



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

July 7, 2001

Amoco Production Company
San Juan Business Unit
501 West Lake Park Boulevard
Houston, Texas 77079-3092
Attention: Mary Corley, Sr. Regulatory Analyst (corleyml@bp.com)

Administrative Order NSL-4603

Dear Ms. Corley:

Reference is made to the following: (i) your application that was submitted to the New Mexico Oil Conservation Division ("Division") on June 4, 2001; and (ii) the Division's records in Aztec and Santa Fe: all concerning Amoco Production Company's ("Amoco") request for an exception to the well location requirements provided within the "Special Rules and Regulations for the Basin-Dakota Pool," as promulgated by Division Order No. R-10987-B, dated June 30, 2000, as amended by Division Order No. R-10987-B (1), dated August 10, 2000. The S/2 of Section 23, Township 30 North, Range 9 West, NMPM, San Juan County, New Mexico is to be dedicated to Amoco's proposed well in order to form a standard 320-acre lay-down gas spacing and proration unit for the Basin-Dakota Pool.

The application has been duly filed under the provisions of Division Rules 104.F and 605.B.

By the authority granted me under the provisions of Division Rule 104.F (2), the following described well to be drilled at an unorthodox gas well location in Section 23 is hereby approved:

Florance "U" Well No. 6-M
1930' FSL & 2400' FEL (Unit J)
(API No. 30-045-30407).

Further, the aforementioned well and spacing unit will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Farmington