Form approved.

BUREAU OF LAI APPLICATION FOR P 14. TYPE OF WORK DRILL	ENT OF THE I		R			Expires: De	cember 31,	1991	
APPLICATION FOR P	UD SAANAOCSACS		11		RECEI	S. LEASE DESIGNA	TION AND	SERIAL NO.	
1a. TYPE OF WORK	NU MANAGEMEN	IT			BIN	G .	NM-010989		
1a. TYPE OF WORK	ERMIT TO DI	RILL OR	DEEPEN			6. IF INDIAN, ALL	OTTEE OR T	RIBE NAME	
nrii i XI		<u> </u>		98 A	UG II	AM ID: 23	NT NAME		
b. TYPE OF WELL	DEEPEN					7. ONI AGREEME	IVI NAME		
OIL GAS WELL C Other		SING Zon		MARTIPLE ZONE	FARMIN	H GNIM MINEASI	E NAME, WE	LL NO	
2. NAME OF OPERATOR	Attentio	n:				•	ds A		
	20778 G	ail M.	Jeffers	son		9. API WELL NO.	11-	~21	
3. ADDRESS AND TELEPHONE NO.		4000				30-0		276	
P.O. BOX 800, DENVER, COLOF 4. LOCATION OF WELL (Report location clearly and in accord) 830-61	157		10. FIELD AND PO	•		
At surface	•	requirement	5.4)			11. SEC., T., R., M.	OR BLK	rerde 7	
1215' FNL 2195' FWI At proposed prod. zone	L	,	<i>/</i>)	AND SURVEY OR Section	AREA		
At proposed prod. com			Unit	· /		Township 32N		nge 11\	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOV		- (12. COUNTY OR PA	ARISH 1	3. STATE	
8 miles from the	town of Aztec, N			ACE	19 10 0-	San Juan New Me.			
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.	10. NO. (OF ACRES IN LE		F ACRES ASSIGNED HIS WELL					
PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 18. DISTANCE FROM PROPOSED LOCATION*		10 0000	2480 OSED DEPTH	20 POTAB	320.00				
TO NEAREST WELL, DRILLING, COMPLETED,		15. FROM	5807'		20. KUIAK	RY OR CABLE TOOLS Rotary			
OR APPLED FOR, ON THIS LEASE, FT. 21. ELEVATIONS (Show whether DF, RT, GR., etc.)	· ·		3007		22. APPROX. DATE WORK W			LL START*	
action is subject to technical and	6177' GR						09-01-199	8	
dural review pursuant to 43 CFR 3165.3 appeal pursuant to 43 CFR 3165.4.	PROPOSED	CASING AND	CEMENTING PR	OGRA M	·····				
SIZE OF HOLE GRADE, SIZE OF CASING	FOOT	SETTING		QUANTITY OF CEMENT					
12.25 K-55 9.625	36#		250	'		172 cu. ft. CI B to surface			
8.75 K-55 7.000	20#		356:	2'		864 cu. ft. Ci B to surface			
6.25 K-55 4.500	K-55 4.500 10.5#			, ,	ı	325.6 cu. ft. Cl B to 3312'			
Notice of Staking submitted as the Fields A #7B of Lease Description: Township 32N-R11W Section 25: All Section 27: SE/4 Section 28: S/2 NW/4, NE/4, Section 29: NE/4 NW/4, E/2, Section 30: S/2 SE/4 Section 31: NW/4 NE/4 Section 34: N/2 Section 35: SW/4 NW/4, SW	. S/2 .E/2 SW/4, SW/-	4 NW/4		SUB	JECT TO	ERATIONS A COMPLIANC EQUIREMEN	E WITH	ZED AR ATTAC	
containing 2,480 acres, more or less.					OLF	/ 1958 -			
				0][[CON				
					DIST				

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

_: ~=:::1 20 0 tiwer KK, Artesia, NM 87211-0719

1000 050 Brezzes Rd., Azzec, NM 87410

District IV PO 3cx 2038, Sama Pe, NM 87504-2033

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

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies Fee Lease - 3 Copies

RECEIVED

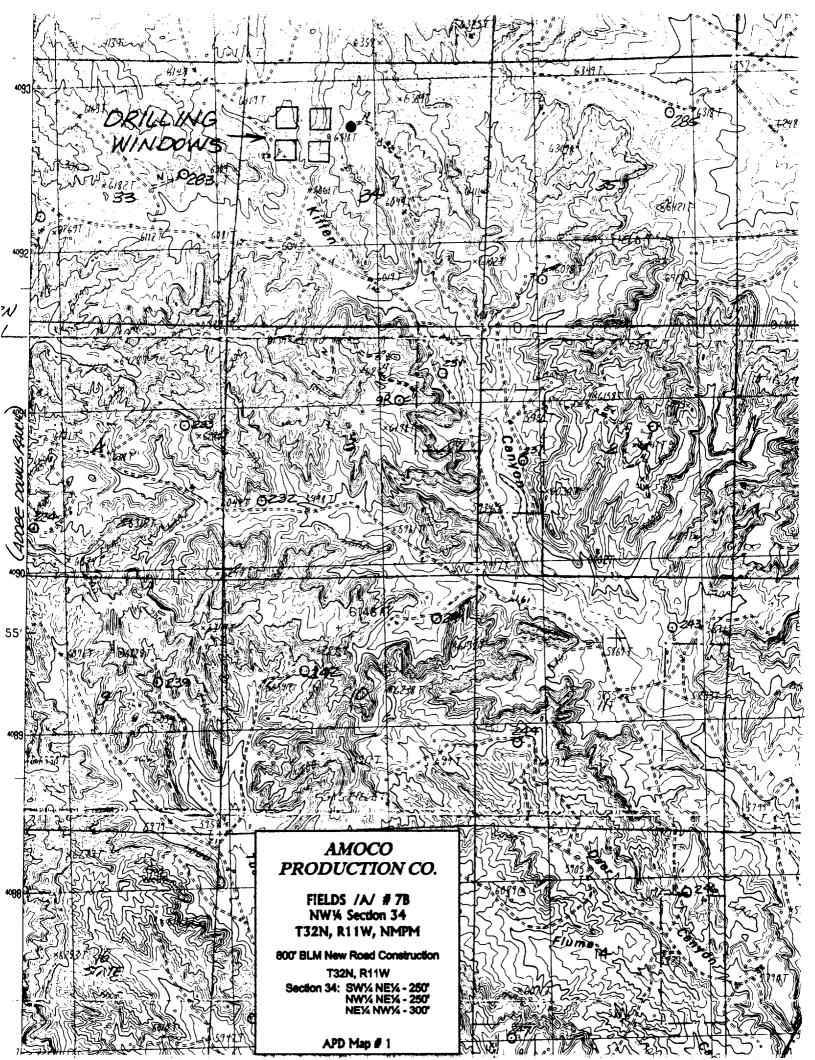
Certificate Number

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION FLAT 10: 23 API Numo Blanco Mesave Of De FARWINGTON, NM 72319 Well Number FIELDS /A/ # 7B / CORTO No Elevation 000778 AMOCO PRODUCTION COMPANY 6177 Surface Location UL or Los No. Township Range Foot from the Post from the East/West line C 34 32 N 11 W 1215 NORTH 2195 **WEST** SAN JUAN Bottom Hole Location If Different From Surface ¹ UL or lot no. Township Lot Ide Fost from the Feet from the North/South line East/West line County 2 Dedicated Acres Joint or Intill M Coppolidation Code 320.00 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 2528 (R) "OPERATOR CERTIFICATION bereby certify that the information contained herein is true and complete to the best of my knowledge and belief. 2195 Gail M. Jefferson Printed Name Sr. Admin. Staff Asst. July 14, 1998 Dete "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. July 1, 1998 Date of Survey Signature and S POFESSIONAL 7016

(R) - BLM Record

5267 (R)





NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

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-2555-A

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 320-acre lay-down gas spacing and proration unit for the Blanco-Mesaverde Pool comprising the N/2 of Section 34, Township 32 North, Range 11 West, NMPM, San Juan County, New Mexico. This unit is currently dedicated to Amoco Production Company's: (i) Fields "A" Well No. 7-R (API No. 30-045-26996) located at an unorthodox gas well location (approved by Division Administrative Order NSL-2555, as amended) 1925 feet from the North line and 2055 feet from the East line (Unit G) of Section 34; and, (ii) Fields "LS" Well No. 7-A (API No. 30-045-22464), located at a standard gas well location 1620 feet from the North line and 1100 feet from the West line (Unit E) of Section 34.

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 34 is hereby approved:

Fields "A" Well No. 7-B = 34-32-11 1215' FNL & 2195' FWL (Unit C)

Further, Amoco Production Company is authorized to dedicate Blanco-Mesaverde gas production on the subject unit from the proposed Fields "A" Well No. 7-B with the existing Fields "A" Well No. 7-R and Fields "LS" Well No. 7-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/MES/kv

cc: New Mexico Oil Conservation Division - Aztec

U. S. Bureau of Land Management - Farmington

File: NSL-2555



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 Fields /A/ 7B Well 1215' FNL, 2195' FWL Unit C Section 34-T32N-R11W N/2 Spacing Unit Blanco Mesaverde Pool San Juan County, New Mexico DEGETVED JUL 2 3 1998 OTL COM. DIV. DIST. 3

Amoco Production Company hereby requests administrative approval for an unorthodox well location for the Fields /A/ 7B 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.

