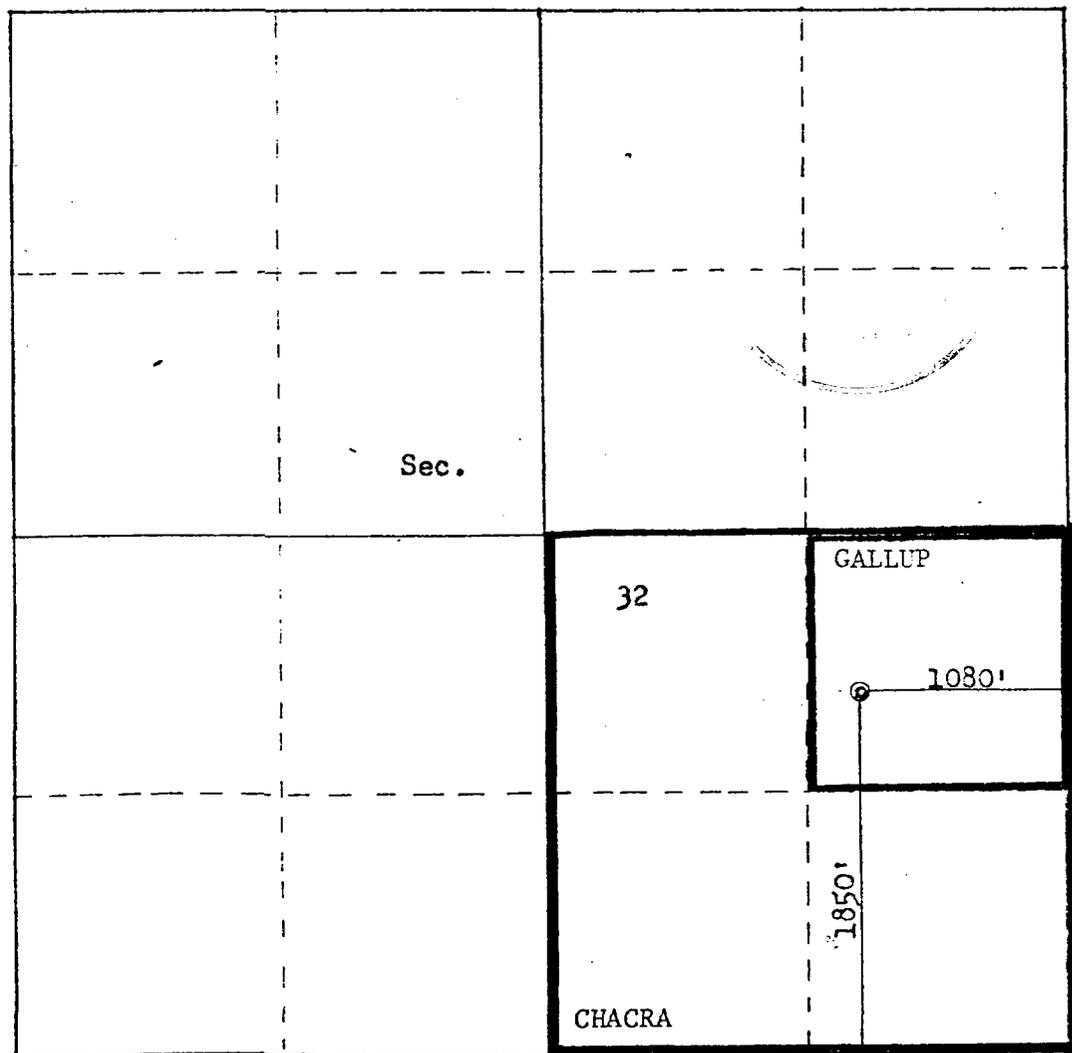
Ground Level Elev: 5678	Producing Formation Chacra / Gallup	Pool Bloomfield Chacra/Armenta Gallup	Exh Gallup	Dedicated Acreage: 160/40 Acres
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1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
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

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.



Scale: 1"=1000'

CERTIFICATION

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

Dale H. Shoemaker
Name

D. H. SHOEMAKER
Position

DISTRICT ENGINEER
Company

AMOCO PRODUCTION COMPANY
Date

NOVEMBER 11, 1982

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.

