



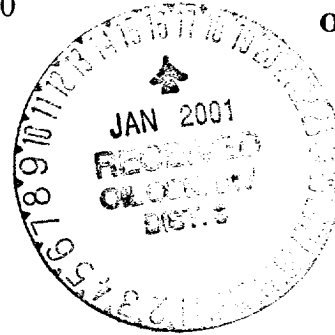
# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Jennifer A. Salisbury**  
Cabinet Secretary

December 21, 2000

**Lori Wrotenbery**  
Director  
Oil Conservation Division

**Amoco Production Company**  
501 West Lake Park Blvd.  
Houston, Texas 77079-3092  
Attention: Mary Corley



*Administrative Order NSL-1854-A*

Dear Ms. Corley:

Reference is made to the following: (i) your application dated November 28, 2000; and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe: all concerning Amoco Production Company's ("Amoco") request for an exception to the well location requirements provided within the "*Special Rules for the Blanco-Mesaverde Pool*," as promulgated by New Mexico Oil Conservation Division ("Division") Order No. R-10987-A, issued in Case No. 12069 dated February 1, 1999, of an unorthodox infill gas well for the existing Florance Well No. 44-E (API No. 30-045-26061), located 480 feet from the South line and 340 feet from the East line (Lot 20/Unit P) of Section 31, Township 30 North, Range 8 West, NMPM, Blanco-Mesaverde Pool, San Juan County, New Mexico.

According to the Division's well records, the Florance Well No. 44-E was drilled to a total depth of 7,090 feet in 1984 by Tenneco Oil Company and completed in the Basin-Dakota Pool. By Division Administrative Order NSL-1854, dated August 17, 1984, this location was approved as an unorthodox infill gas well location in the Basin-Dakota Pool for an existing standard 297.10-acre stand-up gas spacing and proration unit (AGPU $\cong$ ) comprising Lots 5, 6, 11, 12, 13, 14, 19, and 20 (E/2 equivalent) of Section 31. It is our understanding that Amoco intends to plug and abandon the Dakota interval and recomplete up-hole into the Mesaverde formation upon issuance of this order.

Production from the Blanco-Mesaverde Pool is to be included in an existing standard 297.10-acre stand-up GPU that also comprises the E/2 equivalent of Section 31, which is currently dedicated to Amoco's: (i) Florance "Y" Well No. 44 (API No. 30-045-09011), located at a standard gas well location 1680 feet from the North line and 830 feet from the East line (Lot 12/Unit H) of Section 31; and (ii) Florance "Y" Well No. 44-A (API No. 30-045-22249), located at a standard infill gas well location 1170 feet from the South line and 1645 feet from the East line (Lot 19/Unit O) of Section 31.

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

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By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox Blanco-Mesaverde infill gas well location for the Florance Well No. 44-E is hereby approved. Further, all three of the aforementioned Florance Well No. 44-E and Florance "Y" Wells No. 44 and 44-A and existing GPU will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico and to the Blanco-Mesaverde Pool.

Further, Division Administrative Order NSL-1854 shall be placed in abeyance until further notice.

Sincerely,

A handwritten signature in black ink, appearing to read "Lori Wrotenbery", is written over a horizontal line. The signature is fluid and cursive, with a large loop at the end.

Lori Wrotenbery  
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec  
U. S. Bureau of Land Management - Farmington  
File: NSL-1854