OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131

August 12, 1998



Amoco Production Company P. O. Box 800 Denver, Colorado 80201-0800 Attention: Pamela Staley

Administrative Order NSL-4107

Dear Ms. Staley:

Reference is made to your application dated July 8, 1998, which was received by the New Mexico Oil Conservation Division ("Division") in Santa Fe on July 23, 1998, for an exception to the well location requirements provided within the "Special Rules and Regulations for the Blanco-Mesaverde Pool," as promulgated by Division Order No. R-10987, for a non-standard gas well location in an existing standard 321.38-acre stand-up gas spacing and proration unit for the Blanco-Mesaverde Pool comprising Lots 1 and 2, the S/2 NE/4, and the SE/4 (E/2 equivalent) of Section 3, Township 30 North, Range 9 West, NMPM, San Juan County, New Mexico. This unit is currently dedicated to Amoco Production Company's: (i) Florance "L" Well No. 19 (API No. 30-045-09916), the initial well on this unit, located at a standard gas well location 1650 feet from the North line and 790 feet from the East line (Unit H) of Section 3; and, (ii) Florance "L" Well No. 19-A (API No. 30-045-21861), located at a standard infill gas well location 1190 feet from the South line and 950 feet from the East line (Unit P) of Section 3.

The application has been duly filed under the provisions of Division Rules 104.F and 605.B of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

By the authority granted me under the provisions of Division Rule 104.F(2), the following described well to be drilled at an unorthodox gas well location in Section 3 is hereby approved:

Florance "L" Well No. 19-B 2060' FSL & 1715' FEL (Unit J) 3-30-9

Further, Amoco Production Company is authorized to dedicate Blanco-Mesaverde gas production on the subject unit from the proposed Florance "L" Well No. 19-B with the two existing Florance "L" Well Nos. 19 and 19-A. These three wells and the existing unit will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico.

Sincerely,

Lori Wrotenbery

Director

cc:

LW/MES/kv

New Mexico Oil Conservation Division - Aztec

U. S. Bureau of Land Management - Farmington



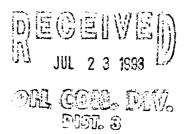
Amoco Exploration and Production

Amoco Building 1670 Broadway Post Office Box 800 Denver, Colorado 80201-0800 (303) 830-4040

July 8, 1998

Ms. Lori Wrotenbery, Director New Mexico Oil Conservation Division 2040 S. Pacheco Street P.O. Box 6429 Santa Fe, NM 87505

Application For Unorthodox Location Florance L #19B Well 2060' FSL & 1715' FEL Unit J Section 3-T30N-R9W E/2 Spacing Unit Blanco Mesaverde Pool San Juan County, New Mexico



Amoco Production Company hereby requests administrative approval for an unorthodox well location for the Florance L #19B well in the Blanco Mesaverde Pool. Amoco plans to drill this well at an unorthodox location as a third well in the existing spacing unit to access reserves which would otherwise be bypassed with the current well density. This well, as proposed, would be moving toward the center line of the spacing unit only and would be well within the standard 790 foot setback from the outer boundaries of the spacing unit. We are locating this well toward the center of the spacing unit, away from the parent and original infill, which would cause it to fall outside the traditional drilling windows for the Blanco Mesaverde Pool.

A copy of this application will be submitted to the offset operators by certified mail with a request that they furnish your Santa Fe office with a Waiver of Objection, and return one copy to this office. Attached are plats showing the location of the well, offset operators, and all wells drilled in the area.

