



Amoco Production Company

Security Life Building
Denver, Colorado 80202

October 15, 1971

File: AMR-1841-986.511

Re: Application for
Unorthodox Well Locations
Ute Dome Dakota Pool
San Juan County, New Mexico

RECEIVED
OCT 18 1971
OIL CONSERVATION COMM.
SANTA FE

Mr. A. L. Porter, Jr. (3)
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Dear Sir:

Amoco Production Company proposes to drill a well, Ute Mountain Tribal "D" No. 4, to the Dakota formation in the Ute Dome area at a location 730' FSL, 1740' FEL, Section 4 T31N R14W. We are also completing Ute Mt. Tribal "D" No. 3 in the Dakota formation at a location 1530' FNL, 1980' FWL, Section 10 T31N R14W. Both of these locations are unorthodox with respect to Commission Rule No. 104 for 160 acre spacing, which requires gas well locations to be no closer than 790' to any outer boundary of the tract and no closer than 130' to any quarter-quarter section line. Well No. 3 is 660' from the 160 acre tract boundary and Well No. 4 is 730' from its tract boundary.

The "D" No. 4 has just been staked and, although Well No. "D" 3 is nearing completion, we did not realize until this time that its location was also unorthodox. The terrain is extremely rugged in the Ute Dome area and it was not possible to locate these wells within the normal tolerances afforded standard locations. The attached plat shows the ownership of all leases offsetting the wells described above and all wells completed in this area. Shown also on the attached plat are sketches of the topographic conditions existing in the immediate area of the two wells. In the case of Well No. 3 it was necessary to locate the well between a road and a steep canyon wall and also a reasonable distance from the nearby Paradox gas well to minimize the possibility of any downhole communication with that older well. In the case of Well No. 4, the

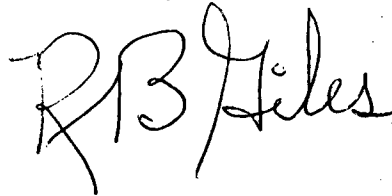
October 15, 1971

location selected is the only reasonable drilling site within nearly one-half mile due to a deep canyon, steep ridges and other topographic features.

Amoco is the sole working interest owner in Sections 4 and 10, T31N R14W and all offsetting 160 acre spacing units to the two wells. Due to the location of these wells within the spacing units in relation to offsetting lands, the applicant and its royalty owner, the Mt. Ute Indian Tribe, are the only parties who would be affected by the granting of this application. The United States Geological Survey has approved these locations.

We, therefore, request administrative approval of these unorthodox locations under the provisions of Rule 104-F.

Yours very truly,

A handwritten signature in dark ink, appearing to read "R. B. Giles". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Attachment

cc: New Mexico Oil Conservation Commission (2)
1000 Rio Brazos Road
Aztec, New Mexico 87401

U. S. Geological Survey
P. O. Box 965
Farmington, New Mexico 87401

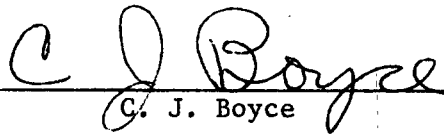
U. S. Geological Survey
Drawer 1857
Roswell, New Mexico 88201

VERIFICATION AND AFFIDAVIT

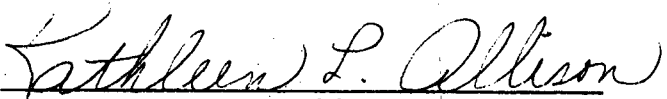
STATE OF COLORADO)
 : SS
COUNTY OF DENVER)

C. J. BOYCE, of lawful age, being first duly sworn on his oath deposes and says:

That he is employed in an engineering capacity by Amoco Production Company in its Denver, Colorado office; that Amoco Production Company's Application for unorthodox well locations, Ute Dome Dakota Pool, San Juan County, New Mexico, was prepared under his direction and supervision; that the matters and things therein set forth are true and correct to the best of his knowledge and belief.


C. J. Boyce

Subscribed and sworn to before me on this 15th day of October, 1971.


Kathleen L. Allison
Notary Public

My Commission expires July 24, 1974.