

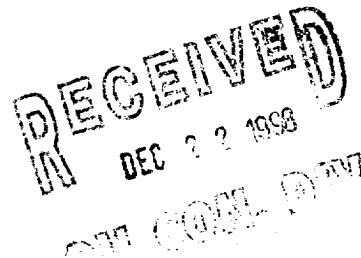


NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

December 21, 1998

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



Administrative Order NSL-4185

Dear Ms. Staley:

Reference is made to your application dated November 18, 1998, which was received by the New Mexico Oil Conservation Division ("Division") in Santa Fe on November 30, 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 320.00-acre lay-down gas spacing and proration unit for the Blanco-Mesaverde Pool comprising the N/2 of **Section 36, Township 30 North, Range 9 West**, NMPM, San Juan County, New Mexico. This unit is currently dedicated to Amoco Production Company's: (i) State Gas Com "J" Well No. 1 (**API No. 30-045-09031**), the initial well on this unit, located at a standard gas well location 1190 feet from the North line and 1158 feet from the East line (**Unit Letter A**) of **Section 36**; and, (ii) State Gas Com "J" Well No. 1-A (**API No. 30-045-22762**), located at an infill gas well location 1450 feet from the North line and 1915 feet from the West line (**Unit Letter F**) of **Section 36**.

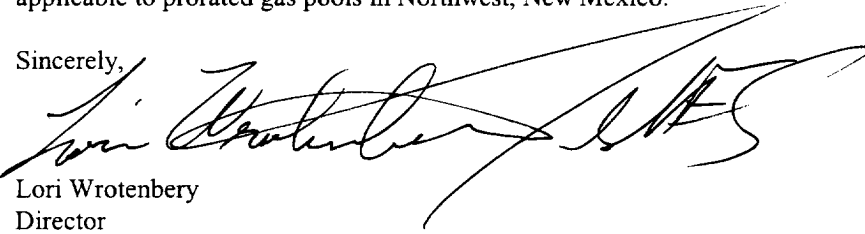
The application has been duly filed under the provisions of Division Rules 104.F and 605.B of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

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 36 is hereby approved:

**State Gas Com "J" Well No. 1-B
1180' FNL & 290' FEL (Unit Letter B)**

Further, Amoco Production Company is authorized to dedicate Blanco-Mesaverde gas production on the subject unit from the proposed State Gas Com "J" Well No. 1-B with the two existing State Gas Com "J" Wells No. 1 and 1-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

LW/MWA/kv

cc: New Mexico Oil Conservation Division - Aztec /
New Mexico State Land Office - Santa Fe



Amoco Production Company

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

November 18, 1998

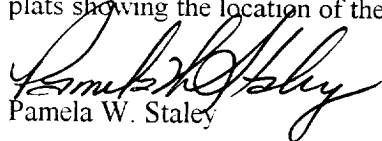
Ms. Lori Wrotenbery, Director
New Mexico Oil Conservation Division
2040 S. Pacheco Street
P.O. Box 6429
Santa Fe, NM 87505

RECEIVED
NOV 30 1998
OIL CON. DIV.
DIST. 3

Application For Unorthodox Location
State Gas Com J #1B Well
1180' FNL, 2190' FEL
Unit B Section 36-T30N-R9W
N/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 State Gas Com J #1B 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 Mesaverde wells drilled in the area.


Pamela W. Staley

Attachments

cc: Frank Chavez, Supervisor Mark Yamasaki, Amoco
 NMOCD District III Gail Jefferson, Amoco
 1000 Rio Brazos Road
 Aztec, NM 87410

WAIVER

_____ hereby waives objection to Amoco's application for an unorthodox well location for the State Gas Com J #1B well described above.

By: _____

Date: _____

APPLICATION FOR APPROVAL OF UNORTHODOX LOCATION UNDER RULE 104-F

**State Gas Com J #1B Well
1180' FNL, 2190' FEL
Unit B Section 36-T30N-R9W
N/2 Spacing Unit**

LIST OF ADDRESSES FOR OFFSET OPERATORS

State Gas Com J #1B Well

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

State Gas Com J #1B Well

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

I Conoco, Inc.
10 Desta Drive West
Midland, Texas 79705

PO Box 1980, Hobbs NM 88241-1980
District II
PO Drawer KK, Artesia, NM 87211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

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

Form C-10
Revised February 21, 199.

