

NEW MEXICO O.C.D.: 4-24-85:

AMOCO'S EXHIBITS TO
QUALIFY CERTAIN GAS
AS "COAL SEAM" GAS

WOOD GAS Com "A" #1 (CASE NO. 8471)			LEEPER GAS Com "D" #1R (CASE NO. 8566)		
EXH. #	EXHIBIT NAME		EXH. #	EXHIBIT NAME	
1A	8-30-84 Cover Letter		1B	3-18-85 Cover Letter	
2A	FORM C-132		2B	FORM C-132	
3A	FERC FORM 121		3B	FERC FORM 121	
4A	FORM C-101		4B	FORM C-101	
5A	FORM C-102		5B	FORM C-102	
6A	FORM C-105		6B	FORM C-105	
7A	NGPA Location Plat		7B	NGPA Location Plat	
8A	NMOLD ORDER R-7588		8B	NMOLD ORDER R-7588	
9A	LOG: Compensated Neutron		9B	LOG: Compensated Density	
10A	AREA PLAT				
11A	Certificate of mailing		11B	Certificate of mailing	
12A	Sworn Statement		12B	SWORN STATEMENT	
13A	Field Map		13B	Field Map	
14A	Stratigraphic Cross Section		14B	Stratigraphic Cross Section	
15A	Produced Gas Analysis		15B	Produced Gas Analysis	
16A	Cahn Desorbed Gas Analysis		16B	Cahn Desorbed Gas Analysis	
17A	State "BW" Gas Analysis		17B	State "BW" Gas Analysis	
18A	Fruitland Gas Analysis		18B	Fruitland Gas Analysis	
19A	Pictured Cliffs Gas Analysis		19B	Pictured Cliffs Gas Analysis	
20A	Revised NGPA Location Plat				



Stephen D. Ring
Attorney

Amoco Production Company

Denver Region
1670 Broadway
P.O. Box 800
Denver, Colorado 80201
303-830-4040

March 18, 1985

Re: Leeper Gas Com. "D" No. 1R
Application for Natural Gas
Category Determination, NGPA of
1978 Section 107

Department of Energy and Minerals
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87501

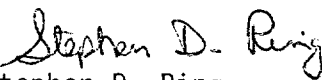
Dear Sir:

Amoco Production Company (Amoco) submits herewith for filing its Application for Natural Gas Category Determination under the Natural Gas Policy Act of 1978 for the above referenced well.

Amoco requests that all inquiries and correspondence regarding this filing be addressed to J.E. Ford, Amoco Production Company, Amoco Building, P.O. Box 800, Denver, Colorado 80201.

Please accept this Application for filing and acknowledge its receipt by stamping the enclosed copy of this letter and returning it in the envelope provided. Thank you.

Yours very truly,


Stephen D. Ring

SDR/mat
Encls.

cc w/att: El Paso Natural Gas Company (Purchaser)
W. P. Carr

SANTA FE, NEW MEXICO 87501
APPLICATION FOR WELLHEAD
PRICE CEILING CATEGORY DETERMINATION

1. FOR DIVISION USE ONLY:
DATE COMPLETE APPLICATION FILED _____
DATE DETERMINATION MADE _____
WAS APPLICATION CONTESTED? YES _____ NO _____
NAME(S) OF INTERVENOR(S), IF ANY: _____

5A. Indicate Type of Lease
STATE ☐ FEDERAL ☒
5. State Oil & Gas Lease No. _____
7. Unit Agreement Name _____
8. Form or Lease Name
Leeper Gas Com "D"
9. Well No.
1R
10. Field and Pool, or Wildcat
Mt. Nebo Fruitland
12. County
San Juan

2. Name of Operator
Amoco Production Company
3. Address of Operator
Amoco Building, 1670 Broadway, Denver, CO 80201
4. Location of Well
UNIT LETTER L LOCATED 1500 FEET FROM THE South LINE
AND 840 FEET FROM THE West LINE OF SEC. 34 TWP. 32N RGE. 10W
11. Name and Address of Purchaser(s)
El Paso Natural Gas Company, P. O. Box 1492, El Paso, TX 79978

WELL CATEGORY INFORMATION

Check appropriate box for category sought and information submitted.

1. Category(ies) Sought (By NGPA Section No.) 107
2. All Applications must contain:
☒ a. C-101 APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK
☒ b. C-105 WELL COMPLETION OR RECOMPLETION REPORT
☐ c. DIRECTIONAL DRILLING SURVEY, IF REQUIRED UNDER RULE 111
☒ d. AFFIDAVITS OF MAILING OR DELIVERY
3. In addition to the above, all applications must contain the items required by the applicable rule of the Division's "Special Rules for Applications For Wellhead Price Ceiling Category Determinations" as follows:
A. NEW NATURAL GAS UNDER SEC. 102(c)(1)(B) (using 2.5 Mile or 1000 Feet Deeper Test)
☐ All items required by Rule 14(1) and/or Rule 14(2)
B. NEW NATURAL GAS UNDER SEC. 102(c)(1)(C) (new onshore reservoir)
☐ All items required by Rule 15
C. NEW ONSHORE PRODUCTION WELL
☐ All items required by Rule 16A or Rule 16B
D. DEEP, HIGH-COST NATURAL GAS and TIGHT FORMATION NATURAL GAS (Coal Seam Gas)
☒ All items required by Rule 17(1) or Rule 17(2)
E. STRIPPER WELL NATURAL GAS
☐ All items required by Rule 18

I HEREBY CERTIFY THAT THE INFORMATION CONTAINED
HEREIN IS TRUE AND COMPLETE TO THE BEST OF MY
KNOWLEDGE AND BELIEF.

