

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

File: HAS-52-986.511

Dear Mr. Ramey:

Application for Right to Produce
Basin Dakota Gas From Gallegos Canyon Unit
Well No. 166E at an Unorthodox Well Location
NW/4 of Section 34-T28N-R12W
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 the Gallegos Canyon Unit Well No. 166E, a Basin Dakota infill well, at the unorthodox location of 560' FNL and 480' FWL of Section 34-T28N-R12W.

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, Southwest Production is an affected offset operator. If there is no objection to this unorthodox location request, we ask that

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3-27-80

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Southwest Production 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 Southwest Production 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 this 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. 166E to be located 560' FNL and 480' FWL of Section 34, T28N-R12W, San Juan County, New Mexico.

By: _____

Representing: _____

Dated: _____

BBM055

VERIFICATION AND AFFIDAVIT

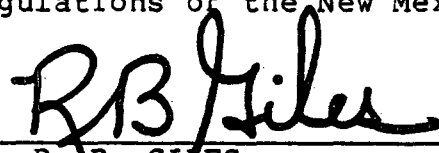
STATE OF COLORADO)
 : ss.
COUNTY OF DENVER)

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. 166E at a location 560' FNL and 480' FWL of Section 34, T28N, R12W, 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:

Southwest Production
1014 Mid South Tower
Shreveport, Louisiana 71101

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

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP. O. BOX 7088
SANTA FE, NEW MEXICO 87501Form C-107
Revised 10-1-78

All distances must be from the outer boundaries of the Section

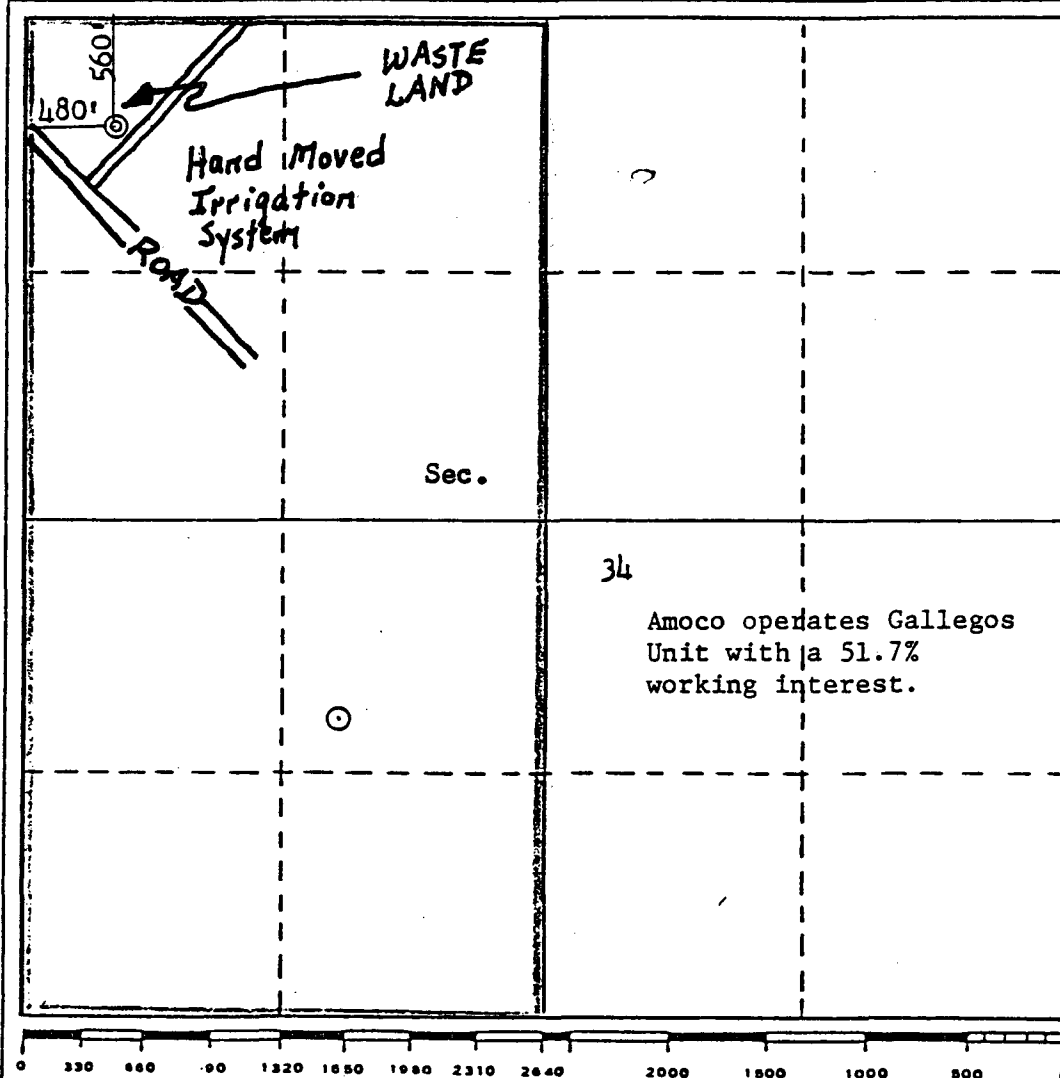
Operator AMOCO PRODUCTION COMPANY			Lease GALLEGOS CANYON UNIT			Well No. 166-E
Unit Letter D	Section 34	Township 28N	Range 12W	County San Juan		
Actual Footage Location of Well: 560 feet from the North line and 480 feet from the West line						
Ground Level Elev. 5768	Producing Formation Dakota		Pool Basin Dakota		Dedicated Acreage: 320 Acres	

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.