Attachments

Pamela W. Staley

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 unorthodox well location for the Fields /A/ 7B well described above.

APPLICATION FOR APPROVAL OF UNORTHODOX LOCATION UNDER RULE 104-F

Fields /A/ 7B Well 1215' FNL, 2195' FWL, Section 34-T32N-R11W Blanco Mesaverde Pool

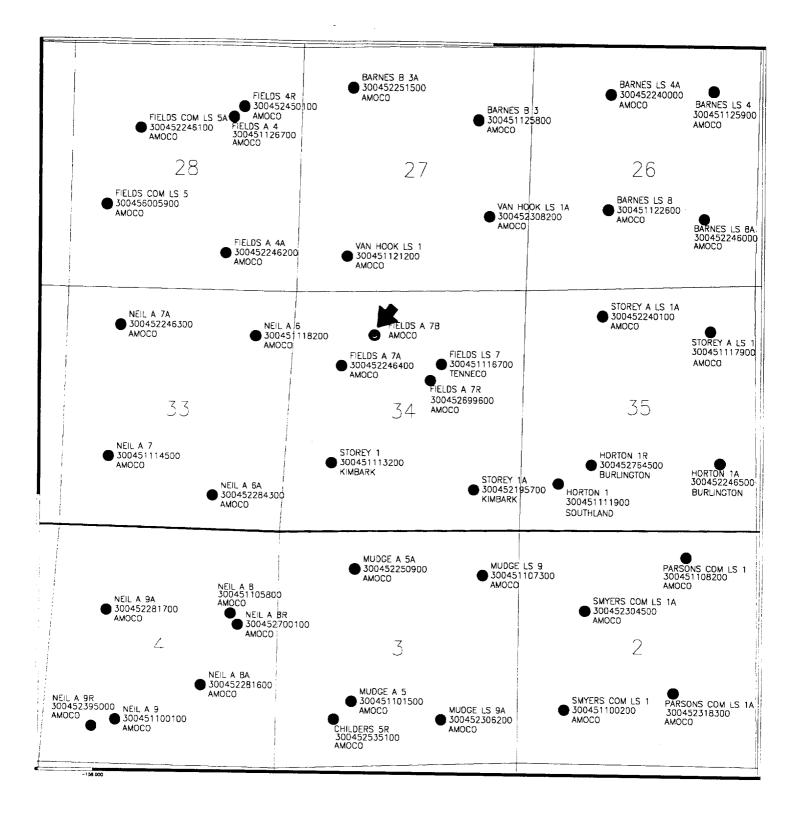
ATTACHMENTS:

- 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

Fields /A/ 7B Well

- l Burlington Resources Oil and Gas Co. P.O. Box 4289 Farmington, NM 87499
- 2 Kimbark Oil and Gas Co. 1660 Lincoln Street, Suite 2700 Denver, CO 80202



 ALC:	Scale 1/25512 09	7/*5/98
MESAVE	LDS A 73 - NEW I ERDE - NINE SECT 32N-11W-34NE/N	ION PLAT
)OMA	CO PRODUCTION CO)MPANY

PO Box 1980, Hobbs NM 88241-1980 $\mathcal{D}^{*} \not = \text{def} \, \, \underline{\mathbb{I}}$

District III

20 Carwer KK, Artesia, NM 87211-0719

State of New Mexico Energy, Minerals & Natural Resources Department

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

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

Submit to Appropriate District Office State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

1000 Rio Brazos Rd., Aztec, NM 87410 District IV PO Box 2088, Santa Fe, NM 87504-2083

		WI	ELL LO	CATIO	N AND ACI	REAGE DEDIC	CATION	I PLAT				
¹ API Number ² Pool Code						⁵ Pool Name						
30-0		2967	7 7	2319		Blanco Mesav	erde					
Property Code Property 1						erty Name * Well Number						
5 / FIELDS /A/				- 10					# 7B			
- - ·						Operator Name				Elevation		
	O00778 AMOCO PRODUCTION COMPANY Surface Location								6177			
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Bottom Hole Location If Different From Surface												
⁷ UL or lot no.	Section	Township	Range	Lot Idin	Feet from the	North/South line	Post from		West line	County		
Dedicated Acre	s ¹³ Joir	stor Infill H	Consolidation	a Code	Order No.		-4	<u>_</u>		<u> </u>		
320.00												
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(R) - BLM Record