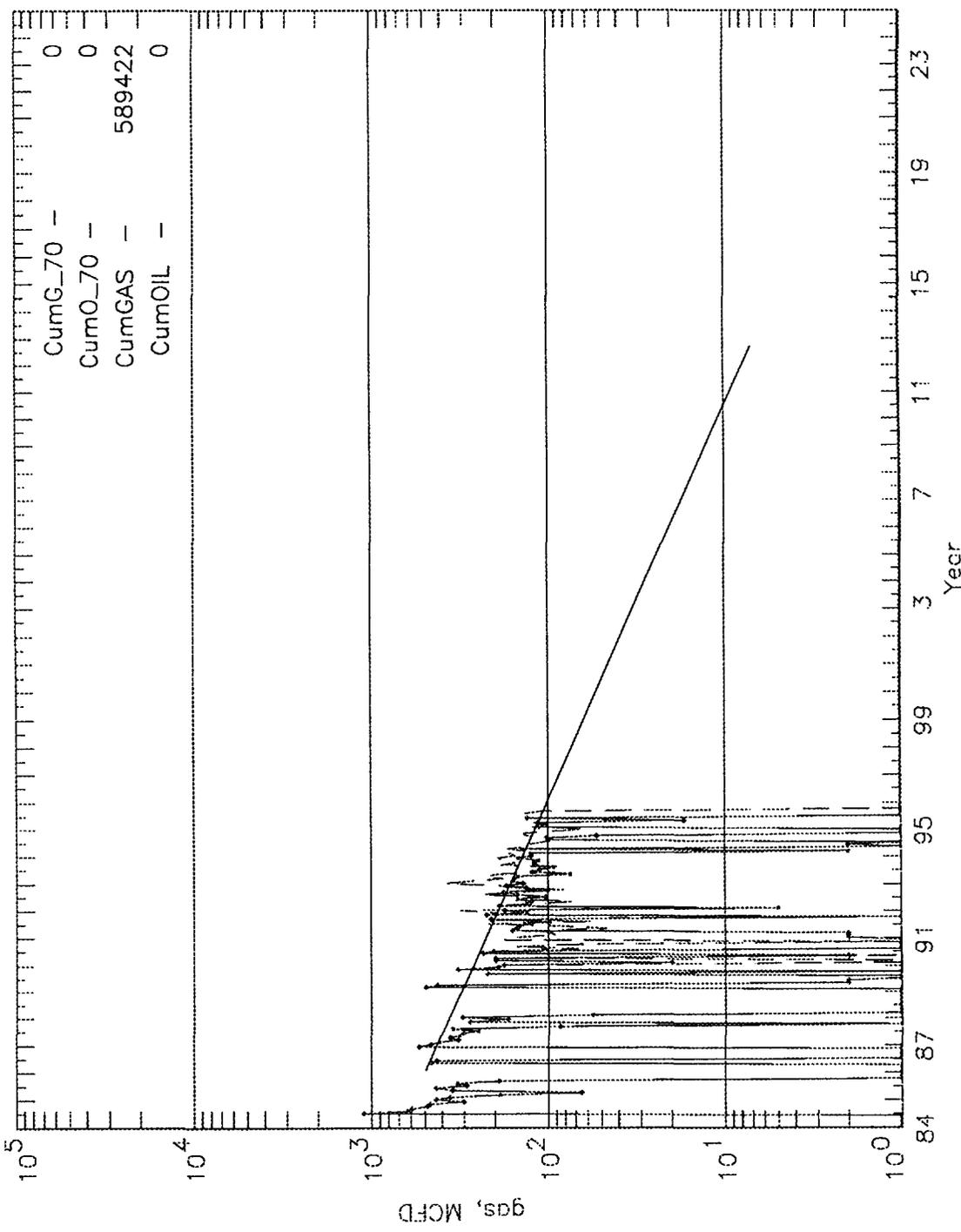
Date Surveyed
November 10, 1982

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

Certificate No. **3950**

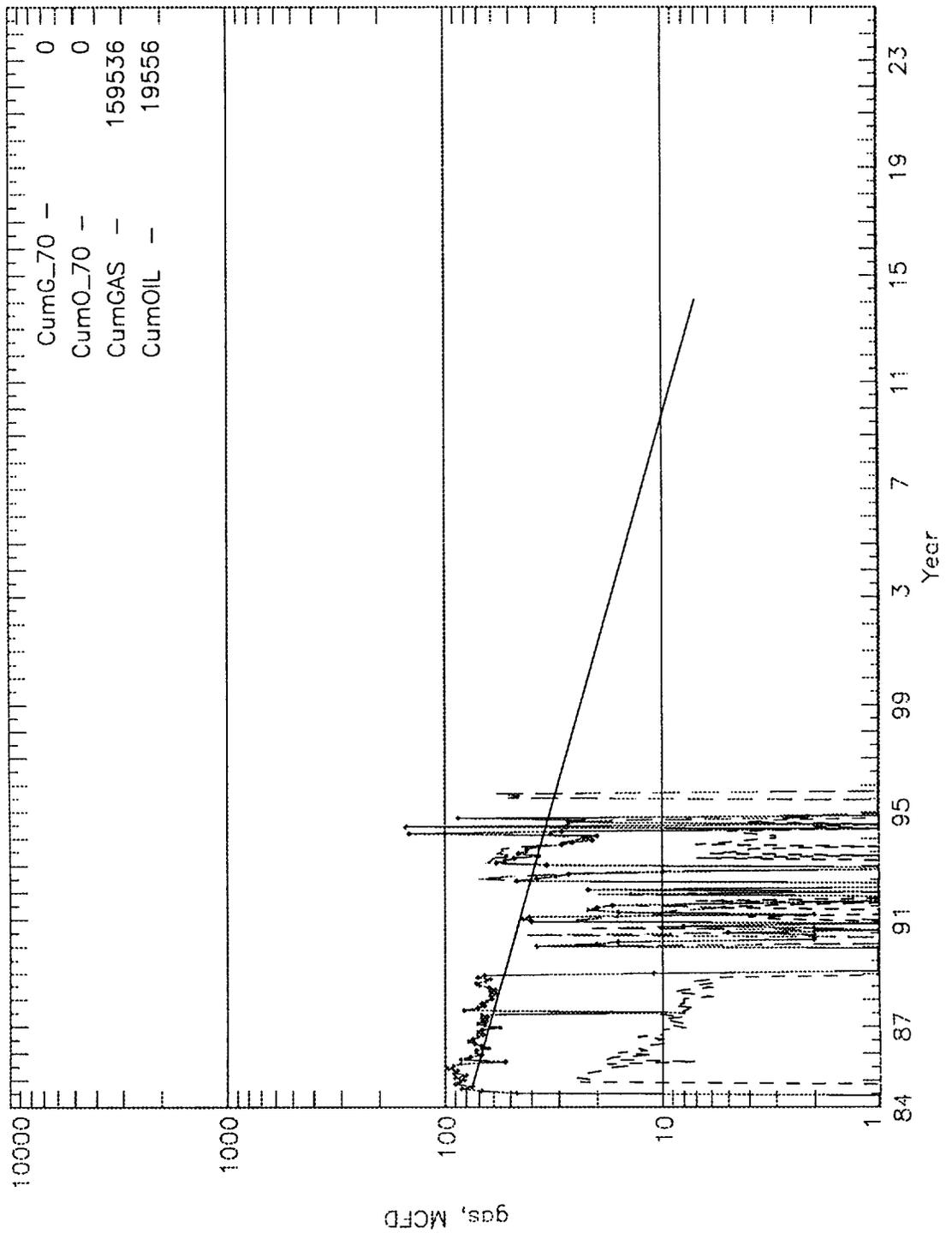
For: zdws22
Engr: zr06

STATE GAS COM BY 1
300452551000CK 1322910-001 CK
Operator- AMOCO PRODUCTION CO
APC_WI - 1.00000000



For: zdws22
 Engr: zr06

STATE GAS COM BZ 1
 300452551000GP 1322910-001 GP
 Operator- AMOCO PRODUCTION CO
 APC_WI - 1.0000000



AMOCO PRODUCTION COMPANY
FARMINGTON DISTRICT

ONSHORE FEDERAL AND INDIAN
SITE FACILITY DIAGRAM

LEASE NAME & WELL NUMBER State G.C. "B2" well # 7 BY

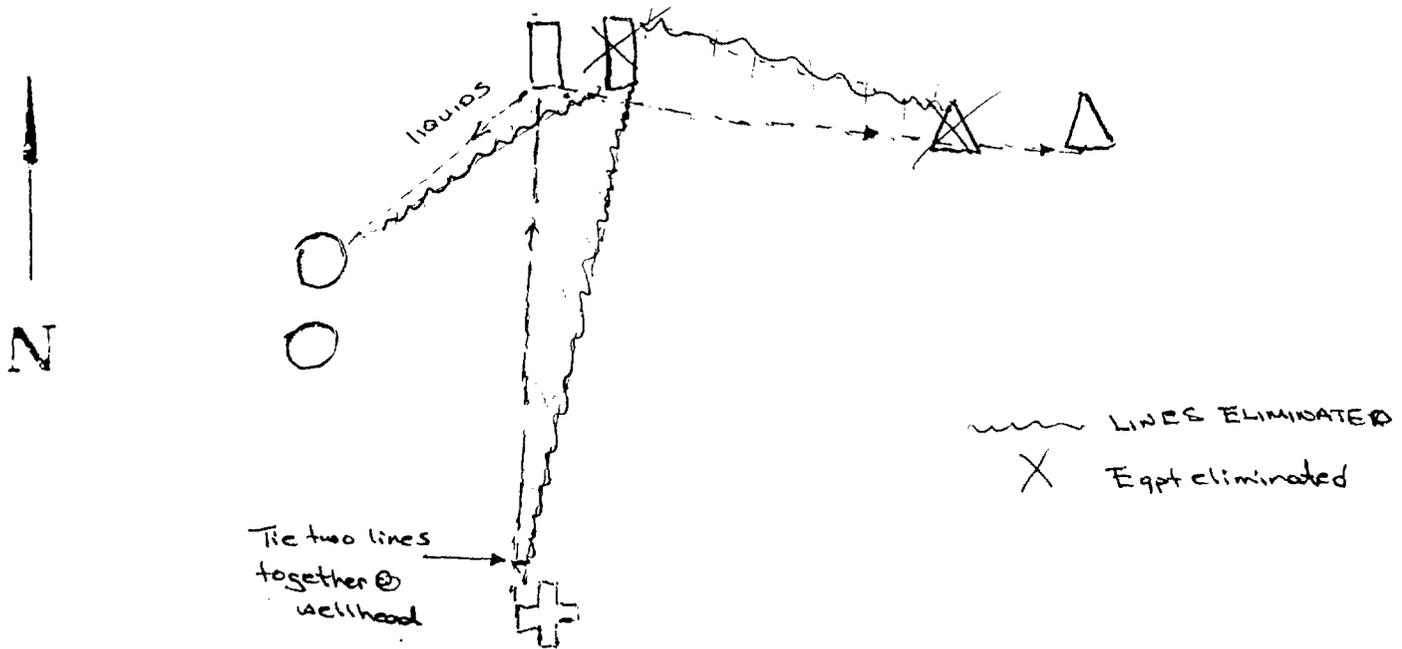
LEASE NUMBER Run 27 BY #1-CK, BZ #1-GP

COMMUNITIZATION NUMBER _____

LOCATION SJC SEC.- 32 T 29N R 10W

This diagram subject to site security plan FOR New Mexico