J. H. Goble

NAME OF APPLICANT (Type or Print)

SIGNATURE OF APPLICANT

Title Regional Natural Gas Mktg. Mgr.

Date 3-12-85

FOR DIVISION USE ONLY

- ☐ Approved
☐ Disapproved

The information contained herein includes all
of the information required to be filed by the
applicant under Subpart B of Part 274 of the
FERC regulations.

EXAMINER

U.S. DEPARTMENT OF ENERGY
Federal Energy Regulatory Commission
Washington, D.C. 20426

Form Approved
OMB No. 1902-0038
(Expires 12/31/84)

APPLICATION FOR DETERMINATION OF THE MAXIMUM LAWFUL
PRICE UNDER THE NATURAL GAS POLICY ACT (NGPA)
(Sections 102, 103, 107 and 108)

GENERAL INSTRUCTIONS

Complete this form if you are applying for price classification under sections 102, 103, 107 or 108 of the NGPA.

Complete each appropriate item on the reverse side of this page. The code numbers used in items 4 and 6 can be obtained from the Buyer/Seller Code Book. If there is more than one purchaser or contract, identify the additional information in the space below. Also enter any additional remarks in the space below. The data reported on this form are not considered to be confidential and will not be treated as such.

Submit the completed application to the appropriate Jurisdictional Agency as listed in title 18 of the CFR, part 274.501. If there are any questions, call (202) 357-8585.

SPECIFIC INSTRUCTIONS

Use the codes in the table below for type of determination in item 2.

Section of NGPA (a)	Category Code (b)	Description (c)
102	1	New OCS lease
102	2	New onshore well (2.5 mile test)
102	3	New onshore well (1000 feet deeper test)
102	4	New onshore reservoir
102	5	New reservoir on old OCS lease
103	-	New onshore production well
107	0	Deep (more than 15,000 feet) high-cost gas
107	1	Gas produced from geopressed brine
107	2	Gas produced from coal seams
107	3	Gas produced from Devonian shale
107	5	Production enhancement gas
107	6	New tight formation gas
107	7	Recompletion tight formation gas
108	0	Stripper well
108	1	Stripper well - seasonally affected
108	2	Stripper well - enhanced recovery
108	3	Stripper well - temporary pressure buildup
108	4	Stripper well - protest procedure

Enter the appropriate information regarding other Purchasers/Contracts.

Line No.	Contract Date (Mo, Da, Yr) (a)	Purchaser (b)	Buyer Code (c)
1			
2			
3			
4			
5			
6			

Remarks: The natural gas was (X) was not () committed and dedicated to interstate commerce on November 8, 1978. The maximum lawful price applicable to such gas on November 8, 1978 was \$ 1.51 (\$/MMBtu). Rate Schedules (s) 768.

Amoco Contract No. 96,176 Spud Date 8-8-84

**APPLICATION FOR DETERMINATION OF THE MAXIMUM LAWFUL
PRICE UNDER THE NATURAL GAS POLICY ACT (NGPA)**

1.0 API well number: (If not assigned, leave blank. 14 digits.)	30 - 045 - 26013 -				
2.0 Type of determination being sought: (Use the codes found on the front of this form.)	<div style="display: flex; justify-content: space-around;"> 107 </div> <div style="display: flex; justify-content: space-around; font-size: small;"> Section of NGPA Category Code </div>				
3.0 Depth of the deepest completion location: (Only needed if sections 103 or 107 in 2.0 above.)	2640 feet				
4.0 Name, address and code number of applicant: (35 letters per line maximum. If code number not available, leave blank.)	Amoco Production Company Name 1670 Broadway, P.O. Box 800 Street Denver CO 80201 City State Zip Code				000569 Seller Code
5.0 Location of this well: [Complete (a) or (b).] (a) For onshore wells (35 letters maximum for field name.)	Mt. Nebo Fruitland Field Name San Juan NM County State				
(b) For OCS wells:	Area Name Block Number <div style="text-align: center;"> Date of Lease: <div style="display: flex; justify-content: center; gap: 10px;"> <div style="border-bottom: 1px solid black; width: 20px;"></div> <div style="border-bottom: 1px solid black; width: 20px;"></div> <div style="border-bottom: 1px solid black; width: 20px;"></div> <div style="border-bottom: 1px solid black; width: 20px;"></div> <div style="border-bottom: 1px solid black; width: 20px;"></div> </div> <div style="display: flex; justify-content: space-around; font-size: x-small;"> Mo. Day Yr. </div> </div> <div style="text-align: right; margin-top: 5px;">OCS Lease Number</div>				
(c) Name and identification number of this well: (35 letters and digits maximum.)	Leeper Gas Com. "D" No. 1R				
(d) If code 4 or 5 in 2.0 above, name of the reservoir: (35 letters maximum.)					
6.0 (a) Name and code number of the purchaser: (35 letters and digits maximum. If code number not available, leave blank.)	El Paso Natural Gas Company Name				005708 Buyer Code
(b) Date of the contract:	0 1 0 6 7 8 Mo. Day Yr.				
(c) Estimated total annual production from the well:	182 Million Cubic Feet				
		(a) Base Price March '85	(b) Tax	(c) All Other Prices [Indicate (+) or (-).]	(d) Total of (a), (b) and (c)
7.0 Contract price: (As of filing date. Complete to 3 decimal places.)	S/MMBTU	5.944	.382	. . .	6.326
8.0 Maximum lawful rate: (As of filing date. Complete to 3 decimal places.)	S/MMBTU	5.944	.382	. . .	6.326
9.0 Person responsible for this application:	<div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> J. H. Goble Name Signature 3-12-85 Date Application is Completed </div> <div style="width: 60%;"> Regional Natural Gas Marketing Manager Title (303) 830-4311 Phone Number </div> </div>				

