



OIL CONSERVATION DIVISION
RECEIVED

Amoco Exploration and Production
U.S.A. Operations Group

755 PM: 1 07 8 52

Permian Basin Business Unit
501 WestLake Park Boulevard
Post Office Box 4891
Houston, Texas 77210

July 28, 1995

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Attention: Mike Stogner

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Re: Application for Exception to Rule 5(a), Order No. R-520
Eumont Gas Pool, Unorthodox Gas Well Location
State I Gas Com Well No. 3
Eumont-Yates, Seven Rivers, Queen (Pro Gas)
Section 22, T-21-S, R-36-E
Lea County, New Mexico

Gentlemen:

Amoco Production Company hereby requests approval of an unorthodox gas well location under the provisions of Rule 5(b), delegating the Secretary of the Commission authority to grant exception of the requirements of Rule No. 5 without notice and hearing. Amoco plans to drill the subject well and complete it into the Eumont Gas Pool. A standard proration unit shall consist of 640 acres. The subject well has 160 acres assigned. The rule states that the spacing for 160 acres should be 660 feet to the nearest quarter-quarter section and 600 feet to any boundary line of the tract. This well is 752 feet to the nearest boundary line and 568 feet to the nearest quarter-quarter section.

Amoco hereby certifies that on July 28, 1995 notice of this application was sent by certified mail to the operators offsetting this proration unit. (See attached list.)

If there are any questions concerning this application please contact Henry Welch at (713) 366-3254 or me at (713) 366-7686.

Yours very truly,

A handwritten signature in cursive script that reads "Devina M. Prince".

Devina M. Prince
Staff Assistant

Attachments

cc: New Mexico Oil Conservation Division
District 1
P. O. Box 1980
Hobbs, NM 88240

Henry Welch - M/C 18.136 W1

Attachment

Offset Operators
State I Gas Com Well No. 3
(Unit Letter E, Section 22, Township 21-S, Range 36-E)

Chevron U.S.A. Inc.
P. O. Box 3108
Farmington, NM 87499

Conoco Inc.
Petroleum Center Building
501 Airport Drive, Suite 115
Farmington, NM 87401-2697

Exxon Company, U.S.A.
P. O. Box 1600
Midland, TX 79702

District I.
 PO. Box 1980, Hobbs, NM 88241-1980
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 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

Form C-102
 Revised February 21, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 76480	³ Pool Name Eumont Yates 7 th RVRS QN (Pro Gas)
⁴ Property Code 001123	⁵ Property Name STATE - I - GAS COM	
⁷ OGRID No. 000778	⁸ Operator Name AMOCO PRODUCTION COMPANY	⁶ Well Number 223
		⁹ Elevation 3612.80'

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
E	22	21S	36E		1739'	NORTH	752'	WEST	LEA

¹¹ Bottom Hole Location If Different From Surface

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 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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

¹⁶

¹⁷ OPERATOR CERTIFICATION

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

Devina M. Prince
 Signature
 Devina M. Prince
 Printed Name
 Staff Assistant
 Title
 July 28, 1995
 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.

DATE OF SURVEY: JULY 28, 1995
 Signature and Seal of Professional Surveyor:
Larry A. Fisher
 LARRY A. FISHER
 Certificate Number: 11013

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 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

Form C-101
 Revised February 10, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 6 Copies
 Fee Lease - 5 Copies

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

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address. Amoco Production Company P. O. Box 4891 Houston, TX 77210		Room 17.165 W1	OGRID Number 000778
			API Number 30 - 0
Property Code 001123	Property Name State I Gas Com		Well No. 3

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	22	21S	36E		1739	North	752	West	Lea

Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Proposed Pool 1 Eumont Yates - 7 Rivers - Queen (Pro Gas)					Proposed Pool 2				

Work Type Code N	Well Type Code G	Cable/Rotary R	Lease Type Code S	Ground Level Elevation 3612.80
Multiple No	Proposed Depth 3900	Formation Yates-7 Rivers-Qn	Contractor N/A	Spud Date ASAP

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
11"	8-5/8"	24#	1000	400	Surface
7-7/8"	5-1/2"	15.5#	3900	400	Surface

Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Purpose to drill and equip well in the Yates-7 Rivers-Queen formation. After reaching TD, logs will be run and evaluated. Perforate and/or stimulate as necessary in attempting commercial production.

