

FRUITLAND COAL METHANE COMMITTEE

SUBCOMMITTEES

SPACING

LEADER	-	ALAN ALEXANDER	-	MERIDIAN OIL INC.
MEMBERS	-	ALAN WOOD	-	AMOCO PRODUCTION CO.
		TOM HAUN	-	MESA LTD. PARTNERSHIP
		MICKEY O'HARE	-	NCRA
		ALAN ALEXANDER	-	MERIDIAN OIL INC.
		BILL SEVERNS	-	ARCO OIL CO.
		KEN HOWELL	-	BLM
		GAIL KELLER	-	BLM
		BRAD BOYCE	-	SOUTHERN UTE TRIBE
		MARK McCALLISTER	-	NORTHWEST PIPELINE CORP.

COMMINGLING/NGPA-WELL CLASSIFICATION

LEADER	-	JEFF PEACE	-	EPNG CO.
MEMBERS	-	VON McALLISTER	-	NORTHWEST PIPELINE CORP.
		SCOTT THEODORE	-	TENNECO OIL CO.
		KENT HOFFMAN	-	BLM
		JANE CLANCY	-	BLM
		STEWARD SAMPSON	-	MESA LTD.
		BILL CLARK	-	BLACKWOOD & NICHOLS
		TOM JOSEPH	-	MERIDIAN OIL INC.
		DANA CRANEY	-	MERIDIAN OIL INC.
		DAVID DECKER	-	RESOURCE ENTERPRISES

WATER DISPOSAL

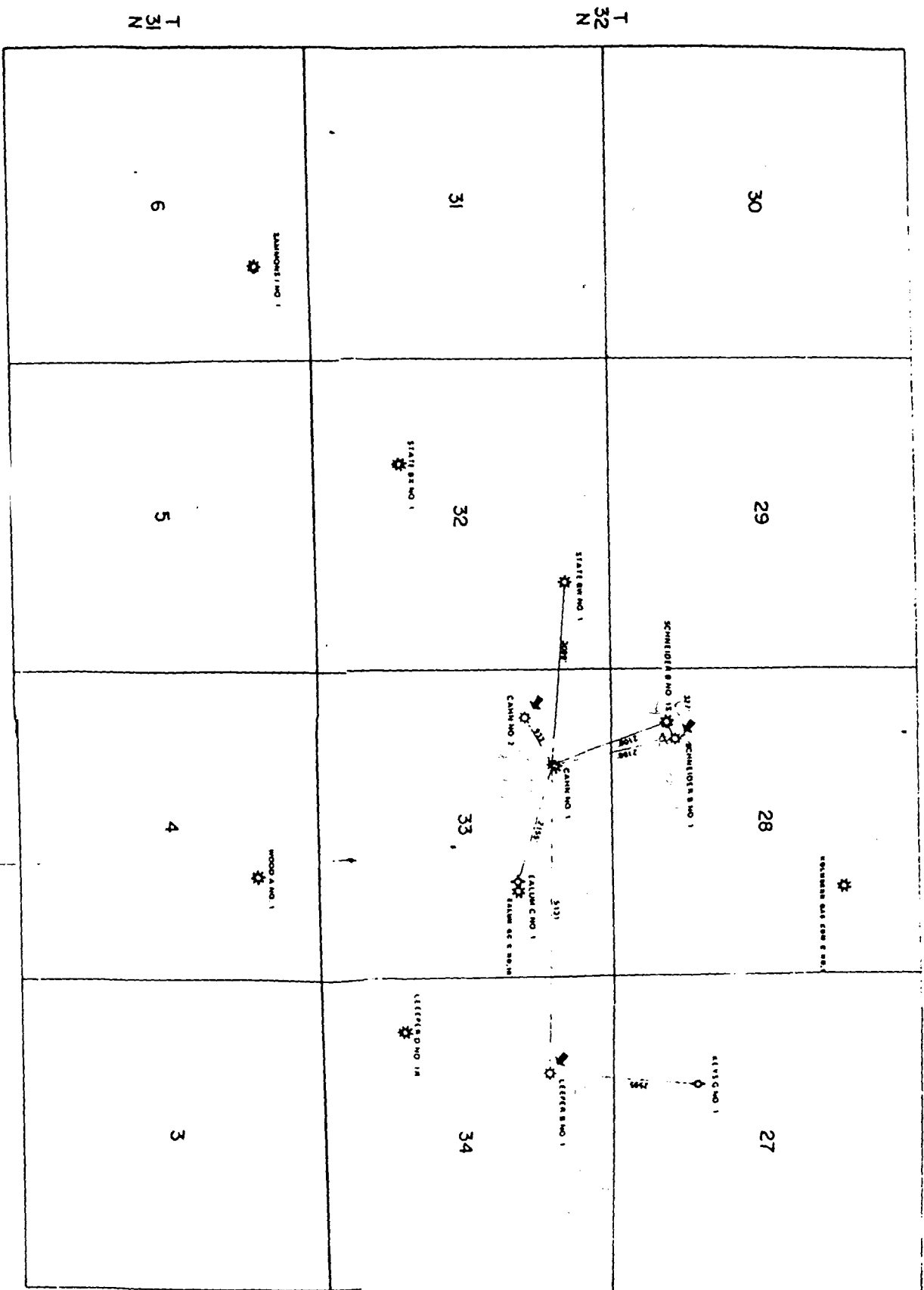
LEADER	-	BOB FRANK	-	UNION TEXAS PET. CORP.
MEMBERS	-	KURT FAGRELIUS	-	DUGAN PRODUCTION CORP.
		DOUG ENDSLEY	-	MERIDIAN OIL INC.
		ERROL BECHER	-	BLM
		DAVE POAGE	-	MERIDIAN OIL INC.
		RICHARD FRALEY	-	MERIDIAN OIL INC.
		MIKE TURNBAUGH	-	NORTHWEST PIPELINE CORP.
		STERGIE KATIRGIS	-	UNION TEXAS PET. CORP.