Sealed valves are normally closed during production phase. Drain line valve to pit open to draw off water and load line valve open to sell condensate.



Valve #1 - Sales
 Valve #2 - Drain

-  Wellhead
-  Production Unit
-  Storage Tank
-  Dehydrator
-  Meter Run
-  Pit
-  X SEALED VALVES



PLC-117

APR 17 1996

5:00 PM APR 8 1996

State of New Mexico
Commissioner of Public Lands

(505) 827-5760
FAX (505) 827-5766

RAY POWELL, M.S., D.V.M.
COMMISSIONER

310 OLD SANTA FE TRAIL P.O. BOX 1148

SANTA FE, NEW MEXICO 87504-1148

March 12, 1996

Amoco
Post Office Box 800
Denver, Colorado 80201

Attn: Ms. Pamela W. Staley

Re: Surface Commingling Application
State Gas Com BY #1 Well - Otero Chacra Pool
Unit I Sec. 32-29N-10W
State Gas Com BZ #1 - Armenta Gallup Pool
Unit I Sec. 32-29N-10W, San Juan County, New Mexico

Dear Ms. Staley:

We have received your letter of February 21, 1996, wherein you requested our approval to surface commingle the production from the above referenced wells.

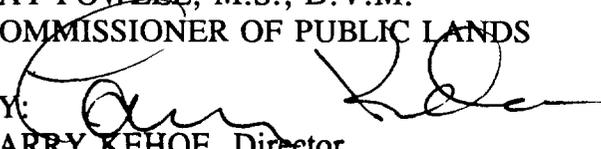
Your letter states that the Chacra is producing 105 MCFD with no associated condensate, and the Gallup is producing 32 MCFD with 3 BCPD. You have recommended allocating gas production at 23% to the Chacra formation and 77% to the Gallup formation. Condensate production would be attributed 100% to the State Gas Com BZ #1, as the Chacra does not produce any liquids.

We would like additional information prior to approving this application. Please clarify the gas production percentages for the Chacra and Gallup formations as stated in your application.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: 
LARRY KEHOE, Director
Oil, Gas and Minerals Division
(505) 827-5744

RP/LK/pm

cc: Reader File,
OCD-Santa Fe Attn: Mr. David Catanach