

NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131

September 1, 1998

Amoco Production Company P. O. Box 800 Denver, Colorado 80201-0800 Attention: Pamela Staley JU SEP 4 1998

.WIG .MOD 1110

Administrative Order NSL-4124

Dear Ms. Staley:

Reference is made to your application dated August 4, 1998, which was received by the New Mexico Oil Conservation Division ("Division") in Santa Fe on August 12, 1998, for an exception to the well location requirements provided within the "Special Rules and Regulations for the Blanco-Mesaverde Pool," as promulgated by Division Order No. R-10987, for a non-standard gas well location in an existing standard 318.27-acre lay-down gas spacing and proration unit for the Blanco-Mesaverde Pool comprising Lots 1 through 5, the N/2 NE/4, and the SE/4 NE/4 (N/2 equivalent) of Section 34, Township 31 North, Range 10 West, NMPM, San Juan County, New Mexico. This unit is currently dedicated to Amoco Production Company's: (i) Atlantic "B-LS" Well No. 7 (API No. 30-045-10190), the initial well on this unit, located at a standard gas well location 790 feet from the North and East lines (Unit A) of Section 34; and, (ii) Atlantic "B-LS" Well No. 7-A (API No. 30-045-22996), located at a standard infill gas well location 1640 feet from the North line and 1540 feet from the West line (Lot 4/Unit F) of Section 34.

The application has been duly filed under the provisions of Division Rules 104.F and 605.B of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

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 34 is hereby approved:

Atlantic "B-LS" Well No. 7-B 1830' FNL & 1595' FEL (Lot 5/Unit G) - 34, 31N - 10W

Further, Amoco Production Company is authorized to dedicate Blanco-Mesaverde gas production on the subject unit from the proposed Atlantic "B-LS" Well No. 7-B with the two existing Atlantic "B-LS" Well Nos. 7 and 7-A. These three wells and the existing 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



Amoco Production Company

Amoco Building 1670 Broadway Post Office Box 800 Denver, Colorado 80201-0800 (303) 830-4040

August 4, 1998

Ms. Lori Wrotenbery, Director New Mexico Oil Conservation Division 2040 S. Pacheco Street P.O. Box 6429 Santa Fe, NM 87505

Application For Unorthodox Location Atlantic B LS 7B Well 1830' FNL, 1595' FEL Unit G Section 34-T31N-R10W N/2 Spacing Unit Blanco Mesaverde Pool San Juan County, New Mexico DECEIVED AUG 7 1998

OIL CON. DIV.

Amoco Production Company hereby requests administrative approval for an unorthodox well location for the Atlantic B LS 7B well in the Blanco Mesaverde Pool. Amoco plans to drill this well at an unorthodox location as a third well in the existing spacing unit to access reserves which would otherwise be bypassed with the current well density. This well, as proposed, would be moving toward the center line of the spacing unit only and would be well within the standard 790 foot setback from the outer boundaries of the spacing unit. We are locating this well toward the center of the spacing unit, away from the parent and original infill, which would cause it to fall outside the traditional drilling windows for the Blanco Mesaverde Pool.

A copy of this application will be submitted to the offset operators by certified mail with a request that they furnish your Santa Fe office with a Waiver of Objection, and return one copy to this office. Attached are plats showing the location of the well, offset operators, and all Mesaverde wells drilled in the area.

Attachments

cc: Frank Chavez, Supervisor

NMOCD District III 1000 Rio Brazos Road Aztec, NM 87410 Mark Yamasaki, Amoco Gail Jefferson, Amoco

WAIVER

hereby waives objection to location for the Atlantic B LS 7B well described above.	Amoco's application for an unorthodox well
By:	Date:

APPLICATION FOR APPROVAL OF UNORTHODOX LOCATION UNDER RULE 104-F

Atlantic B LS 7B Well 1830' FNL, 1595' FEL, Section 34-T31N-R10W Blanco Mesaverde Pool

LIST OF ADDRESSES FOR OFFSET OPERATORS

Atlantic B LS 7B Well

ATTACHMENTS:

- 9-SECTION PLAT SHOWING LOCATION OF ALL OFFSET WELLS
- FORM C-102 FOR MESAVERDE FORMATION
- LIST OF ALL OFFSET OPERATORS AND THEIR ADDRESSES

LIST OF ADDRESSES FOR OFFSET OPERATORS

Atlantic B LS 7B Well

I Burlington Resources Oil and Gas Co.P.O. Box 4289Farmington, NM 87499

PO Box 1980, Hollis HM 88241-1980

PO Box 2088, Santa Pc, NM 87504-2088

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Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

OIL CONSERVATION DIVISION PO Drawer KK, Artesia, NM 87211-0719 PO Box 2088 District M Santa Fe, NM 87504-2088 1000 Rio Brazos Rd., Aztec, NM 87410 District IV

