



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

July 9, 1997

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

Administrative Order NSL-1049-A

Dear Ms. Staley:

Reference is made to your application dated May 21, 1997, for a non-standard Blanco-Mesaverde gas well location in an existing standard 320-acre gas spacing and proration unit ("GPU") for said Blanco-Mesaverde Pool comprising the S/2 of Section 34, Township 30 North, Range 9 West, NMPM, San Juan County, New Mexico, which currently has dedicated thereon the Likins Gas Com "A" Well No. 1 (API No. 30-045-08909), located at a standard gas well location 990 feet from the South and West lines (Unit M) of said Section 34 and the Likins Gas Com "A" Well No. 1-A (API No. 30-045-22197), located at a standard infill gas well location 1650 feet from the South line and 1640 feet from the East line (Unit J) of said Section 34.

It is our understanding that the subject well to be considered in this application, the Likins Gas Com "A" Well No. 3-E (API No. 30-045-23569), which was drilled in 1979 to a total depth of 7057 feet and completed in the Basin-Dakota Pool at an unorthodox gas well location (approved by Division Administrative Order NSL-1049, dated June 25, 1979) 2040 feet from the South line and 1790 feet from the East line (Unit J) of Section 34, is to be recompleted by perforating the Blanco-Mesaverde interval whereby both Basin-Dakota and Blanco-Mesaverde gas production will be commingled downhole under authority of Division Administrative Order DHC-1573, dated June 24, 1997.

Pursuant to the "*General Rules For The Prorated Gas Pools of New Mexico/Special Rules and Regulations For The Blanco-Mesaverde Pool*", as promulgated by Division Order No. R-8170, as amended, the location for the Likins Gas Com "A" Well No. 3-E is also unorthodox.

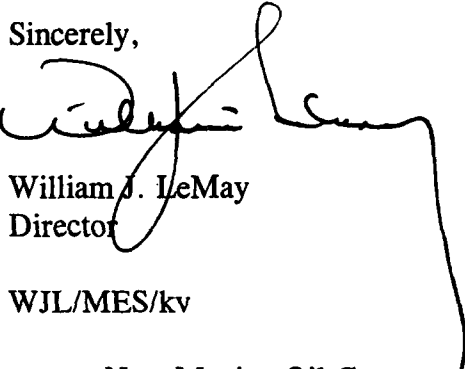
By the authority granted me under the provisions of Rule 2(d) of said special pool rules, the above-described unorthodox gas well location in the Blanco-Mesaverde Pool is hereby approved. Further, Amoco is authorized to dedicate Blanco-Mesaverde gas production on the subject GPU from the Likins Gas Com "A" Well No. 3-E with the two existing Likins Gas Com

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"A" Well Nos. 1 and 1-A. Said wells and GPU will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest New Mexico.

By the authority granted me under the provisions of Rule 2(d) of said special Blanco-Mesaverde Pool rules the above-described non-standard gas well location is hereby approved.

Sincerely,

A handwritten signature in black ink, appearing to read 'William J. LeMay', is written over a large, rectangular, hand-drawn box.

William J. LeMay
Director

WJL/MES/kv

cc: New Mexico Oil Conservation Division - Aztec
U.S. Bureau of Land Management - Farmington
File: NSL-1049
DHC-1573 /