

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

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STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

November 16, 1989

Amoco Production Company
P.O. Box 800
Denver, CO 80201

Attention: J. W. Hawkins

RECEIVED

NOV 27 1989

OIL CON. DIV

DIST. 3

Administrative Order DD-31

Dear Mr. Hawkins:

Under the provisions of General Rule 111 (c), (d) and (e), Amoco Production Company made application to the New Mexico Oil Conservation Division on October 23, 1989, for authorization to directionally drill its proposed Gartner Gas Com "A" Well No. 1, San Juan County, New Mexico.

The Division Director Finds That:

- (1) The application has been duly filed under the provisions of Rule 11 (d) and (e) of the Division General Rules and Regulations;
- (2) Satisfactory information has been provided that all offset operators have been duly notified;
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in General Rule 111 will be met; and
- (4) No objections have been received within the waiting period prescribed by said rule.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, Amoco Production Company, is hereby authorized to directionally drill its Gartner Gas Com "A" Well No. 1, the surface location of which shall be 2250 feet from the North line and 1960 feet from the East line (Unit G) of Section 27, Township 30 North, Range 8 West, San Juan County, New Mexico, by kicking off from vertical, and drilling in such a manner as to bottom in the Basin-Fruitland Coal Gas Pool within 50 feet of a point 2250 feet from the North line and 1758 feet from the East line of said Section 27, being a standard coal gas well location for said pool.

PROVIDED HOWEVER THAT: prior to directional drilling, the operator shall determine the subsurface location of the kick-off point; and

PROVIDED FURTHER THAT: subsequent to the above-described directional drilling, should said well be a producer, a continuous multi-shot directional survey shall be made of the wellbore from total depth to kick-off point with shot points not more than 100 feet apart; the operator shall cause the surveying company to forward a copy of the survey report directly to the Santa Fe office of the Division, 310 Old Santa Fe Trail, Room 206, Santa Fe, New Mexico 87503, and the operator shall notify the Division's Aztec District Office of the date and time said survey is to be commenced.

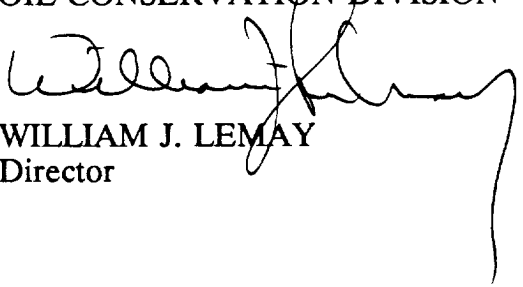
(2) Form C-105 shall be filed in accordance with Division Rule 1105 and the operator shall indicate thereon true vertical depth in addition to measured depths.

(3) The E/2 of said Section 27 shall be dedicated to the well.

(4) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director

S E A L

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington