



UNITED STATES DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY
P. O. Drawer U
Artesia, New Mexico 88210

RECEIVED

OCT 12 1979

O. C. C.
ARTESIA, OFFICE

October 9, 1979

Amoco Production Company
P. O. Box 68
Hobbs, New Mexico 88240

Gentlemen:

AMOCO PRODUCTION COMPANY
Federal "AE" No. 1
1650 FSL 1980 FEL Sec. 20 T. 22S R. 28E
Eddy County Lease No. NM 0415239-B

Above Data Required on Well Sign

Your APPLICATION FOR PERMIT TO DRILL the above-described well to a depth of 12,700 feet to test the Morrow is hereby approved subject to compliance with the OIL AND GAS OPERATING REGULATIONS (30 CFR 221) and the following conditions:

1. The subject well is not considered a unit well in the Old Indian Draw unit agreement. The acreage dedicated to the well will be removed from the unit area upon approval of automatic elimination pursuant to Section 2(e) of the unit agreement. When approved the effective date of automatic elimination will be December 15, 1978.
2. Drilling operations authorized are subject to compliance with the attached General Requirements for Oil and Gas Operations on Federal Leases, dated July 1, 1978.
3. Prior to commencing construction of road, pad, or other associated developments, operator will provide the dirt contractor with a copy of the Surface Use Plan and these Conditions of Approval including the attached General Requirements.
4. Submit a Daily Report of Operations from spud date until the well is completed and the Well Completion Report (form 9-330) is filed. The report should not be less than 8" x 5" in size and each page should identify the well.
5. All permanent above-ground structures and equipment shall be painted in accordance with the attached Painting Guidelines. As requested, Amoco Production Company's standard gray color may be used.
6. Before drilling below the 10-3/4" casing, the blowout preventer assembly will consist of a minimum of one annular type and two ram type preventers.