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LAND OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-101
Revised 1-4-65

5A. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
5. State Oil & Gas Lease No.
7. Unit Agreement Name
9. Well No. IR
10. Field and Pool, or Wildcat Mt. Nebo Fruitland
12. County San Juan
19. Proposed Depth 2650'
19A. Formation Fruitland
20. Rotary or C.T. Rotary
21A. Kind & Status Plug. Bond Statewide
21B. Drilling Contractor Unknown
22. Approx. Date Work will start As soon as permitted

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK	
1. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>	
2. Type of Well OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>	
3. Name of Operator Amoco Production Company	
4. Address of Operator 501 Airport Drive, Farmington, NM 87401	
6. Location of Well UNIT LETTER L LOCATED 1500 FEET FROM THE South LINE 840 FEET FROM THE West LINE OF SEC. 34 TWP. 32N REC. 10W NMPM	
11. Elevations (Show whether DF, RT, etc.) 5838' GR	

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17-1/2"	13-3/8"	48#, 11-40	300'	360 cu. ft. Class	Surface
12-1/4"	9-5/8"	32.3#, H-40	1150'	552 cu. ft. Class	Surface
8-3/4"	7"	20#, K-55	2650'	229 cu. ft. Class	Surface
		LT & C		B W/ 35.35 lb/sk of B-37 Bubbles, Yield=3.56' 3/sk	Surface

CONFIDENTIAL

Amoco proposes to drill the above well to further develop the Mt. Nebo Fruitland reservoir. The well will be drilled to the surface casing point using native mud. The well will then be drilled to TD with a low solids nondispersed mud system. Completion design will be based on open hole logs. Copy of all logs will be filed upon completion. Amoco's standard blowout prevention will be employed; see attached drawing for blowout preventer design. Upon completion the well site will be cleaned and the reserve pit filled and leveled. The gas from this well is dedicated to El Paso Natural Gas Co. under contract No. 96176.

ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTION. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Original Signed By D.D. Lawson Title Dist. Adm. Supervisor Date June 28, 1984

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

REMARKS OR APPROVAL, IF ANY:

All distances must be from the outer boundaries of the Section.

Operator AMOCO PRODUCTION COMPANY		Lease LEPPER GAS COM "DN"		Well No. 1R
Unit Letter L	Section 34	Township 32N	Range 10W	County San Juan
Actual Footage Location of Wells 1500 feet from the South line and 840 feet from the West line				
Ground Level Elev. 5838	Producing Formation Fruitland	Pool Mt. Nebo Fruitland	Dedicated Acreage 152.36 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Communitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

CONFIDENTIAL

Sec.

34

840'

1500'

CERTIFICATION

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

Name
D.D. Lawson
Position
Dist. Adm. Supervisor
Company
Amoco Production Co.
Date
6-27-84

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 knowledge and belief.

Date Surveyed
June 26, 1984
Registered Professional Engineer and Land Surveyor
Fred. B. Kerr Jr.
Certification No. **4222**

5B

OIL CONSERVATION DIVISION
P.O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-105
Revised 10-1-78

NO. OF COPIES REQUIRED	
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INDEX	
LAND OFFICE	
OPERATOR	

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1. TYPE OF WELL

2. TYPE OF COMPLETION

3. Name of Operator

Amoco Production Company

4. Address of Operator

501 Airport Drive, Farmington, NM 87401

5. Location of Well

6. LETTER L LOCATED 1500 FEET FROM THE South LINE AND 840 FEET FROM

7. West LINE OF SEC. 34 TWP. 32N REC. 10W

8. Date Spudded 8/8/84 9. Date T.D. Reached 8/19/84 10. Date Compl. (Ready to Prod.) 10/12/84 11. Elevations (H.F., RAIL, RT, GR, etc.) 5851' KB 12. Elev. Casinghead 5838' GR

