State of New Mexico ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT Santa Fe, New Mexico 87505



OIL CONSERVATION DIVISION



January 6, 1995

Amoco Production Company Southern Rockies Business Unit Attention: J. W. Hawkins P.O. Box 800 Denver, Colorado 80201

Administrative Order NSL-947-A(SD)

Dear Mr. Hawkins:

Reference is made to your application dated December 12, 1994 for an unorthodox Blanco-Mesaverde gas well location on an existing non-standard gas spacing and proration unit (GPU) for said Blanco-Mesaverde Pool, which comprises an area of only 284.80 acres, consisting of Lots 3 and 4 and the E/2 SW/4 (SW/4 equivalent) of irregular Section 30 and Lots 7, 8, 9, 10, 15, 16, 17, and 18 (W/2 equivalent) of irregular Section 31, both in Township 30 North, Range 8 West, NMPM, San Juan County, New Mexico. Said GPU, which should only be carrying an acreage factor of 0.89, was authorized by Division Order No. R-392, dated November 24, 1953, and had dedicated thereon the Dawson "LS" Well No. 1 (API No. 30-045-10273) located 1750 feet from the South line and 1175 feet from the West line (Unit K) of said Section 30.

By Division Administrative Order NSL-947, dated May 29, 1978, the Dawson "LS" Well No. 1A (API No. 30-045-23092) was authorized to be drilled at an unorthodox infill gas well location in the subject GPU, 640 feet from the North line and 985 feet from the West line (Lot 7/Unit C) of said Section 31.

By the authority granted me under the provisions of Rule 2(d) of the Special Rules and Regulations for the Blanco-Mesaverde Pool, as promulgated by Division Order No. R-8170, as amended, the following described well to be drilled at an unorthodox gas well location in said Section 31 is hereby approved:

Dawson "LS" Well No. 1B 1270' FSL - 620' FWL (Lot 10/Unit N)

VILLAGRA BUILDING - 408 Galistee

Forestry and Resources Conservation Division P.O. Box 1948 87504-1948 827-5830 Park and Recreation Division

Park and Recreation Division P.O. Box 1147 87504-1147 827-7465 2040 South Pacheco

Office of the Secretary 827-5950 Administrative Services 827-5925

Energy Conservation & Management 827-5900

> Mining and Minerals 827-5970

> > Oil Conservation 827-7131

Administrative Order NSL-947-A(SD) Amoco Production Company January 6, 1995 Page 2

Further, Amoco is hereby authorized to simultaneously dedicate Blanco-Mesaverde gas production on the subject GPU from the Dawson "LS" Well No. 1B with the two existing Dawson "LS" Well Nos. 1 and 1A. Said wells and GPU will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest New Mexico.

Sincerely,

William J. LeMa

Director

WJL/MES/kv

cc: Oil Conservation Division - Aztec

U. S. Bureau of Land Management - Farmington

File: NSL-947