



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

August 25, 1983

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

Mr. Stephen Ring, Attorney Re:
Amoco Production Company
P. O. Box 800
Denver, Colorado 80201

CASE NO. 7898
ORDER NO. R-7341

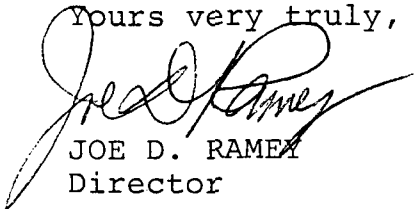
Applicant:

Amoco Production Company

Dear Sir:

Enclosed herewith are two copies of the above-referenced
Division order recently entered in the subject case.

Yours very truly,


JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD X
Artesia OCD X
Aztec OCD X

Other Jim Baca

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7898
Order No. R-7341

APPLICATION AMOCO PRODUCTION
COMPANY FOR AN NGPA DETERMINATION,
SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on June 8, 1983, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 25th day of August, 1983, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Amoco Production Company, seeks a determination by the Division that its Schneider Gas Com "B" Well No. 1-S located 950 feet from the South line and 900 feet from the West line of Section 28, Township 32 North, Range 10 West, NMPM, San Juan County, New Mexico, meets the NGPA well category criteria for Section 107, High Cost, Occluded Natural Gas Produced from Coal Seams, under Section 107 of the Natural Gas Policy Act of 1978, and the applicable rules of the Federal Energy Regulatory Commission.

(3) That said well was open hole completed at an interval from 2826 feet to 2853 feet.

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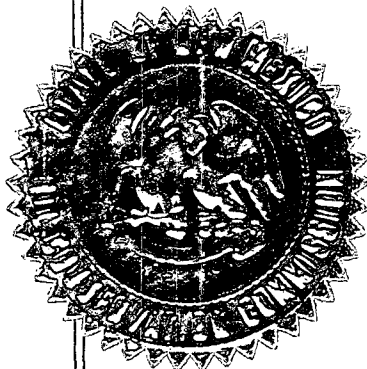
(4) That the combined geological and engineering data presented establishes that said Schneider Gas Com "B" Well No. 1-S has been completed in a "coal seam" and that the produced natural gas is "occluded natural gas" as defined by the provisions of Section 107 of the Natural Gas Policy Act of 1978 and the applicable rules of the Federal Energy Regulatory Commission.

IT IS THEREFORE ORDERED:

(1) That the Schneider Gas Com "B" Well No. 1-S located 950 feet from the South line and 900 feet from the West line of Section 28, Township 32 North, Range 10 West, NMPM, San Juan County, New Mexico, is completed in a "coal seam" and that the natural gas production is "occluded natural gas" as defined by the provisions of Section 107 of the Natural Gas Policy Act of 1978, and the applicable rules of the Federal Energy Regulatory Commission.

(2) That jurisdiction of this cause is hereby retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Joe D. Ramey
JOE D. RAMEY
Director