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	¹ Pool Code	³ Pool Name		
	72319	Blanco Mesaverde		
Property Code		4 Well Number # 78		
,	ATLANTIC B LS			
7 OGRID No.		9 Blevation		
000778	AMOCO PRODUCTION	6309		
	10 Care	face Location		

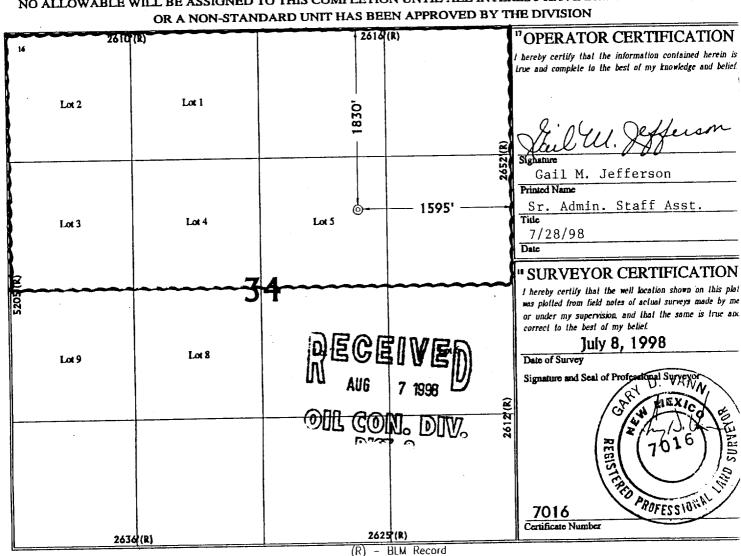
Surface Location

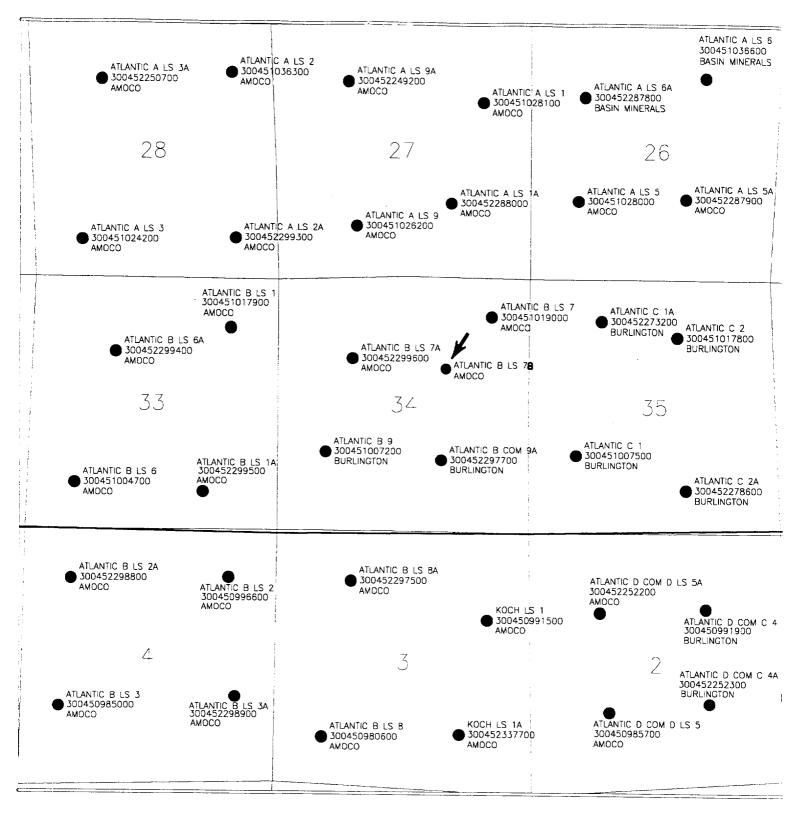
UL or Lot No.	Section	Township	Rango	Lot Idea	Foot from the	North/South line	Post from the	East/West line	County
G	34	31 N	10 W		1830	NORTH	1595	EAST	SAN JUAN

11 Bottom Hole Location If Different From Surface

Dottom ficie Decarion il 2 metalia										
1 UL or lot no.	Section	Township	Rango	Lot Ida	Post from the	North/South line	Peet from the	Hast/West line	County	
¹² Dedicated Acres	¹⁸ Join	t or Infill "	Consolidation	na Code 15	Order No.				_l	
318.27										

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTEREST HAVE BEEN CONSOLIDATED





AMOCO PRODUCTION COMPANY

ATLANTIC B LS 7R - NEW DRILL
MESAVERDE - NINE SECTION PLAT
31N-10W-34SW/NE

ALC 1/21/98
Score 1:24026.5