



Amoco Production Company

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October 21, 1987

William J. LeMay
Director
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87501

Case 9259

File: NWA-556-986.511

Application to Rescind Rule 7
Special Pool Rules - Order R-8188A
North East Ojito Gallup-Dakota Pool
Rio Arriba County, New Mexico

Amoco Production Company hereby makes application for an order by the New Mexico Oil Conservation Division to rescind Rule 7 of the Special Pool Rules for the North East Ojito Gallup-Dakota Pool, Order R-8188A. This rule places a temporary restriction to 40 acre depth bracket allowables on wells located in the following described lands:

Township 26 North, Range 3 West
Section 35: S/2 Section 36: S/2

At the October 15, 1987, New Mexico Oil Conservation Division hearings, Case 9228 concerning the expansion of the West Lindreth Gallop-Dakota Pool was taken under advisement. Since there was no opposition to the expansion of the West Lindreth pool, Amoco anticipates an order will be issued shortly abolishing the current 40 acre spacing and establishing 160 acre spacing in the lands immediately south and adjoining the above described lands in the North East Ojito Gallop-Dakota Pool. In order to protect correlative rights, it is Amoco's opinion that Rule 7 should be rescinded and the subject wells be allowed to produce under 160 acre depth bracket allowables in accordance with the North East Ojito Gallop-Dakota Pool Rules.

JWH
J. W. Hawkins

JWH/mlm/lmm

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