

**Amoco Production Company**

Denver Region  
Security Life Building  
Denver, Colorado 80202  
303-820-4040

March 4, 1980

Joe D. Ramey, Director (3)  
Department of Energy and Minerals  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, NM 87501

*NSK - 1167  
Rule 3 R1620-V  
~~4-6-80~~  
3-27-80*

File: HAS-50-986.511

Dear Mr. Ramey:

Application for Right to Produce  
Basin Dakota Gas from  
Gallegos Canyon Unit Well No. 106E  
at an Unorthodox Well Location  
NW/4 of Section 24, T29N, R13W  
San Juan County, New Mexico

By this verified application submitted in triplicate, Amoco, Unit Operator of the Gallegos Canyon Unit with a 51.7 percent working interest, requests approval to produce gas from the Basin Dakota formation in Gallegos Canyon Unit Well No. 106E, a Basin Dakota infill well, at the unorthodox location of 1,285' FNL and 690' FWL of Section 24, T29N, R13W.

A Form C-107 showing the reason for this unorthodox location is enclosed. This well site is an exception because the permissible location for a Basin Dakota infill well must be at least 790' from the outer boundary line of the undrilled quarter section of the 320-acre proration unit, and be at least 130' from any quarter quarter section line or subdivision inner boundary.

A plat is enclosed showing offset wells and operators. By the attached Verification and Affidavit that is a part of this application, all affected offset operators of Basin Dakota wells are being notified by certified mail of this unorthodox location request. In this instance, Redfern-Herd is an affected offset operator. If there is no objection to this unorthodox location request, we ask that Redfern-Herd

OIL CONSERVATION COMMISSION  
Alto DISTRICT

OIL CONSERVATION COMMISSION  
BOX 2088  
SANTA FE, NEW MEXICO

DATE March 6, 1980

RE: Proposed MC \_\_\_\_\_  
Proposed DHC \_\_\_\_\_  
Proposed NSL α \_\_\_\_\_  
Proposed SWD \_\_\_\_\_  
Proposed WFX \_\_\_\_\_  
Proposed PMX \_\_\_\_\_

Gentlemen:

I have examined the application dated March 4, 1980  
for the Amoco Prod. Co. Sallioz C.U. #106E D-24-24N-13W  
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Yours very truly,

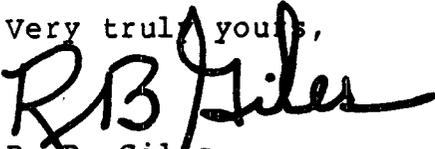
Frank S. Dancy

RECEIVED  
MARCH 10 1980  
OIL CONSERVATION COMMISSION  
SANTA FE

Joe D. Ramey  
March 4, 1980  
Page Two

so signify on three (3) copies of this letter in the space provided below, sending one copy to you at the NMOCC, one copy to me, and retaining the third copy for their own files. In the absence of an objection from Redfern-Herd within twenty (20) days, and provided you have no objection to this application, we shall appreciate receiving your administrative approval. Of course, if there is an objection, please set the matter for hearing.

Very truly yours,



R. B. Giles

RBG/mlm

Enclosures

cc:

A. R. Kendrick, Supervisor District III  
New Mexico Oil Conservation Commission  
1000 Rio Brazos Road  
Aztec, NM 87410

P. T. McGrath  
United States Geological Survey  
P. O. Box 965  
Farmington, NM 87401

The undersigned has no objection to Amoco's request for an unorthodox well location for its Gallegos Canyon Unit Well No. 106E to be located 1,285' FNL and 690' FWL of Section 24, T29N, R13W, San Juan County, New Mexico.