13. Total Depth 2685' 14. Plug Back T.D. 2670' 15. If Multiple Compl., How Many single 16. Intervals Drilled By Hotary Tools O-TD 17. Cable Tools

18. Producing Interval(s), of this completion — Top, Bottom, Name

2608'-2640' Fruitland

19. Type Electric and Other Logs Run

IL-SP-GR-DC-GR- w/caliper - HC - Sonic - GR

20. Was Directional Survey Made
Yes

21. Was Well Cored
No

CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13-3/8"	48#, K-55	265'	17-1/2"	496 c.f. class B Ideal	
9-5/8"	32.3#, H-40	1142'	12-1/4"	530 c.f. class H Ideal	
7"	23#, K-S	2685'	8-3/4"	289 c.f. Class B Portland	

LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-7/8"	2540'	

22. Perforation Record (Interval, size and number)

2640'-2608', 12 jsp, .75"
total of 384 holes

23. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
2608'-2640'	Stress frac w/3"x 12' guns

PRODUCTION

24. First Production 11/29/84 25. Production Method (Flowing, gas lift, pumping — Size and type pump) Flowing 26. Well Status (Prod. or Shut-in) Shut-in

27. Date of Test 11/30/84 28. Hours Tested 3 29. Choke Size .50" 30. Prod'n. For Test Period → 31. Oil — Hbl. 60 32. Gas — MCF 479 33. Water — Hbl. → 34. Gas — Oil Ratio →

35. Tubing Press. 79 psig 36. Casing Pressure 150 psig 37. Calculated 24-Hour Flow → 38. Oil — Hbl. → 39. Gas — MCF 479 40. Water — Hbl. → 41. Oil Gravity — API (Corr.) →

42. Disposition of Gas (Selling, used for fuel, vented, etc.)

To be sold

43. Test Witnessed By

J.J. Barnett

44. List of Attachments

None

45. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Original Signed By

D.D. Lanza

District

Area Admin. Supervisor

DATE 12/12/84

6B

This form is to be filled with the appropriate District Office of the Department, not later than 20 days after the completion of any newly-filled log. To provide each District Office with one copy of all completed District Office logs, the well and community shall report data on a daily basis to the District Office. All depth reports shall be measured depth, in the case of directionally drilled wells, true vertical depth shall also be reported. For depth to completion, report 99.999999. A daily report is required for each zone. This form is to be filed by independent operators on a daily basis, where applicable, upon request, provide 110%.

Northwestern New Mexico

T. Anhy	T. Canyon	T. Ojo Alamo 1247	T. Penn. "B"
T. Salt	T. Strawn	T. Kirtland-Fruitland 1807	T. Penn. "C"
D. Salt	T. Atoka	T. Pictured Cliffs	T. Penn. "D"
T. Yates	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian	T. Menefee	T. Madison
T. Queen	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	T. Menloyn	T. Mancos	T. McCracken
T. San Andres	T. Simpson	T. Gallup	T. Ignacio Grite
T. Glorieta	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T. _____
T. Blaineby	T. Gr. Wash	T. Morrison	T. _____
T. Tubb	T. Granite	T. Todillo	T. _____
T. Drinkard	T. Delaware Sand	T. Entrada	T. _____
T. Abo	T. Bone Springs	T. Wingate	T. _____
T. Wolfcamp	T. _____	T. Chinle	T. _____
T. Penn.	T. _____	T. Permian	T. _____
T. Cisco (Bough C)	T. _____	T. Penn. "A"	T. _____

No. 1, from.....to..... No. 4, from.....to.....
No. 2, from.....to..... No. 5, from.....to.....
No. 3, from.....to..... No. 6, from.....to.....

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from _____ to _____ feet. _____

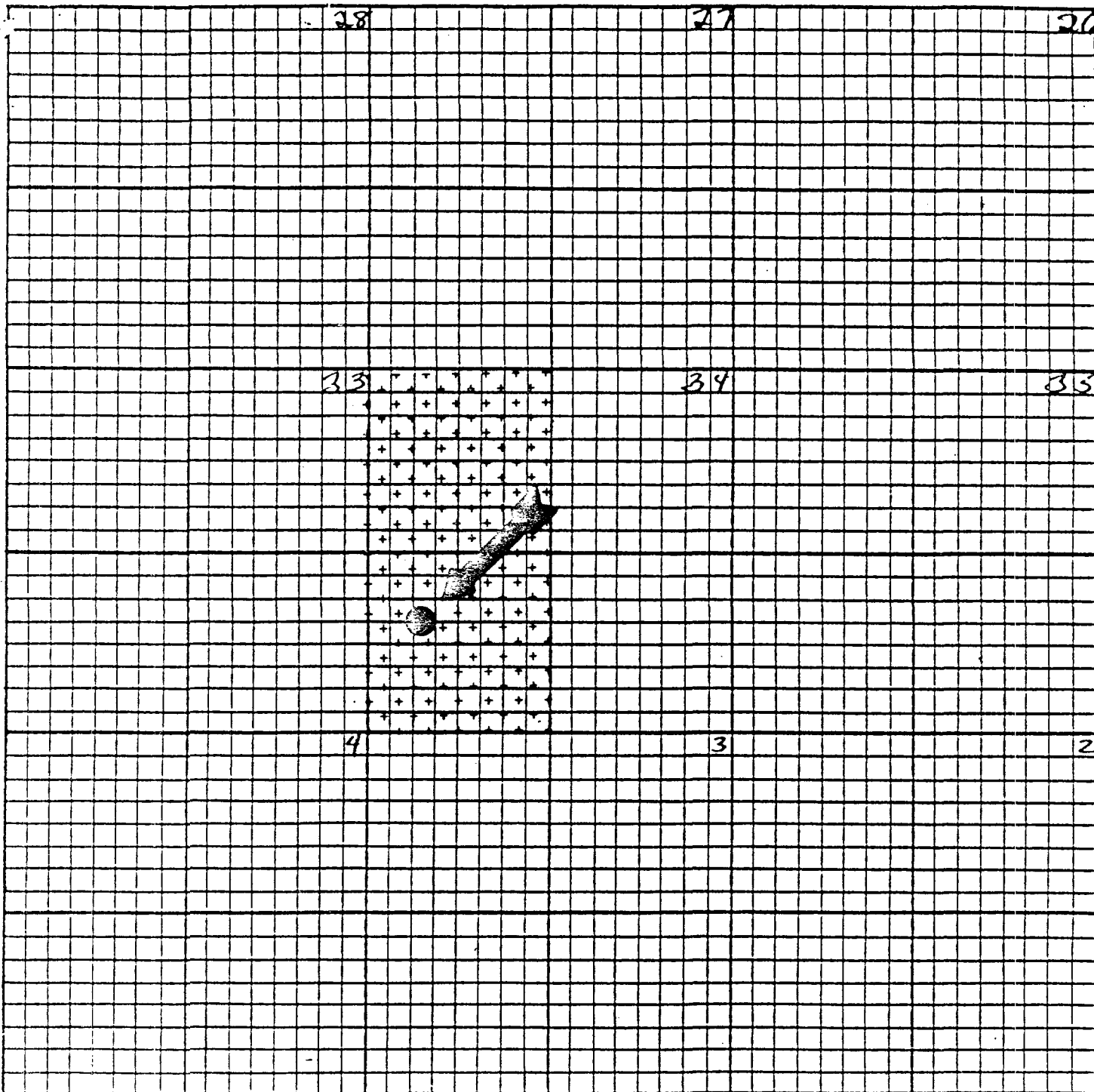
No. 2, from _____ to _____ feet. _____

No. 3, from _____ to _____ feet. _____

No. 4, from _____ to _____ feet. _____

From	To	Thickness In Feet	Formation	From	To	Thickness In Feet	Formation
1247	1280	33'	Ojo Alamo				
1280	1807	527'	Farmington SS				
1807	TD	2843'	Kirtland-Fruitland				

R-10W



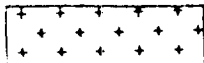
LOCATION PLAT IDENTIFYING WELL FOR WHICH DETERMINATION IS SOUGHT UNDER THE NGPA, AS FOLLOWS:

API WELL NO.: 30-045-26013 APPLICANT: Amoco Production Company

WELL NAME AND NO.: Leeper Gas Com D#1R

LOCATION OF WELL: M+Nebo Fld, Sanguan, Nm
Field County State

LEGEND



Area Attributable To Well For
Which Determination Is Sought

Amoco Contract No.: 96,176
Rate Schedule No.: 765

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. 8014
Order No. R-7588

APPLICATION OF AMOCO PRODUCTION
COMPANY FOR POOL CREATION AND
SPECIAL POOL RULES, SAN JUAN
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on January 18,
1984, at Santa Fe, New Mexico, before Examiner Michael E.
Stegner.

NOW, on this 9th day of July, 1984, 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
an order creating a new gas pool, the vertical limits to be
the Basal Coal Zone of the Fruitland formation, with special
pool rules including a provision for well location and a
provision for 320-acre spacing, San Juan County, New Mexico.

(3) That the applicant is the owner and operator of the
Cahn Gas Com Well No. 1, located 1030 feet from the North
line and 1600 feet from the West line of Section 33, Township
32 North, Range 10 West, NMPM, San Juan County, New Mexico.

(4) That although said Cahn Gas Com Well No. 1 is
located within the Mount Nebo-Fruitland Pool (created by
Division Order No. R-4690, dated December 6, 1973, as
amended by Division Order Nos. R-5843 and R-7046, dated
November 2, 1978, and August 6, 1982, respectively), the

geological evidence presented at the hearing demonstrates that said well, which is producing from an open hole interval from 2795 feet to 2812 feet, has discovered a separate common source of supply within the Basal Coal member of the Fruitland formation and should be designated the Cedar Hill-Fruitland Basal Coal Pool.

(5) That the well log for the discovery well, as described above, does not fully penetrate the Basal Coal member of the Fruitland formation and as such should not be used as the type log for the proposed pool.