Attachments

cc: Frank Chavez, Supervisor

NMOCD District III 1000 Rio Brazos Road Aztec, NM 87410 Mark Yamasaki, Amoco Gail Jefferson, Amoco

WAIVER

	hereby waives objection to Amoco's application for an unorthodo	x well
location for the Florance L #1	.9B well described above.	
D	ъ.	
By:	Date:	

APPLICATION FOR APPROVAL OF UNORTHODOX LOCATION UNDER RULE 104-F

Florance L #19B Well 2060' FSL & 1715' FEL, Section 3-T30N-R9W Blanco Mesaverde Pool

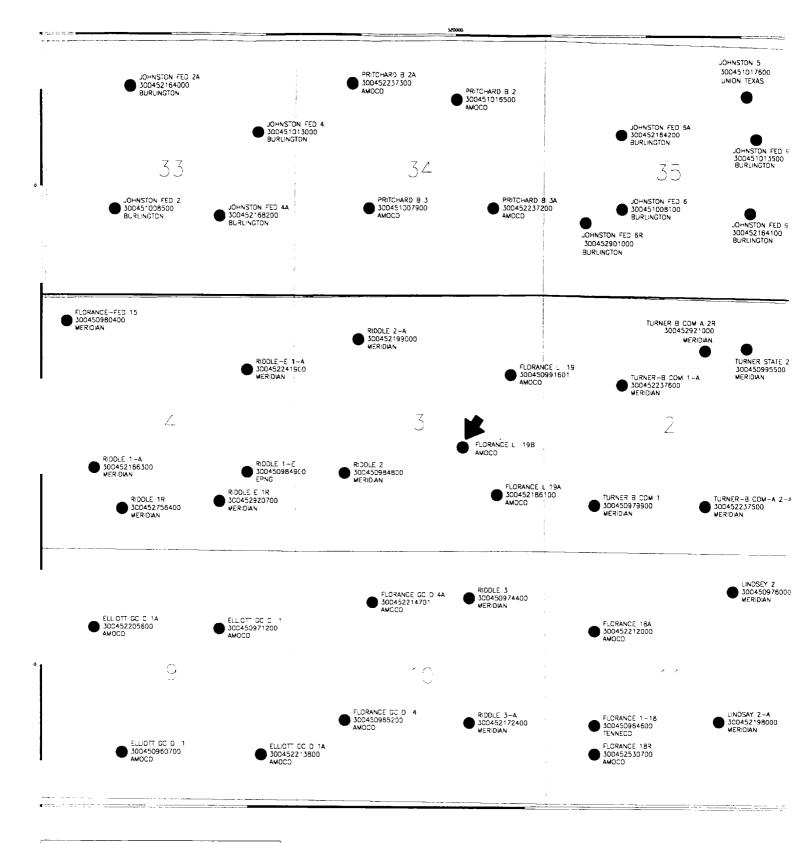
ATTACHMENTS:

- 9-SECTION PLAT SHOWING LOCATION OF ALL OFFSET WELLS
- FORM C-102 FOR MESAVERDE FORMATION
- LIST OF ALL OFFSET OPERATORS AND THEIR ADDRESSES

LIST OF ADDRESSES FOR OFFSET OPERATORS

Florance L #19B Well

I Burlington Resources Oil and Gas Co. P.O. Box 4289 Farmington, NM 87499



AMOCO PRODUCTION COMPANY

FLORANCE L 198 - NEW DRILL

VESAVERDE - NINE SECTION PLAT

30N -9W -3NW/SE

AC 275/98

District II

PO Drawer KK, Artesia, NM 87211-0719 District III

1000 Rio Brazos Rd., Aztec, NM 37410 Distribut TV

PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico

Energy, Minerals & Natural Electron Department

OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088

Form C-102 Revised February 21, 1994 Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number	² Pool Code	³ Pool Name		
	72319	Blanco Mesaverde		
Property Code	3	Well Number		
	FLORANCE L	# 19B		
7 OGRID No.	•	9 Elevation		
000778	AMOCO PRODUCTION	6036		

Surface Location

UL or Lat No.	Section	Township	Range	Lot Idea	Feet from the	North/South line	Foot from the	East/West line	County
J	3	30 N	9 W		2060	SOUTH	1715	EAST	SAN JUAN

" Bottom Hole Location If Different From Surface

	Bottom Hole Excanon in Different From Surface										
	⁷ UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County	
1	Dedicated Acres	15 Join	t or Infill 14	Consolidation	na Code is	Order No.	<u> </u>		<u> </u>		
Į	321.38	<u>.L</u>									

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTEREST HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

