



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONY ANAYA
GOVERNOR

September 30, 1935

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SANTA FE, NEW MEXICO 87501
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Mr. Stephen D. Ring
Amoco Production Company
Amoco Building
17th and Broadway
Denver, Colorado 80202

Re: CASE NO. 3666
ORDER NO. R-8030

Applicant:
Amoco Production Company

Dear Sir:

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

Sincerely,

R. L. STAMETS
Director

RLS/fd

Copy of order also sent to:

Hobbs OCD x
Artesia OCD x
Aztec OCD x

Other _____

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. 8666
Order No. R-8030

APPLICATION OF AMOCO PRDUCTION
COMPANY FOR NGPA WELLHEAD PRICE
CEILING CATEGORY DETERMINATION,
SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on August 28, 1985, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 27th day of September, 1985, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

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

(2) The applicant, Amoco Production Company, seeks a determination by the Division that its Sammons Gas Com "I" Well No. 1 located 945 feet from the North line and 1580 feet from the East line of Section 6, Township 31 North, Range 10 West, NMPM, Cedar Hill-Fruitland Basal Coal Gas Pool, San Juan County, New Mexico, meets the N.G.P.A. well category criteria for 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) Said Sammons Gas Com "I" Well No. 1 was completed at an interval from 2620 feet to 2664 feet.

(4) The combined geological and engineering data presented establishes that said Sammons Gas Com "I" Well No. 1 has been completed in a "coal seam" and 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 THAT:

(1) The Amoco Production Company's Sammons Gas Com "I" Well No. 1 located 945 feet from the North line and 1580 feet from the East line of Section 6, Township 31 North, Range 10 West, NMPM, Cedar Hill-Fruitland Basal Coal Gas Pool, San Juan County, New Mexico, has been completed in a "coal seam" and 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) Jurisdiction of this cause is 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.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


R. L. STAMETS
Director

S E A L

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