(6) That the vertical limits of said proposed pool should then be based upon the Basal Coal member of the Fruitland formation from approximately 2838 feet to 2878 feet as found on the type log from the applicant's Schneider Gas Com "B" Well No. 1 located 1110 feet from the South line and 1185 feet from the West line of Section 28, Township 32 North, Range 10 West, NMPM, San Juan County, New Mexico.

(7) That the well log from said Schneider Gas Com "B" Well No. 1 penetrates the entire Basal Coal member of the Fruitland formation and said well is approximately 2200 feet north of the discovery well, as described in Finding Paragraph No. (3) above.

(8) That the horizontal limits of said proposed pool should be as follows:

TOWNSHIP 31 NORTH, RANGE 10 WEST, NMPM
Sections 3 through 6: All

TOWNSHIP 32 NORTH, RANGE 10 WEST, NMPM
Sections 19 through 22: All
Sections 27 through 34: All

comprising 10,240 acres, more or less, all in San Juan County; New Mexico.

(9) That the currently available information indicates that one well in the proposed pool should be capable of effectively and efficiently draining 320 acres.

(10) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to encourage the orderly development of the proposed pool, and to otherwise prevent waste and protect correlative rights, the Cedar Hill-Fruitland Basal Coal Pool should be created with Temporary Special Rules

and Regulations providing for 320-acre spacing units comprising any two contiguous quarter sections of a single governmental section, being a legal subdivision of the United States Public Land Surveys.

(11) That the Temporary Special Rules and Regulations should provide for limited well locations in order to assure orderly development of the pool and to protect correlative rights.

(12) That said Temporary Special Rules and Regulations should be effective February 1, 1984, and should also be established for a two-year period in order to allow the operators in the Cedar Hill-Fruitland Basal Coal Pool to gather reservoir information to establish whether the temporary rules should be made permanent.

(13) That special provisions for a non-standard gas well location should be made for any well drilling to or completed in the Basal Coal member of the Fruitland formation within the proposed Cedar Hill-Fruitland Basal Coal Pool or within one mile of said pool on or before February 1, 1984, that does not comply with any special well location requirements promulgated in this order.

(14) That the vertical limits of the Mount Nebo-Fruitland Pool should be redefined to include the Fruitland formation with the exception of the Basal Coal member as designated on the type log of said Amoco Production Company's Schneider Gas Com "B" Well No. 1, as described in Finding Paragraph No. (6) above.

(15) That this case should be reopened at an examiner hearing in February, 1986, at which time the operators in the subject pool should be prepared to appear and show cause why the Cedar Hill-Fruitland Basal Coal Pool should not be developed on 160-acre spacing units.

IT IS THEREFORE ORDERED:

(1) That effective February 1, 1984, a new pool in San Juan County, New Mexico, classified as a gas pool for production from the Basal Coal member of the Fruitland formation, is hereby created and designated the Cedar Hill-Fruitland Basal Coal Pool, with the vertical limits comprising the Basal Coal member of the Fruitland formation as found from approximately 2795 feet to 2878 feet on the type log of the Amoco Production Company Schneider Gas Com "B" Well No. 1,

located 1110 feet from the South line and 1185 feet from the West line of Section 28, Township 32 North, Range 10 West, NMPM, San Juan County, New Mexico; and horizontal limits consisting of the following described area:

TOWNSHIP 31 NORTH, RANGE 10 WEST, NMPM
Sections 3 through 6: All

TOWNSHIP 32 NORTH, RANGE 10 WEST, NMPM
Sections 19 through 22: All
Sections 27 through 34: All

comprised of 10,240 acres, more or less, all in San Juan County, New Mexico.

(2) That Temporary Special Rules and Regulations for the Cedar Hill-Fruitland Basal Coal Pool are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS FOR THE
CEDAR HILL-FRUITLAND BASAL COAL POOL
SAN JUAN COUNTY, NEW MEXICO

RULE 1. Each well completed or recompleted in the Cedar Hill-Fruitland Basal Coal Pool or in the Basal Coal member of the Fruitland formation within one mile of the Cedar Hill-Fruitland Basal Coal Pool, and not nearer to or within the limits of another designated Fruitland Basal Coal Pool shall be spaced, drilled, operated, and prorated in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2. Each well shall be located on a standard unit containing 320 acres, more or less, comprising any two contiguous quarter sections of a single governmental section, being a legal subdivision of the United States Public Land Surveys.

RULE 3. Non-standard spacing or proration units shall be authorized only after notice and hearing.

RULE 4. The first well drilled or recompleted on every standard or non-standard unit in the Cedar Hill-Fruitland Basal Coal Pool shall be located in the NE/4 or SW/4 of a single governmental section and shall be located not closer than 790 feet to any outer boundary of the tract nor closer than 130 feet to any quarter-quarter section or subdivision inner boundary.

RULE 5. The Division Director may grant an exception to the requirements of Rule 4 without notice and hearing when an application has been filed for an unorthodox location necessitated by topographical conditions or the recompletion of a well previously drilled to another horizon. All operators offsetting the proration unit shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Director may approve the application upon receipt of written waivers from all operators offsetting the proration unit or if no objection to the unorthodox location has been entered within 20 days after the Director has received the application.

