

*well file*

Energy Reserves Group, Inc.  
P.O. Box 3280  
Casper, Wyoming 82601  
Phone 307 265 7331



August 15, 1978

State of New Mexico  
Oil Conservation Commission  
P.O. Box 2088  
Santa Fe, New Mexico 87501

Re: Application of Energy Reserves Group, Inc. for Downhole Commingling,  
Jicarilla 35 No. 3, Rio Arriba County, New Mexico.

Gentlemen:

2-24 N-5W.

Attached for your consideration is an application to commingle the production from the South Blanco Pictured Cliffs and Otero Chacra in the wellbore of the Jicarilla 35 Well No. 3 which is located in Unit Letter B, Section 2, T24N, R5W.

Energy Reserves Group, Inc. requests that administrative approval be granted on this application. Offered in support of administrative approval is the precedent established by Order No. R-5775 permitting the commingling within the wellbore of Pictured Cliffs and Chacra produced gas in Jicarilla Well No. 6 located in Unit H of Section 1, Township 24 North, Range 5 West, and Jicarilla Wells Nos. 4 and 5 located in Unit M of Section 35 and Unit J of Section 36, respectively, both in Township 25 North, Range 5 West, Rio Arriba County, New Mexico.

In the event administrative approval can not be granted, it is requested that the application be placed on the docket of the next scheduled hearing.

Very truly yours,

ENERGY RESERVES GROUP, INC.

*Terry J. Cox*

Terry Cox  
Production Engineer

TC/wrh

enc.



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P.O. Box 3280  
Casper, Wyoming 82601  
Phone 307 265 7331



Energy Reserves Group

*August 15, 1978*

*State of New Mexico  
Oil Conservation Commission  
P.O. Box 2088  
Santa Fe, New Mexico 87501*

*Re: Application of Energy Reserves Group, Inc. for Downhole Commingling.  
Rio Arriba County, New Mexico.*

*Gentlemen:*

*Energy Reserves Group, Inc., submits this application requesting approval to commingle downhole the production from the South Blanco Pictured Cliffs and Otero Chacra in the wellbore of the Jicarilla 35 Well No. 3 which is located in Unit Letter B, Section 2, T24N-R5W. The following is supplied as supporting data:*

- 1. The well is owned and operated by Energy Reserves Group, Inc.*
- 2. Form C-116 showing the production of the subject well from the Pictured Cliffs and Chacra for the month of April, 1978.*
- 3. Production decline curves for both zones.*
- 4. The estimated bottomhole pressure of the Pictured Cliffs is 198 psig and the Chacra is 304psig. Pressures are extrapolated from surface pressures. Underground waste would not be caused by commingling provided that the well is not shut-in for extended periods.*
- 5. Both zones produce gas with a trace of water. The Pictured Cliffs gas gravity is .697 and the Chacra gas gravity is .670. Sufficient water is produced to restrict gas production.*
- 6. The contracted price is the same for the gas from both zones; therefore, the combined price will be the same as the individual prices.*
- 7. All offset operators, by copy of this application, have been notified.*



8. It is requested that allocation be based on the average daily production for the first four months of 1978. The Pictured Cliffs has averaged 40.5 MCFPD and the Chacra 55.3 MCFPD; therefore, the allocation as suggested would be 42% Pictured Cliffs and 58% Chacra.

Very truly yours,

ENERGY RESERVES GROUP, INC.

A handwritten signature in cursive script that reads "Terry J. Cox".

Terry J. Cox  
Production Engineer  
Rocky Mountain District

TJC/wrh

enc.



