



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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

August 22, 1995

Amoco Production Company
Southern Rockies Business Unit
P.O. Box 800
Denver, Colorado 80201
Attention: J. W. Hawkins

Administrative Order NSL-3569

Dear Mr. Hawkins:

Reference is made to your applications dated June 8, 1995 for: (1) an unorthodox infill Blanco-Mesaverde gas well location; (2) an unorthodox Blanco-Mesaverde replacement well location; and, (3) an unorthodox infill Basin-Dakota gas well location, all in the standard 320-acre gas spacing and proration unit ("GPU") comprising the E/2 of Section 20, Township 27 North, Range 8 West, NMPM, San Juan County, New Mexico.

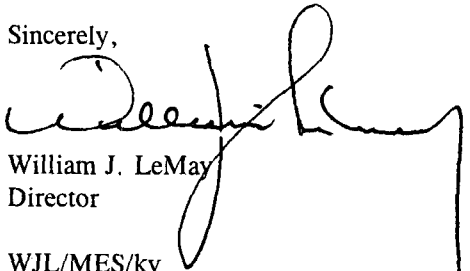
It is our understanding that Amoco Production Company's proposed **Florance Well No. 68-E**, to be drilled at an unorthodox gas well location 1880 feet from the North line and 1780 feet from the East line (Unit G) of said Section 20, is to be dually completed in both the Blanco-Mesaverde and Basin-Dakota Pools. It is further understood that this well will serve as a replacement well in the Blanco-Mesaverde Pool to Amoco's Florance "D-LS" Well No. 4 (API No. 30-045-06376), located at a standard gas well location 1840 feet from the North line and 1800 feet from the East line (Unit G) of said Section 20, which is currently temporarily abandoned. Moreover, this well will be an "infill" Basin-Dakota well to Amoco's Florance Well No. 68 (API No. 30-045-11782), located 1190 feet from the South line and 2510 feet from the East line (Unit O) of said Section 20.

Your application also included a request for the **Florance "D-LS" Well No. 4-A**, to be drilled at an unorthodox gas well location 1310 feet from the South line and 2190 feet from the East line (Unit O) of said Section 20, will be the "infill" Blanco-Mesaverde well in said 320-acre GPU to the **Florance Well No. 68-E**.

Pursuant to Rule 2(d) of the "*General Rules For The Prorated Gas Pools of New Mexico/Special Rules and Regulations For The Blanco-Mesaverde Pool/Special Rules and Regulations for the Basin-Dakota Pool*", as promulgated by Division Order No. R-8170, as amended, the aforementioned unorthodox gas well locations for the **Florance "D-LS" Well No. 4-A** and **Florance Well No. 68-E** are hereby approved.

Both wells and GPU will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest New Mexico.

Sincerely,


William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Farmington