

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor Jennifer A. Salisbury Cabinet Secretary

April 23, 2001

Lori Wrotenbery
Director
Oil Conservation Division

Amoco Production Company San Juan Business Unit 501 West Lake Park Boulevard Houston, Texas 77079-3092

Attention:

Mary Corley

Re:

Elliott Gas Com. Well No. 1-M (API No. 30-045-30572) to be drilled from a surface location 2200 feet from the North line and 980 feet from the East line (Unit H) of Section 26, Township 30 North, Range 9 West, NMPM, San Juan County, New Mexico, to a bottomhole location within the Basin-Dakota Pool 2200 feet from the South line and 800 feet from the East line

(Unit I) of Section 26.

Dear Ms. Corley:

I assume there are geological as well as topographical reasons why Amoco is directionally drilling this well as proposed. To supplement your request could you please state these reasons in a letter with the appropriate attachments prepared by a geologist and/or reservoir engineer. In this instance it would also help if you could send a proposed directional drilling schematic. Thanks.

Sincerely

Michael E. Stogner

Chief Hearing Officer/Engineer

cc:

New Mexico Oil Conservation Division - Aztec

U. S. Bureau of Land Management - Farmington

William F. Carr, Legal Counsel for Amoco Production Company - Santa Fe