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June 20, 1986

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OIL CONSERVATION DIVISION

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REPLY TO SANTA FE OFFICE

Richard L. Stamets, Director
Oil Conservation Division
State Land Office Building
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

Re: OCD Case 8822 - Application of Amoco Production
Company for Pool Creation and Special Pool Rules

Dear Dick:

Enclosed is a copy of a proposed order which has been
reviewed and approved by all of the parties to this case.

The effect of this order is that the Northeast Ojito Gallup
Oil Pool is created with temporary pool rules providing for 160-
acre spacing. Pursuant to agreement of the parties reached
during the hearing before the Commission on May 20, 1986, the
Order provides that the bottom tier of quarter sections shall be
subject to 40-acre oil well allowables.

The parties would appreciate your reviewing this order and
causing it to be entered as quickly as possible so that the 160-
acre oil well allowable may be applied to the other wells within
this pool to allow increased production.

Thank you for your assistance with and attention to this
matter.

Sincerely,


W. Perry Pearce

WPP:dml
Enclosure
cc: W. Thomas Kellahin, Esq. (w/enclosure)

11/11/62-
DRC 6-25

RLS



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

July 1, 1986

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Mr. W. Perry Pearce
Montgomery and Andrews
P. O. Box 2307
Santa Fe, New Mexico 87504

Re: CASE NO. 8822
A-9138-A
ORDER NO. _____

Applicant:
Amoco Production Company

Dear Sir:

Enclosed herewith are two copies of the above-referenced
Commission 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

Kent Lund, Thomas Kellahin
Other _____