Mud program: 0-1000 Fresh water and native mud
 1000-TD Brine water

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

Signature:

Devina M. Prince

Printed name:

Devina M. Prince

Title:

Staff Assistant

Date:

7-28-95

Phone:

(713) 366-7686

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Expiration Date:

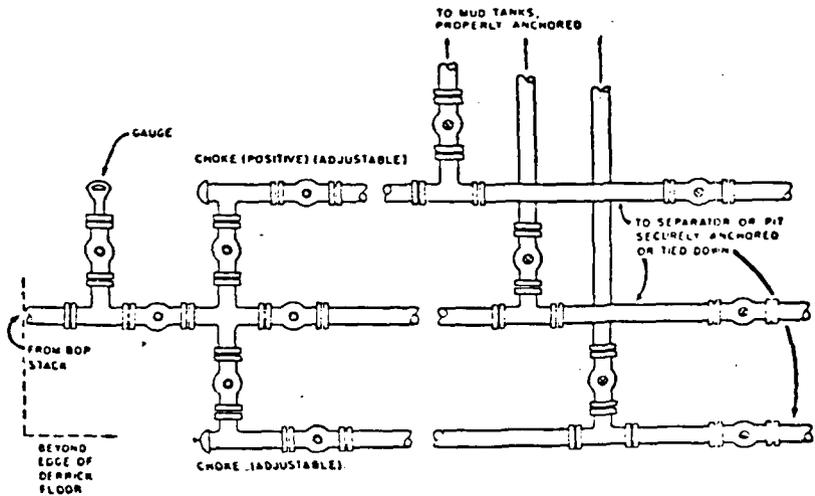
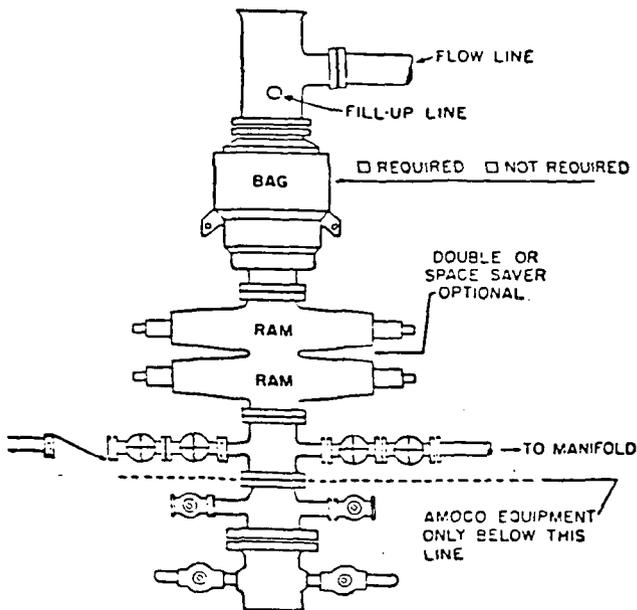
Conditions of Approval:

Attached

1. BOP's to be fluid operated. BOP's and all fittings must be in good condition and rated at 3000 psi w.p. minimum.
2. Equipment through which bit must pass shall be at least as large as casing size being drilled through.
3. Upper kelly cock is required and shall be 3000 psi w.p. minimum. Lower kelly cock is (required)(not required).
4. Hydril or comparable safety valve shall be available on rig floor with connection or subs to fit any tool joint in the string. Valve to be full bore 5000 psi w.p. minimum.
5. Hydril or equivalent drill pipe back pressure valve is (required)(not required).
6. All equipment upstream of chokes, including kill line equipment shall be flanged or clamped and of a test pressure no less than that of the blowout preventer. All valves upstream of choke shall be (3") (4") gate valves Cameron Type "F" or equivalent. All equipment downstream of chokes may be flanged or screw end gate or plug. Line from spool to manifold cross to be a minimum of 3", straight and short as possible with minimum bends. Other lines may be 2", 3" or 4". Choke manifold, beyond second valve from cross, must be positioned outside of substructure. Manifold, header and all lines must be adequately supported and properly anchored. Two inch (2") lines and valves are permitted on the kill line. All valves designated for H₂S service are (required) (not required).
7. Blowout preventer closing unit equipment to include accumulator capable of closing, opening and closing the bag and pipe rams with a minimum remaining pressure of 1200 psi. After closure, the remaining fluid volume will be at least 50 percent of original volume. Two independent sources of pump power are required on each closing unit installation and shall meet all IADC specifications. Operating time for closing unit shall not be greater than one minute with charging pump shut down. Time test must be witnessed by Amoco representative while nipping up and test results reported on IADC report. Failure to meet these conditions will necessitate corrective action by contractor and retesting all at contractor's expense.
8. The accumulator must be located at least 50 feet from the well. Blowout preventer controls must be properly labeled and located as close to drillers position as feasible. Floor control valves are (required)(not required).
9. Fluid lines from accumulator to BOP's and all remote control fluid lines shall be steel, and rated at or above maximum accumulator pressure. Lines shall be routed in bundles and adequately protected from damage.
10. Use rams in following positions:

	Drilling	Running Casing
Upper ram	Drill pipe	Casing
Lower Ram	Blind	Blind

*Amoco District Superintendent may reverse location of rams.
11. Extensions and hand wheels to be installed and braced at all times.



POOL/OPERATOR/PROPERTY/WELL	APINUM	WEL L	U	SE CT	TWN SHP	RAN GE	STA TUS	TRANS	ACRG	ACRG FACT	AVG MTH SALES OCT94-DEC94	OVER PROD LIMIT JAN 95	OVER/UNDER PRODUCTION DEC 94	OLD OVER PROD	MONTHLY ALLOWABLE
076480 EUMONT-YATES-7 RVRIS-QUEEN (PRO GAS)															
000495 AMERADA HESS CORP															
000224	W A WEIR	GAS COM													
25-04119	004 F				35	19S	36E M	9171	280.00	1.75	34,666				34,666
	OTHER TRANSPORTER							16120							
25-04069	007 O				26	19S	36E M	495	160.00	1.00	6,539				6,539
	OTHER TRANSPORTER							9171							
	OTHER TRANSPORTER							16120							
000087 W P BYRD GAS COM															
25-04240	001 F				12	20S	36E M	9171	320.00	2.00	9,416				9,416
	OTHER TRANSPORTER							16120							
25-32346	002 O				12	20S	36E M	24650	320.00	2.00	33,332				33,332
000227 WILLIAMS															
25-05808	005 I				33	19S	37E M	7057	640.00	4.00	0				0
---OPERATOR TOTALS---															
									7,278.25	45.49	462,964				462,964
000778 AMOCO PRODUCTION CO															
000599 GILLULLY B FEDERAL RA A															
25-06234	004 D				22	20S	37E MMU	7354			2,729				
	OTHER TRANSPORTER							9171							
	OTHER TRANSPORTER							16120							
25-20767	011 F				22	20S	37E MMU	16120	240.00	1.50	2,729				2,729
	GPU SUMMARY										0				0
25-06209	003 N				33	20S	37E MMU	7354			0				
	OTHER TRANSPORTER							9171							
	OTHER TRANSPORTER							16120							
25-24911	015 H				33	20S	37E MMU	7354			1,650				
	OTHER TRANSPORTER							9171							
	OTHER TRANSPORTER							16120							
25-26129	022				33	20S	37E MMU	7354			688				
	OTHER TRANSPORTER							9171							
	OTHER TRANSPORTER							16120							
	GPU SUMMARY								360.00	2.25	2,338				2,338
25-06236	007 K				22	20S	37E MMU	7354			2,395				
	OTHER TRANSPORTER							9171							
	OTHER TRANSPORTER							16120							
25-25603	016 M				22	20S	37E MMU	7354			5,707				
	OTHER TRANSPORTER							9171							
	OTHER TRANSPORTER							16120							
	GPU SUMMARY								240.00	1.50	8,102				8,102
25-06201	006Y A				21	20S	37E MMU	7354			702				
	OTHER TRANSPORTER							9171							
	OTHER TRANSPORTER							16120							
25-25937	020 H				21	20S	37E MMU	7354			5,526				
	OTHER TRANSPORTER							9171							
	GPU SUMMARY								320.00	2.00	6,228				6,228
000598 GILLULLY FED GAS COM															
25-04309	004 B				24	20S	36E MMU	7354			1,124				
	OTHER TRANSPORTER							9171							
	OTHER TRANSPORTER							7354							
25-04310	007 O				24	20S	36E MMU	9171			1,264				
	OTHER TRANSPORTER							16120							
	OTHER TRANSPORTER							7354							
25-25866	015 E				24	20S	36E MMU	9171			3,571				
	OTHER TRANSPORTER							7354							
	OTHER TRANSPORTER							9171							
25-26322	017 H				24	20S	36E MMU	7057			1,823				
	OTHER TRANSPORTER							7354							
	OTHER TRANSPORTER							9171							
	GPU SUMMARY								480.00	3.00	7,782				7,782
001109 STATE C TR 11															
25-25517	005 9				02	21S	36E MMU	7354			1,382				
	OTHER TRANSPORTER							9171							
	OTHER TRANSPORTER							16120							
25-25698	006 J				02	21S	36E MMU	7354			2,401				
	OTHER TRANSPORTER							9171							
	OTHER TRANSPORTER							16120							
25-26111	010 10				02	21S	36E MMU	7354			436				
	OTHER TRANSPORTER							9171							
	OTHER TRANSPORTER							16120							