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. E. FACKRELL

Position

DISTRICT ENGINEER

Company

AMOCO PRODUCTION COMPANY

Date

FEBRUARY 15, 1980

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

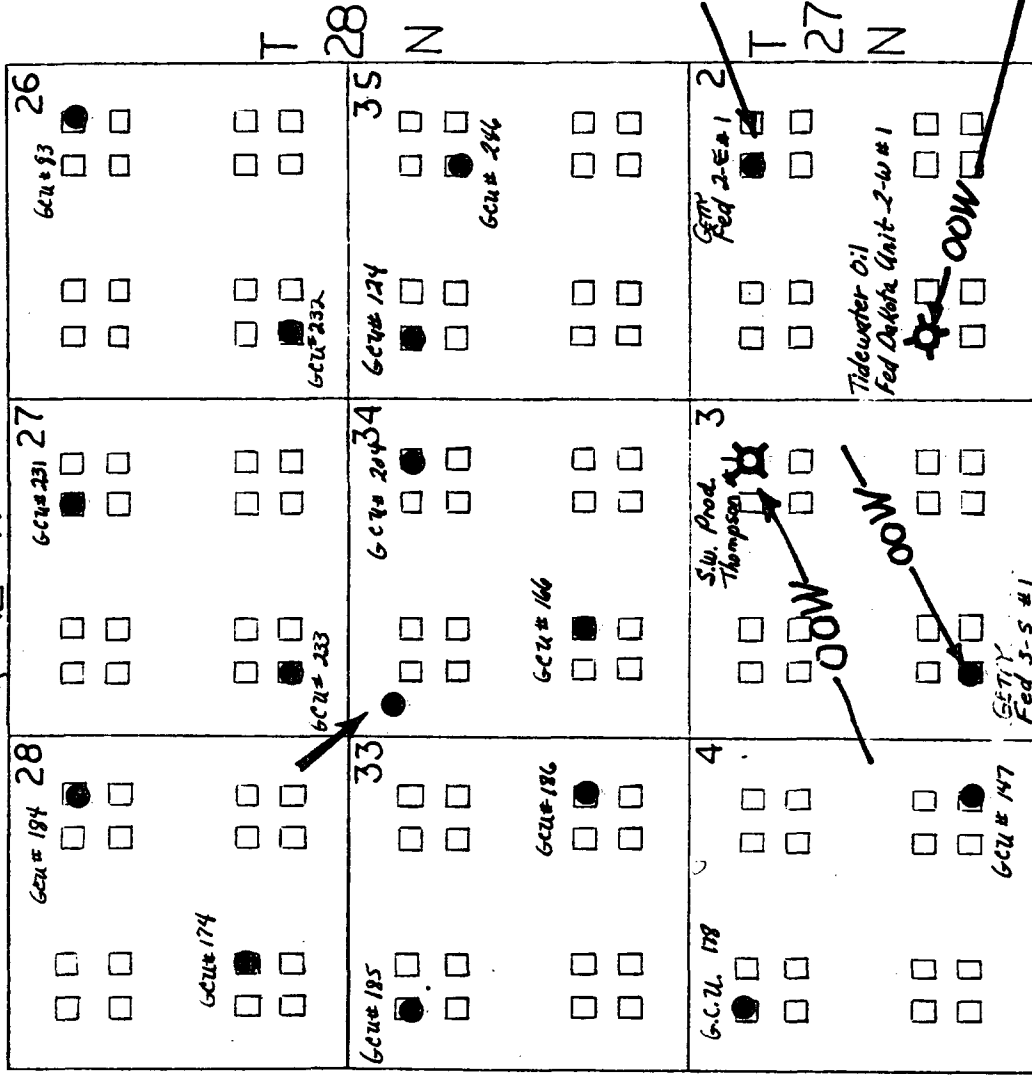
February 1, 1980

Registered Professional Engineer
and/or Land Surveyor*Fred B. Kerr Jr.*
Fred B. Kerr Jr.

Certificate No. B. KERR, JR.

3950

R 12 W



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 X _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated March 4, 1980
for the Amoco Production Co. Salinas C.U. # 166E D-34-28N-12W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve

Yours very truly,

Frank S. Gandy