TESTING/VENTING-FLARING/HARDSHIP

LEADER	-	BOB SAGLE	-	TENNECO OIL CO.
MEMBERS	-	JIM LAVATO	-	BLM
		MORRIS BELL	-	NCRA
		BILL CLARK	-	BLACKWOOD & NICHOLS CO.
		JEFF VAUGHN	-	NORTHWEST PIPELINE CORP.
		BRUCE WILLIAMS	-	AMOCO PRODUCTION CO.
		PAUL BURCHELL	-	EPNG CO.
		MARTIN BOGGS	-	SOUTHERN UNION EXPLOR. CO.
		MIKE KUTAS	-	AMOCO PRODUCTION CO.
		TERRY BRITT	-	MERIDIAN OIL INC.

Amoco Exhibits 1 through 5

R10W



T 32 N

T 31 N

LEGEND

- Pressure Observation Wells
- Amoco Fractured Coal Gas Wells

Amoco Production Company

DENVER REGION

FIGURE NO. 18

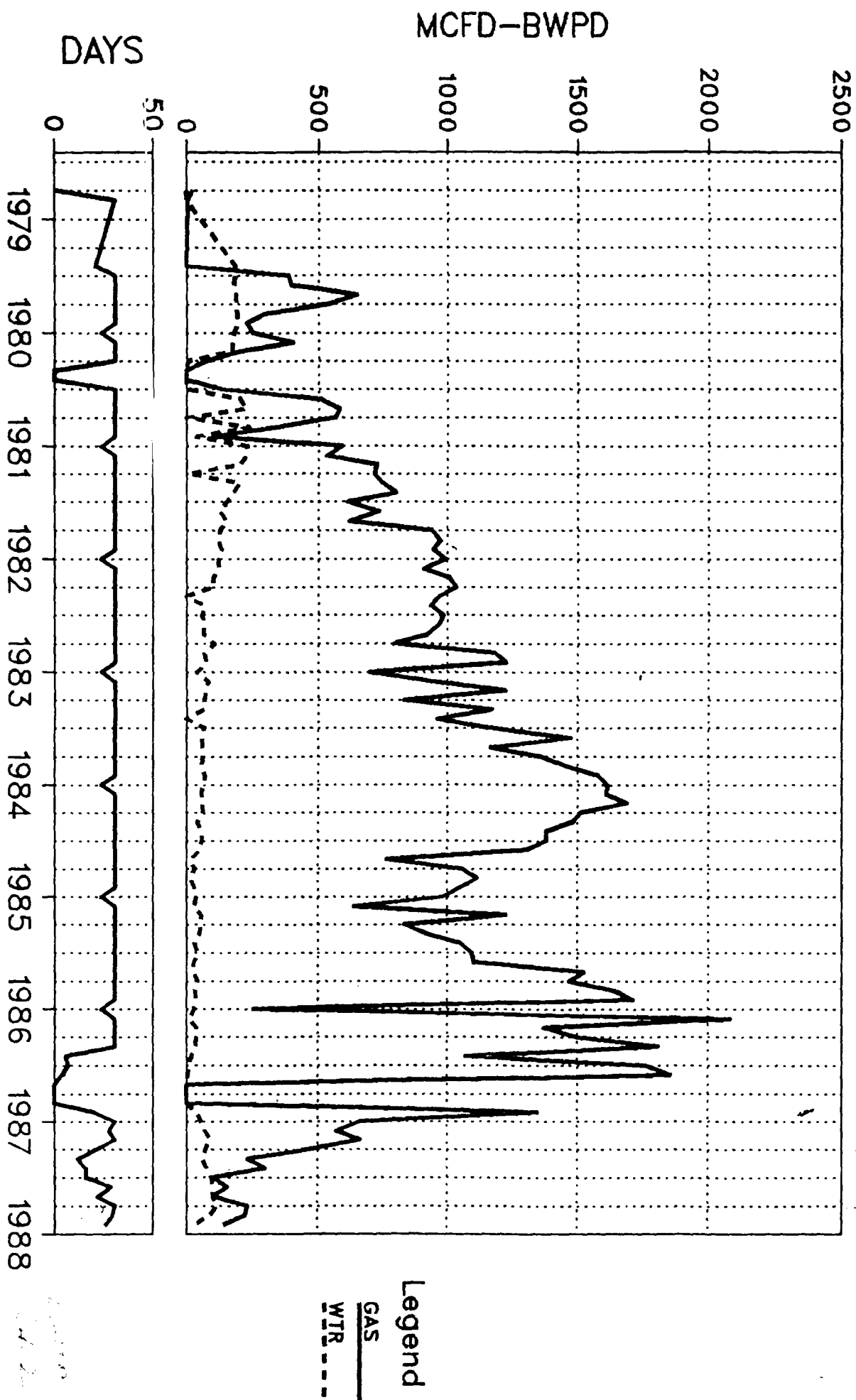
CEDAR HILL AREA

SAN JUAN COUNTY, NEW MEXICO

WELL LOCATION MAP

EXHIBIT NO. 1

MONTHLY AVERAGE PRODUCTION CAHN 1

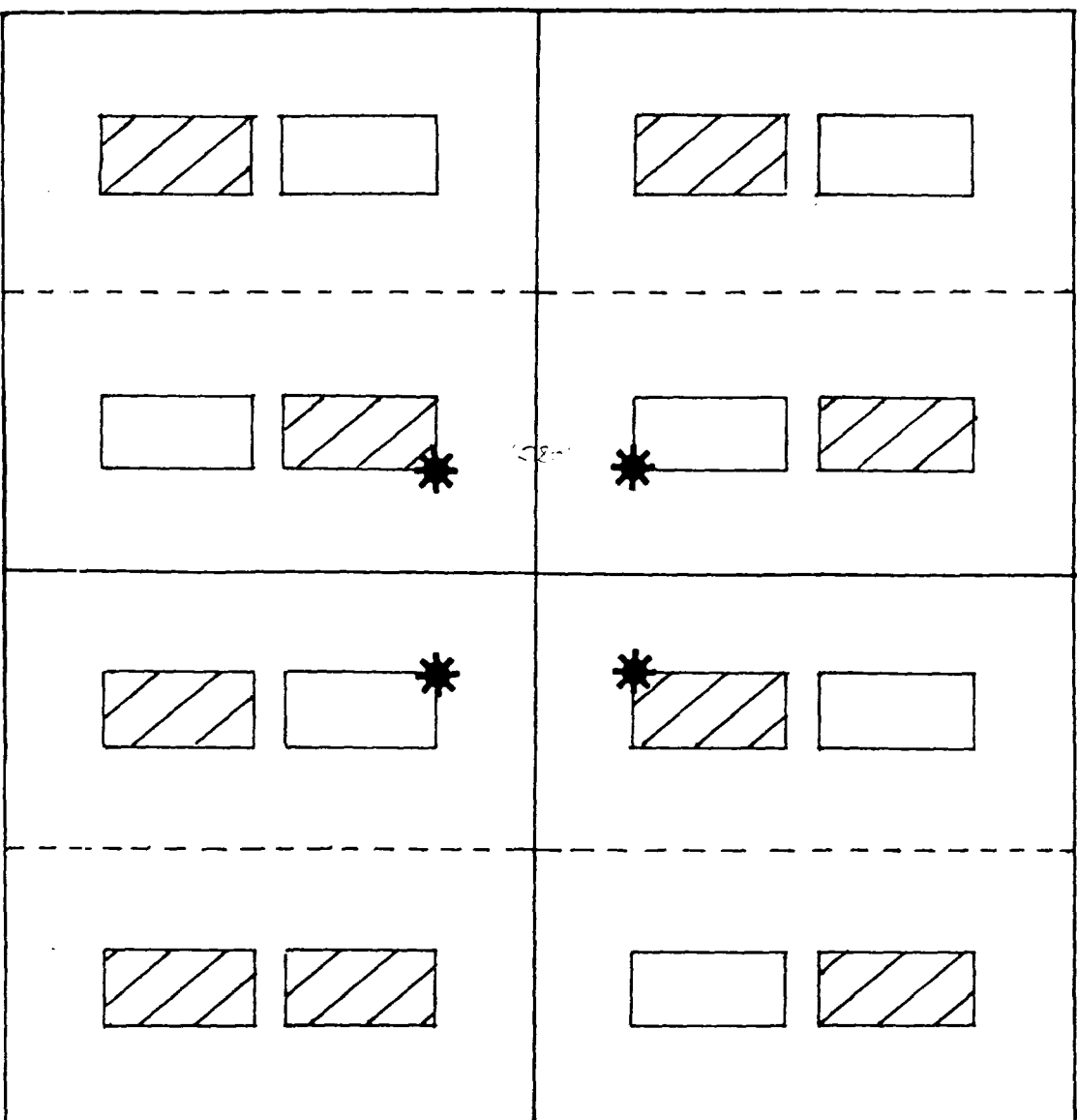