RULE 6. That any subsequent well drilled or recompleted in an existing Cedar Hill-Fruitland Basal Coal standard or non-standard unit shall be authorized only after notice and hearing.

IT IS FURTHER ORDERED:

(3) That an exception is hereby granted to the Special Rules and Regulations for the Cedar Hill-Fruitland Basal Coal Pool to permit Amoco Production Company to locate its Cahn Gas Com Well No. 1, located 1030 feet from the North line and 1600 feet from the West line of Section 33, Township 32 North, Range 10 West, NMPM, San Juan County, New Mexico, at an unorthodox gas well location in the NW/4 of said Section 33.

(4) That any well drilling to or completed in the Basal Coal member of the Fruitland formation within the Cedar Hill-Fruitland Basal Coal Pool or within one mile of said pool either on or before August 1, 1984, that will not comply with the well location requirements of Rule 4 is hereby granted an exception to the requirements of said rule. The operator of any such well shall notify the Aztec District Office of the Division, in writing, of the name and location of any such well on or before November 1, 1984.

(5) That the vertical limits of the Mount Nebo-Fruitland Pool (created by Division Order No. R-4690, dated December 6, 1973, as amended by Division Order Nos. R-5843 and R-7046, dated November 2, 1978, and August 6, 1982, respectively) are hereby redefined to include the Fruitland formation with the exception of the Basal Coal member as designated on the type log of the Amoco Production Company Schneider Gas Com "B" Well No. 1, as described in Ordering Paragraph No. (1) above.

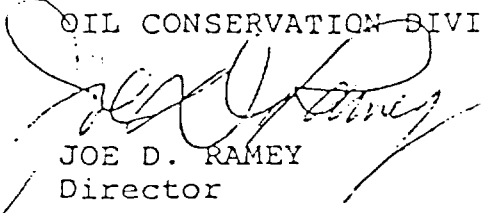
Order No. R-7588

(6) That this case shall be reopened at an examiner hearing in February, 1986, at which time the operators in the subject pool may appear and show cause why the Cedar Hill-Fruitland Basal Coal Pool should not be developed on 160-acre spacing and proration units.

(7) That 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 herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director

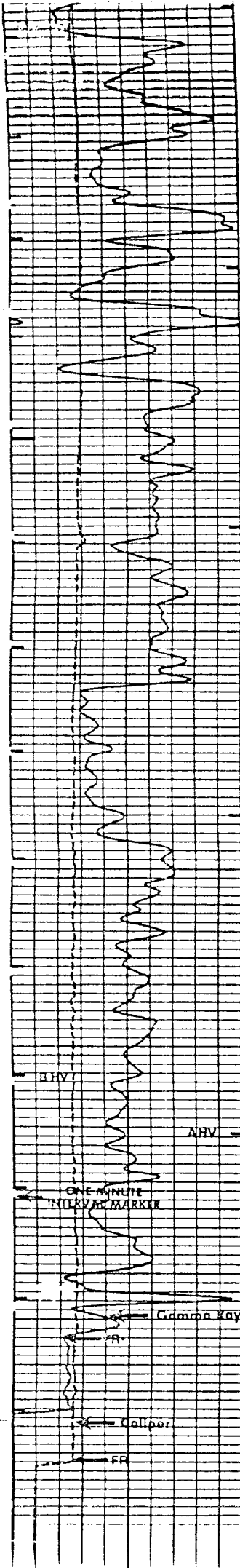
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COMPENSATED DENSITY DUAL SPACED NEUTRON LOG