By: \_\_\_\_\_

Representing: \_\_\_\_\_

Dated: \_\_\_\_\_

XF421

VERIFICATION AND AFFIDAVIT

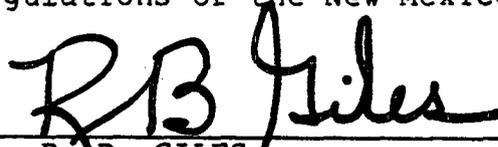
STATE OF COLORADO            )  
                                          : ss.  
COUNTY OF DENVER            )

R. B. Giles, 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 he has been qualified as an expert engineering witness by the New Mexico Oil Conservation Division and his qualifications have been made of record; that he has testified numerous times before the New Mexico Oil Conservation Division on well spacing matters; that Amoco's application for approval of the right to produce Basin Dakota gas from Gallegos Canyon Unit Well No. 106E at a location 1,285' FNL and 690' FWL of Section 24, T29N, R13W, as an unorthodox location in 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 beliefs; and that a copy thereof was sent by certified mail from Applicant's Denver, Colorado, office on March 4, 1980, to the following affected offset operator, at the address shown herein, to wit:

Redfern-Herd  
P. O. Box 1747  
Midland, Texas 79701

and to the best of his information, knowledge and belief, the operator above named is the only operator to whom notice of such application is required to be given in accordance with Rule 104 of the Rules and Regulations of the New Mexico Oil Conservation Division.

  
\_\_\_\_\_  
R. B. GILES

Subscribed and sworn to before me this 4th day of March, 1980.

  
\_\_\_\_\_  
NOTARY PUBLIC

My Commission expires:

8-15-80

OIL CONSERVATION DIVISION

P. O. BOX 7088

Form C-107  
Revised 10-1-78

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

SANTA FE, NEW MEXICO 87501

All distances must be from the outer boundaries of the Section

Operator <b>AMOCO PRODUCTION COMPANY</b>		Lease <b>GALLEGOS CANYON UNIT</b>		Well No. <b>106-E</b>
Unit Letter <b>D</b>	Section <b>24</b>	Township <b>29N</b>	Range <b>13W</b>	County <b>San Juan</b>

Actual Footage Location of Wells  
**1285** feet from the **North** line and **690** feet from the **West** line

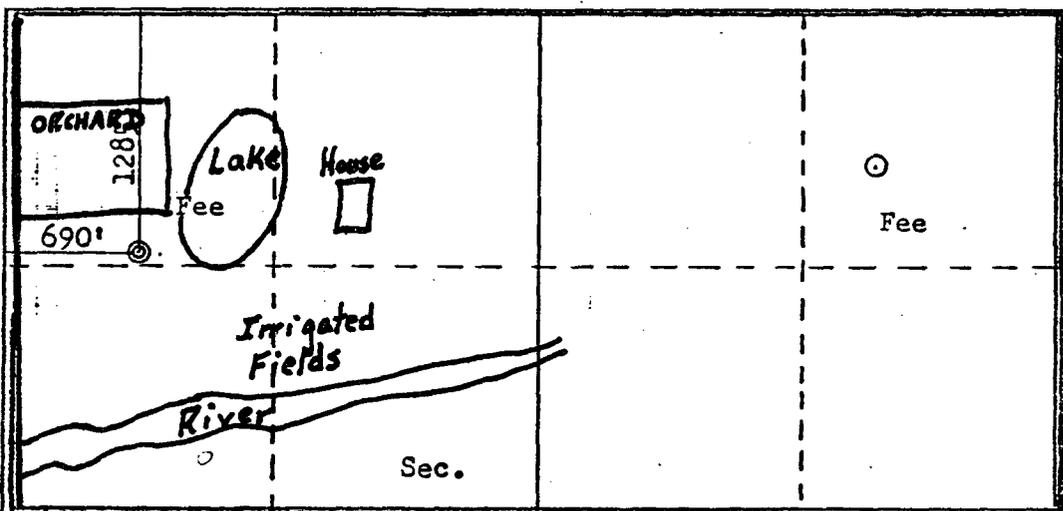
Ground Level Elev. <b>5335</b>	Producing Formation <b>Dakota</b>	Pool <b>Basin Dakota</b>	Dedicated Acreage <b>320</b> Acres
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1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes  No If answer is "yes," type of consolidation Unitization (Gallegos Canyon Unit)

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



Amoco operates Gallegos Canyon Unit with a 51.7% working interest.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*B. E. Fackrell*

Name <b>B. E. FACKRELL</b>
Position <b>DISTRICT ENGINEER</b>
Company <b>AMOCO PRODUCTION COMPANY</b>
Date <b>JANUARY 29, 1980</b>

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed <b>January 24, 1980</b>
Registered Professional Engineer and/or Land Surveyor <i>Fred B. Kerr Jr.</i>
Certificate No. <b>3950</b>