AMOCO PRODUCTION COMPANY
DENVER REGION

EX 4

OIL CONSERVATION DIVISION

CASE NO. 9420
JULY 6, 1988

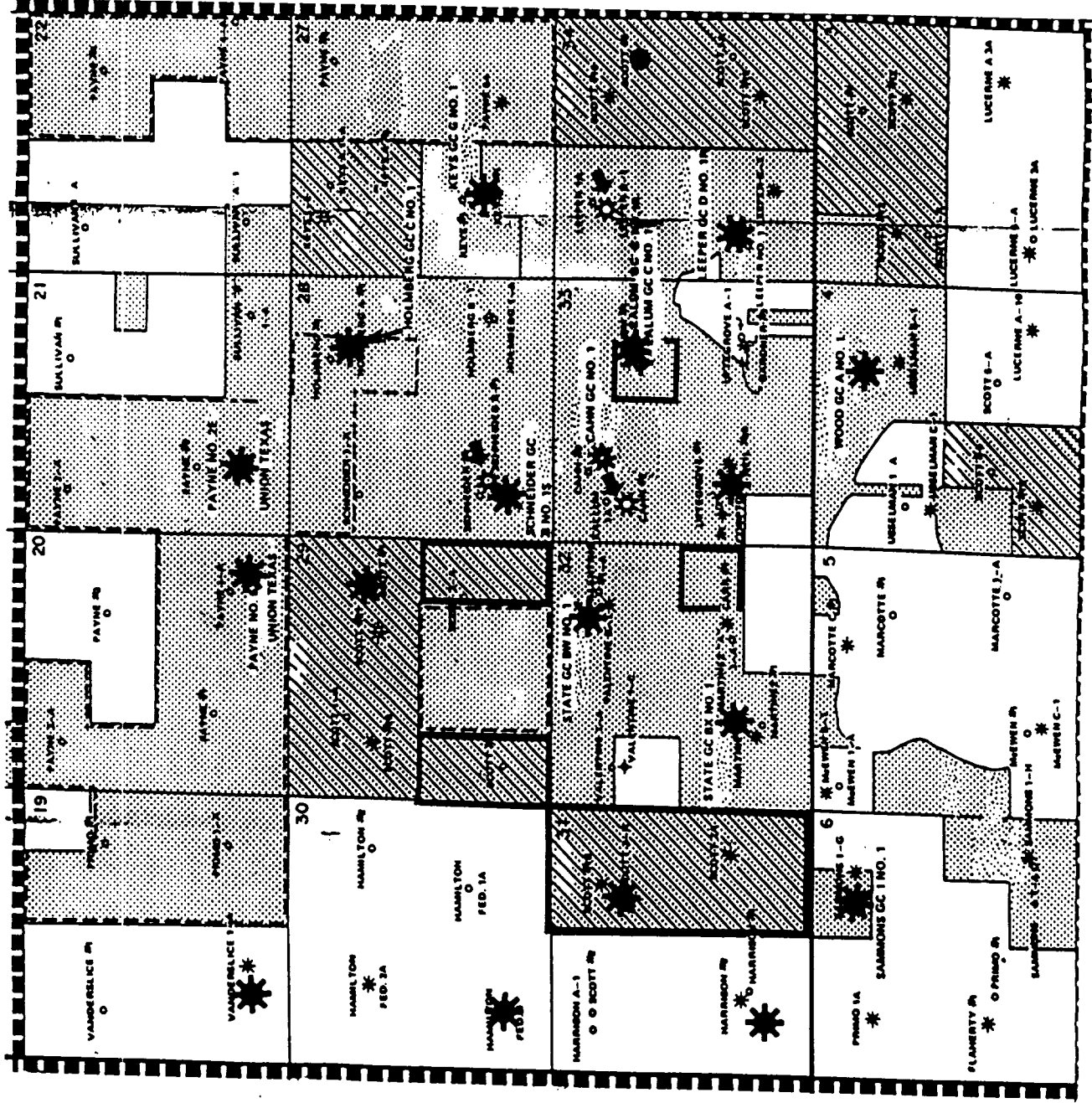


DRAINAGE RADIUS VS SPACING	
SPACING	DRAINAGE RADIUS
40 acres	745 ft.
80 acres	1053 ft.
160 acres	1489 ft.
320 acres	2106 ft.
640 acres	2979 ft.

DRAINAGE RADIUS WITHOUT
STAGGERED WELL LOCATIONS
DIRECT OFFSET 790 ft.
DIAGONAL OFFSET 1117 ft.