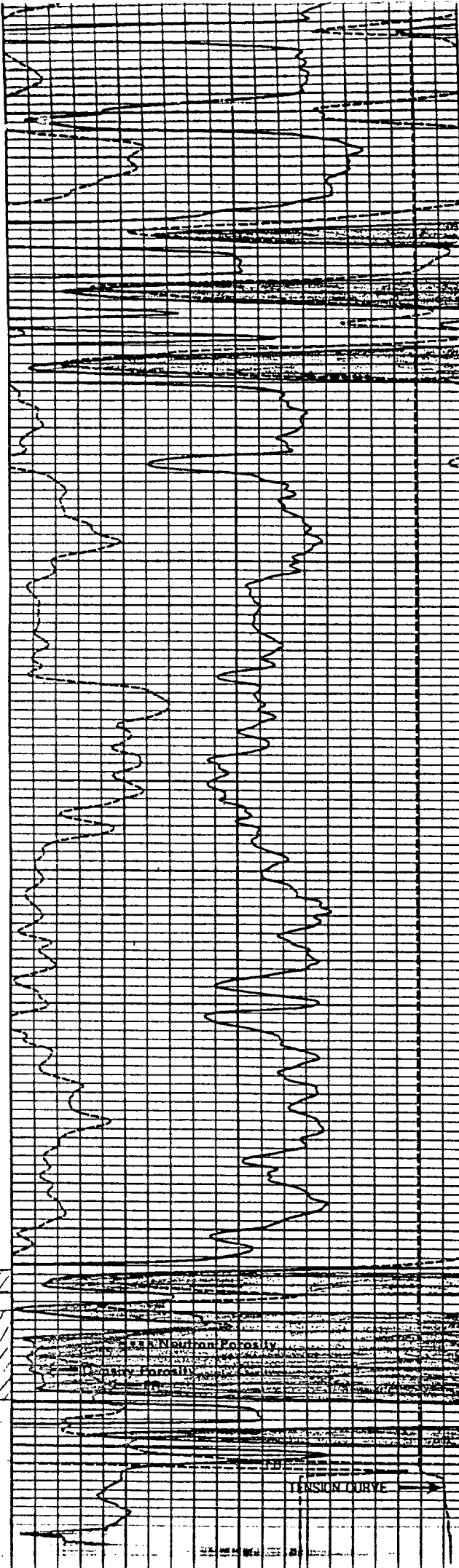
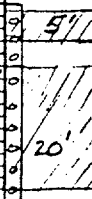
COMP. AMOCO PRODUCTION COMPANY WELL LEEPER GAS COM. "T" NO. 1 FIELD MT. NEBO FRUITLAND COUNTY SAN JUAN ST. N. MEX.	COMPANY AMOCO PRODUCTION COMPANY			
	WELL LEEPER GAS COM. D NO. 1R			
	FIELD MT. NEBO FRUITLAND			
	COUNTY SAN JUAN		STATE N. MEX.	
	API NO. LOCATION 1500 FSL/840 FWL		OTHER SERVICES DIGL-CR AVL-CR	
SEC. 34		TWP. 32N		RGE. 10W
PERMANENT DATUM		GROUND LEVEL		ELEV. 5838
LOG MEASURED FROM		KELLY BUSHING		12.5 FT. ABOVE PERM. DATUM
DRILLING MEASURED FROM KELLY BUSHING				ELEV.: K.B. 5850.5 D.F. 5849.5 G.L. 5838
DATE	8/18/84			
RUN NO.	ONE			
DEPTH-DRILLER	2650			
DEPTH-WELEX	2654			
BTH. LOG INTER.	2652			
TOP LOG INTER.	1143			
CASING-DRILLER	9 5/8 @ 1150	@	@	@
CASING-WELEX	1143			
BIT SIZE	8 3/4			
TYPE FLUID IN HOLE	LSND			
DENS. : VISC.	10.6 : 42	:	:	:
PH : FLUID LOSS	8.0 : 6.5 ML	:	ML	:
SOURCE OF SAMPLE	MUD TANKS			
RM @ MEAS. TEMP.	5.0 @ 70 F	@	F	@
RMF @ MEAS. TEMP.	5.5 @ 65 F	@	F	@
RMC @ MEAS. TEMP.	5.0 @ 68 F	@	F	@
SOURCE RMF RMC	MEAS. : MEAS.	:	:	:
RM @ BHT	2.17 @ 170 F	@	F	@
TIME SINCE CIRC.	1 HOUR			
TIME ON BOTTOM	9:15			
MAX. REC. TEMP.	170 Fe T. D.	Fe	Fe	Fe
EQUIP. : LOCATION	51311 : FARM.	:	:	:
RECORDED BY	D. GURULE			
WITNESSED BY	D. SCHOTT			



2400

2500

2600



TENSION CURVE

CERTIFICATE OF MAILING

I hereby certify that a true and correct copy of the New Mexico Oil Conservation Division's Form C-132 and the Form FERC-121 for the Leeper Gas Com. "D" No. 1R well was mailed, postage prepaid, to each working interest owner and each party to the gas purchase contract, as listed below.

PURCHASER: El Paso Natural Gas Company
P. O. Box 1492
El Paso, TX 79978

WORKING INTEREST OWNER: W. P. Carr
6700 Forest Lane
Dallas, TX 75230

AMOCO PRODUCTION COMPANY

BY: _____

Stephen D. Ring
Stephen D. Ring, Attorney
Amoco Building
Denver, Colorado 80202

APPLICANT'S SWORN STATEMENT

STATE OF COLORADO)
) ss
 COUNTY OF DENVER)

R. J. Criswell, having first been duly sworn,
 states that he is a responsible official of the Applicant, Amoco Production
 Company, and further states:

1. That the surface drilling of Leeper Gas Com. "D" No. 1R for
 which Applicant seeks a determination, was commenced on or after July 16,
 1979;

2. That the gas is being produced from a Coal Seam.

3. That there is no further information of which Applicant has
 knowledge inconsistent with the conclusions stated herein.

DATED this 12th day of March, 1985.

AMOCO PRODUCTION COMPANY, Applicant

BY: R. J. Criswell

TITLE: Division Production Manager

ADDRESS: Amoco Production Company

Amoco Building

Denver, CO 80202

SUBSCRIBED, SWORN TO, AND ACKNOWLEDGED before me this 12th day of

March, 1985.

Mary Ann Rau
 Notary Public

My Commission expires:

8-23-88

**AMOCO BUILDING
 1670 BROADWAY
 DENVER, CO 80202**