Instructions on back:
Submit to Appropriate District Office:
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

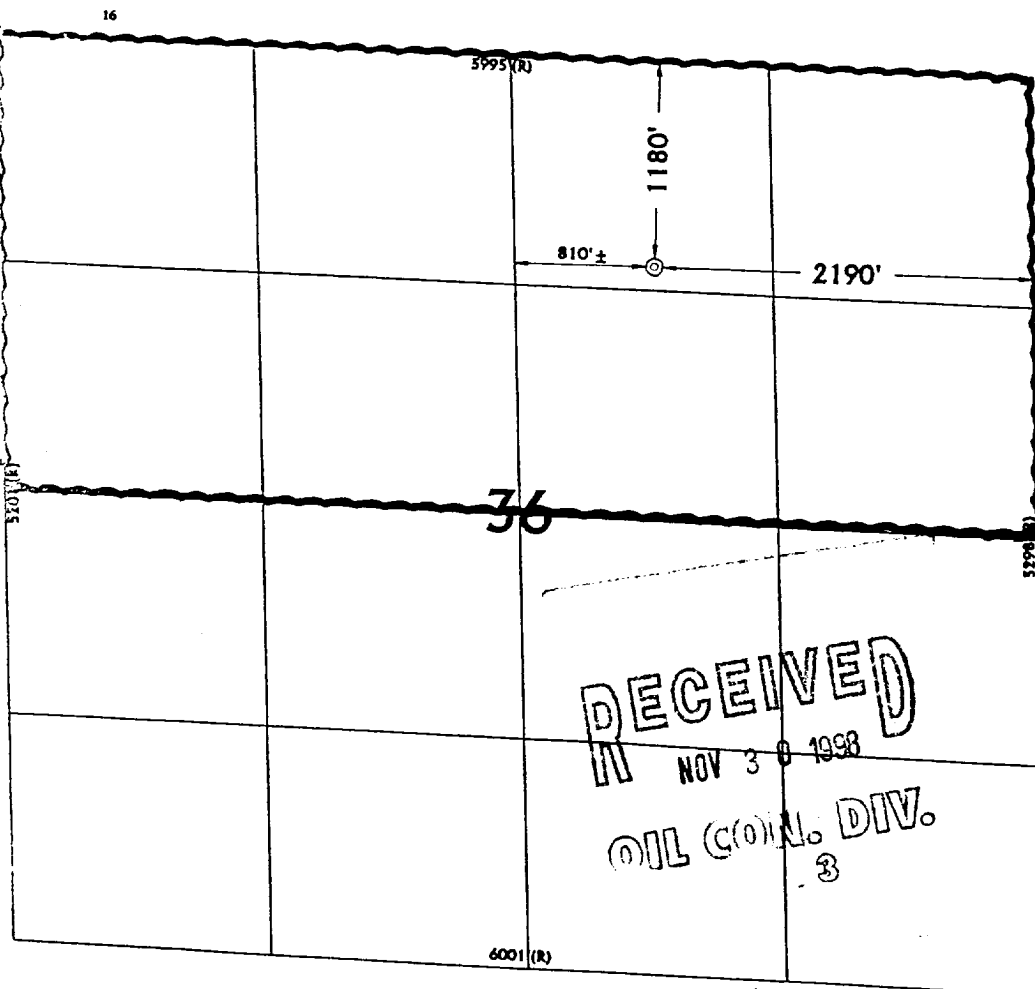
WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code 72319		3 Pool Name Blanco Mesaverde	
4 Property Code		5 Property Name STATE GAS COM J			6 Well Number # 1B
7 OGRID No. 000778		8 Operator Name AMOCO PRODUCTION COMPANY			9 Elevation 5750

10 Surface Location									
UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	36	30 N	9 W		1180	NORTH	2190	EAST	SAN JUAN

11 Bottom Hole Location If Different From Surface									
7 UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres 320.00		13 Joint or Infill		14 Consolidation Code		15 Order No.			