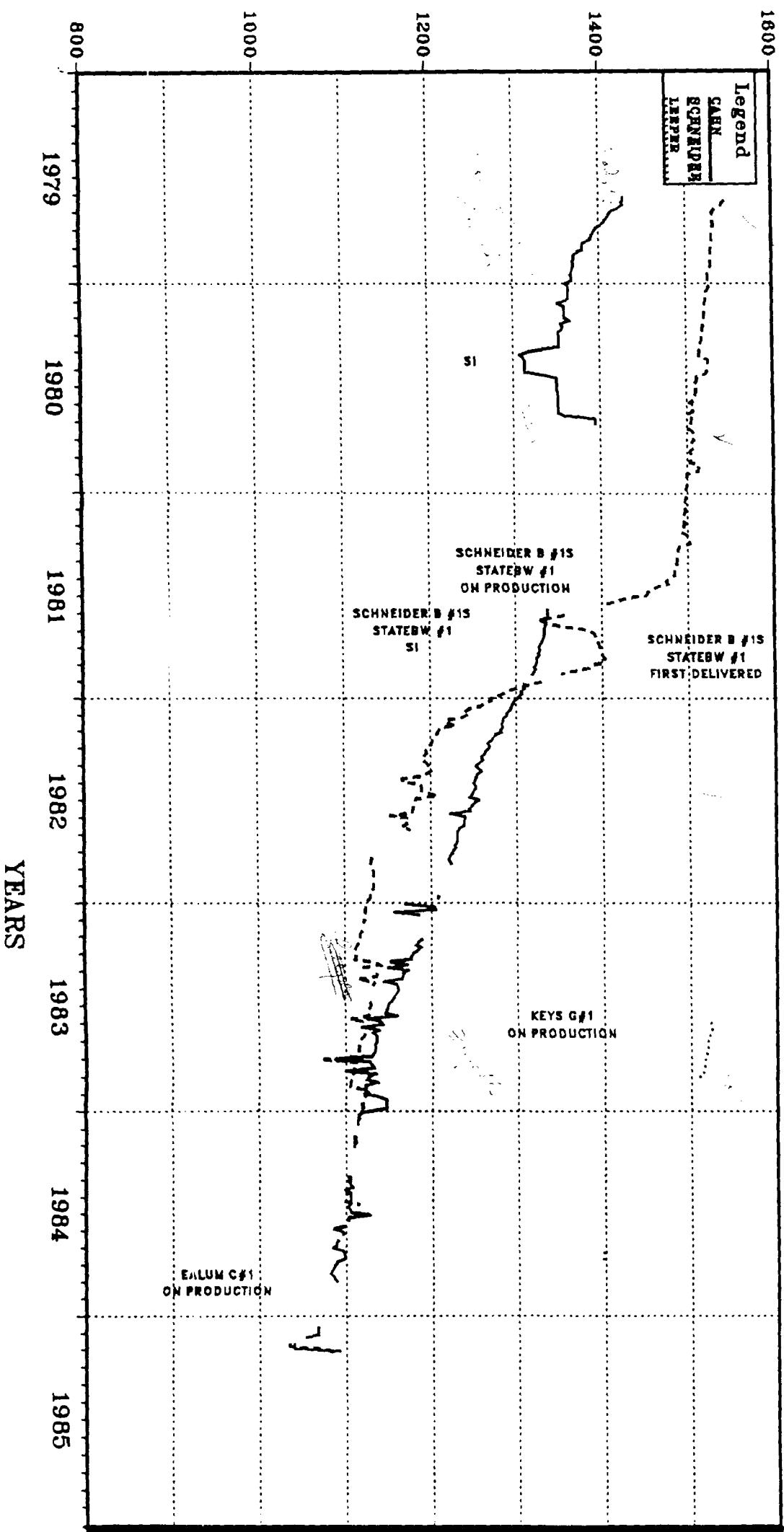
AMOCO PRODUCTION COMPANY
DENVER REGION

OIL CONSERVATION DIVISION
CASE NO. 9420
JULY 6, 1988



FRUITLAND COAL WELLS

PRESSURE MONITOR WELLS



BASIN FRUITLAND COAL POOL COALBED METHANE RECOVERY

6.93 BCF OGIP

<u>Recovery</u>	<u>1 well/320 acres</u>	<u>2 wells/320 acres</u>
<u>% OGIP</u>		
Average	55.5	56.3
Range	34.4 - 68.3	35.9 - 68.5

BCF

Average	3.85	3.90
Range	2.38 - 4.73	2.49 - 4.75

**Basis: San Juan Basin Coalbed Methane Spacing Study
Exhibit 80 - Area 1 Sensitivity Analysis
100' frac, 0.25% porosity, 35' coal, 50 MCFD cutoff,
Permeability range 1-50 mds.**

BASIN FRUITLAND COAL POOL ECONOMIC ANALYSIS RESULTS

1 well/320 acres 2 wells/320 acres

PV₀	\$4.6 MM	\$1.6 MM
PV₁₀	\$0.5 MM	\$0.4 MM
PV₁₅	\$0.3 MM	\$0.2 MM

ECONOMIC ASSUMPTIONS

- 1. Well Cost - \$300 M
Facilities \$175 M**
- 2. Operating Cost - \$20,000/yr/well
w/decline to \$10,000 in 5 yrs.
\$1.00/BBL Water Disposal**
- 3. 5% Inflation and Escalation**
- 4. \$1.00/mcf - wellhead price (netback)**
- 5. Production Profile for Area 1
0.25% porosity, 5 mds perm, 100 ft. frac**

PROPOSED INFILL AMENDMENT
TO COAL GAS RULES

FINDING NO. _____: There are areas of the pool where combinations of reservoir properties may justify the drilling of a second well on standard 320 acre units or approved non-standard units.

FINDING NO. _____: Individual operators should be allowed, on a case-by-case basis, to present evidence to the Division to support the drilling of a second well on standard 320 acre units or approved non-standard units for limited, defined areas of the pool.

RULE _____: Individual operators may apply to the Division for an exception to Rule 4 to allow the drilling of a second well on standard 320 acre units or on approved non-standard units in specific, defined areas of the pool. The second well shall be located in the undrilled 1/4 section and shall be located with respect to the spacing unit boundaries as described in Rule 7. Such exception shall be granted only after notice and hearing. Any party with a mineral interest in the Basin-Fruitland Coal Gas Pool shall have standing to appear and participate.

Written notice of such application shall be sent not less than 45 days prior to hearing to operators of wells, owners of undrilled leases, and unleased mineral owners within the boundaries of the spacing unit for which the

drilling of the second well is requested, and to all operators of wells within one mile of such area. Notice shall be limited to owners of mineral rights in the Basin-Fruitland Coal Gas Pool. Notice may be provided by first class mail.