C-116  
Revised 1-1-65

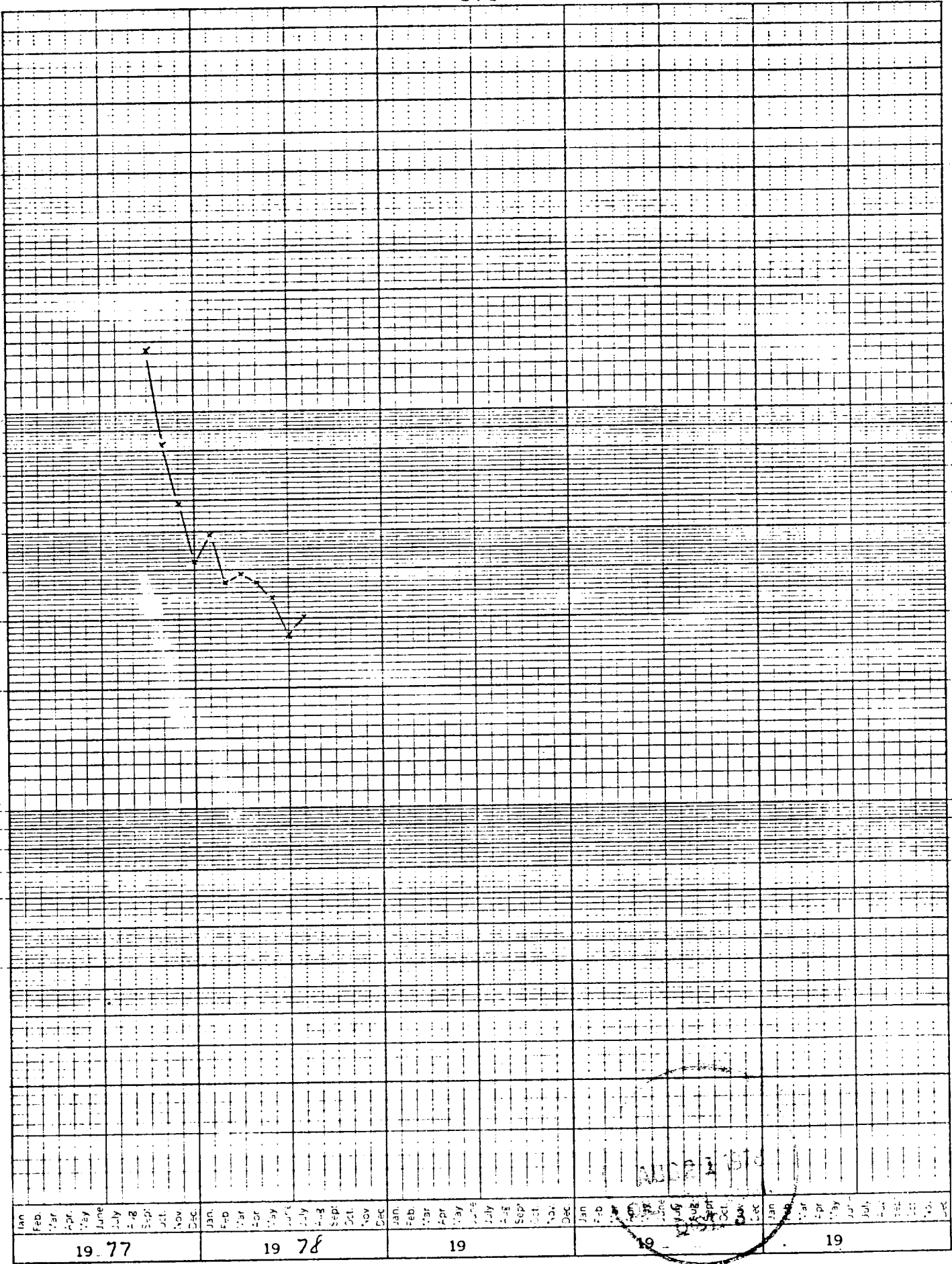
**(Date)**

JIC 35 #2 - P.C.

46 6690

mcFPD

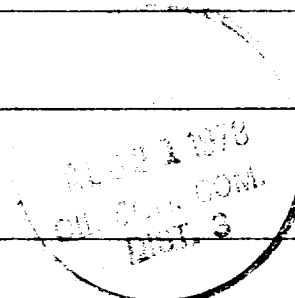
K&E 5 YEARS BY MONTHS x 3 LOG CYCLES  
KEUFFEL & ESSER CO. MADE IN U.S.A.





**NEW MEXICO OIL CONSERVATION COMMISSION  
GAS-OIL RATIO TESTS**

C-116  
Revised 1-1-65

Operator <b>Energy Reserves Group, Inc.</b>		Pool <b>Otero - Chacra</b>		County <b>Rio Arriba</b>											
Address <b>P.O. Box 3280, Casper, Wyoming 82602</b>				TYPE OF TEST - (X) <input checked="" type="checkbox"/> TEST - (X)											
				SCHEDULED <input type="checkbox"/> COMPLETION <input type="checkbox"/> SPECIAL <input type="checkbox"/>											
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST				GAS - OIL RATIO CU.FT./BBL.
		U	S	T	R						WATER BBL.S.	GRAV. OIL BBL.S.	GAS M.C.F.		
<b>Jicarilla 35</b>	<b>3</b>	<b>B</b>	<b>2</b>	<b>24N</b>	<b>5W</b>	<b>4-1-78 to 4-30-78</b>		<b>220</b>			<b>77.</b>	<b>0</b>	<b>2,059</b>		
<div style="text-align: center;">  </div>															

No well will be assigned an allowable greater than the amount of oil produced on the official test.

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

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

*Terry J. Cox*  
(Signature)

Production Engineer  
(Title)

August 15, 1978

(Date)