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



(R) - BLM Record

17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Gail M. Jefferson
Signature

Gail M. Jefferson
Printed Name

Sr. Admin. Staff Asst.
Title

November 18, 1998
Date

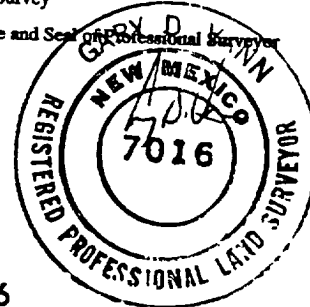
18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

September 21, 1998
Date of Survey

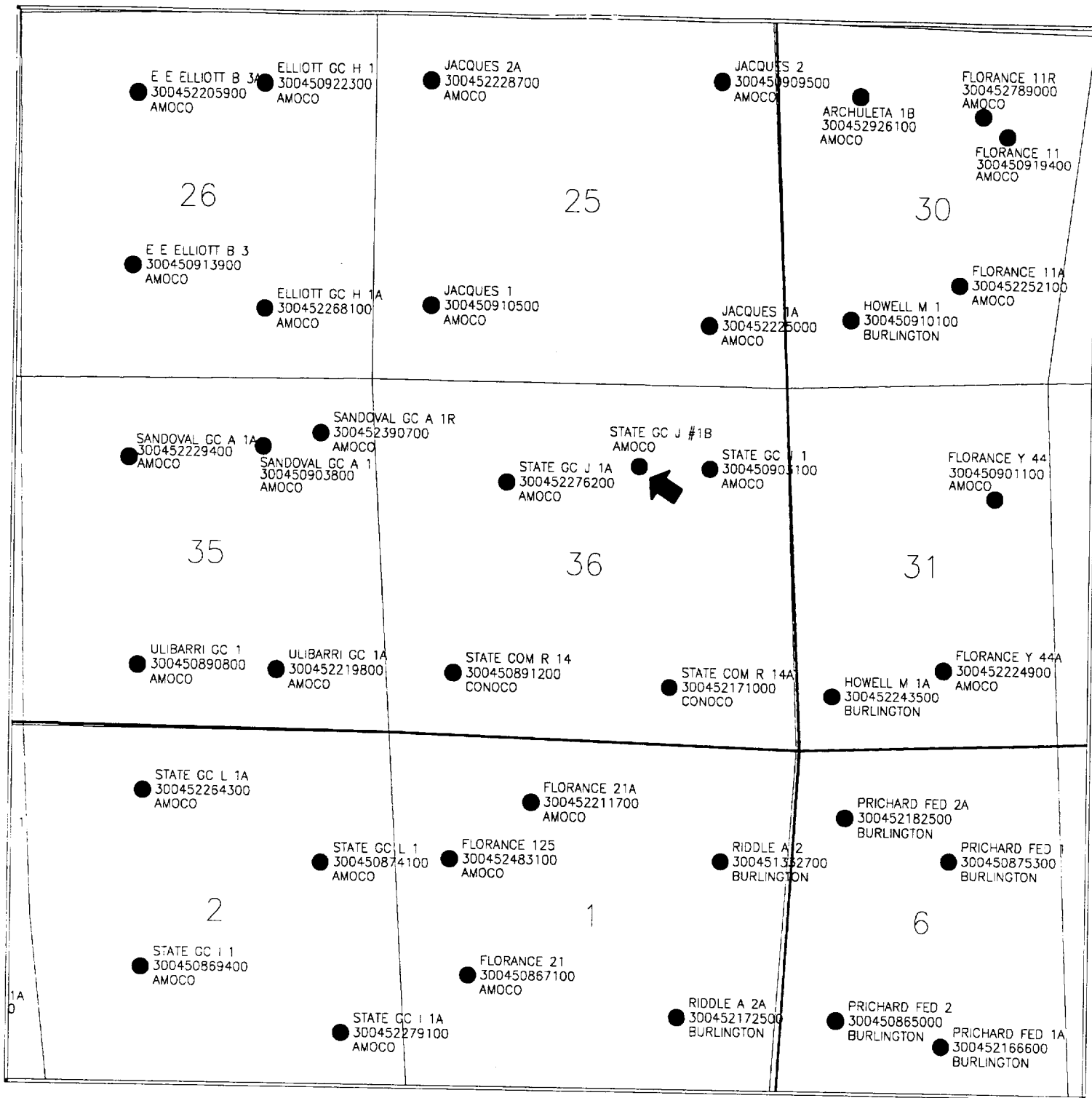
Signature and Seal of Professional Surveyor

Professional Surveyor



7016

Certificate Number



AMOCO PRODUCTION COMPANY		
STATE GC J #1B - NEW DRILL MESAVERDE - NINE SECTION PLAT 30N-9W-36NW/NE		
ALC		10/15/98
Scale 1:24125.27		

LEGEND	
●	MESAVERDE ACTIVE WELLS
●	MESAVERDE INACTIVE WELLS
●	MESAVERDE NEW DRILLS