	GPU SUMMARY								320.00	2.00	4,219				4,219
001123 STATE I COM															
25-04751	002 C				22	21S	36E M	7057	160.00	1.00	8,226				8,226
	OTHER TRANSPORTER							20809							
---OPERATOR TOTALS---															
									2,120.00	13.25	39,624				39,624
000873 APACHE CORP															
016844 STATE AF COM															
25-06656	001 C				18	21S	37E M	7057	113.40	.71	615				615
	OTHER TRANSPORTER							22345							
---OPERATOR TOTALS---															
									113.40	.71	615				615
000962 ARCH PETROLEUM INC															
014896 BERTIE WHITIRE															
25-06011	001 G				08	20S	37E M	7440	160.00	1.00	611				611
	OTHER TRANSPORTER							16120							
	OTHER TRANSPORTER							24650							
25-06012	002 B				08	20S	37E M	16120	160.00	1.00	0				0
	OTHER TRANSPORTER								320.00	2.00	611				611
---OPERATOR TOTALS---															
000990 ARCO PERMIAN															
001449 BARBER GAS COM															
25-06022	001 E				08	20S	37E MMU	7057			29,847				
	OTHER TRANSPORTER							24650							
25-05983	002 P				07	20S	37E MMU	24650			1,577				
	OTHER TRANSPORTER							24650							
25-05981	003 H				07	20S	37E MMU	24650			35,549				
	OTHER TRANSPORTER								320.00	2.00	66,973				66,973
	GPU SUMMARY														
001453 BYRD GAS COM															
25-04226	007 C				11	20S	36E MMU	20809			7,395				
	OTHER TRANSPORTER							24650							
25-32835	009 G				11	20S	36E MMU	0			0				
	OTHER TRANSPORTER														
	GPU SUMMARY								320.00	4.00	7,395				7,395
25-32441	008 K				11	20S	36E M	24650	320.00	2.00	14,920				14,920
	OTHER TRANSPORTER							7057	320.00	2.00	518				518
	OTHER TRANSPORTER							24650							
001457 COLEMAN															
25-04669	001 C				17	21S	36E M	8503	80.00	.50	9,307				9,307
	OTHER TRANSPORTER							9171							
	OTHER TRANSPORTER							24650							
001445 ERNEST C ADKINS															
25-04582	006 H				09	21S	36E MMU	7057			8,089				
	OTHER TRANSPORTER							9171							
	OTHER TRANSPORTER							24650							
25-04586	009 O				09	21S	36E MMU	7057			5,333				
	OTHER TRANSPORTER							9171							
	OTHER TRANSPORTER							24650							
25-32834	013 B				09	21S	36E MMU	0			0				
	OTHER TRANSPORTER								320.00	2.00	13,422				13,422
	GPU SUMMARY														

SD-AMOCO

Received 8/1/95
Released 8/15/95
Suspense Date NA

August 15, 1995

**Amoco Production Company
Permian Basin Business Unit
P. O. Box 4891
Houston, Texas 77210**

Attention: Devina M. Prince

Administrative Order SD-95-4

Dear Ms Prince:

Per your application dated July 28, 1995 you are hereby authorized to simultaneously dedicate Eumont Gas Pool production to the previously approved non-standard 160-acre gas spacing and proration unit ("GPU") comprising the NW/4 of Section 22, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico (authorized by Division Administrative Order NSP-470, dated February 25, 1959), from the existing State "I" Well No. 2 (**API No. 30-025-04751**), located at a standard gas well location 660 feet from the North line and 1980 feet from the West line (Unit C) of said Section 22 and to your proposed State "I" Well No. 3 to be drilled at a standard gas well location 1739 feet from the North line and 752 feet from the West line (Unit E) of said Section 22.

Further, you are permitted to produce the allowable assigned said 160-acre GPU from both wells in any proportion.

Sincerely,

William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe
File: NSP-470