



TONY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

August 26, 1985



1935 - 1985

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

Administrative Order No. DHC-562

Union Texas Petroleum
P. O. Box 1290
Farmington, New Mexico 87499

Attention: P. M. Pippin

Re: Jicarilla "H" Well No. 8, Unit P,
Sec. 19, T-26-N, R-4-W, NMPM, Rio Arriba
County, New Mexico; Basin-Dakota and
Tapacito Gallup Pools

RECEIVED
SEP 05 1985
OIL CON. DIV.
DIST. 3

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations for the subject dually completed well to permit the removal of the down-hole separation equipment and to commingle the production from both pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division order which authorized the dual completion and required separation of the two zones, is hereby placed in abeyance.

In accordance with the provisions of Rule 303.C.4., total commingled oil production from the subject well shall not exceed 50 barrels per day, and total water production from the well shall not exceed 100 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by Oil Conservation Division Rules and Regulations or by the San Juan Basin Gas Proration Schedule.

In accordance with the provisions of Rule 303-C, the supervisor of the Aztec District Office of the Oil Conservation

Division shall determine the proper allocation of production from the subject well following its completion.

Pursuant to Rule 303-C 5, the commingled authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Very truly yours,

A handwritten signature in dark ink, appearing to read "R. L. Stamets", with a stylized flourish at the end.

R. L. STAMETS,
Director



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE 8/21/85

RE: Proposed MC _____
Proposed DHC α _____
Proposed NSL _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated 8-7-85
for the Union Texas Pet. Corp. Jimilla H#3 P-19-26N-4W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve

Yours truly,

Paul D. Gray

File
DHC 562

July 25, 1985

Oil Conservation Division
Richard L. Stamets
P.O. Box 2088
Santa Fe, New Mexico 87501-2088

Re: Jicarilla H #8
790' FSL; 790' FEL
Section 19, T26N-R4W
Rio Arriba County, New Mexico

RECEIVED
AUG 07 1985
OIL CON. DIV.
DIST. 3

Dear Mr. Stamets:

Union Texas Petroleum Corporation is applying for a downhole commingling order for the referenced well in the Basin Dakota and Tapacito Gallup fields as per Order #R-7508. The ownership of the zones to be commingled is common. The only offset operator is Jerome P. McHugh and Associates. The Bureau of Land Management and this offset operator will received notification of this proposed downhole commingling.

The Dakota zone is perforated with 1 hole per foot (7514'-18', 7612'-30', and 7652'-70') and the Gallup from 6992'-6998' with 2 holes per foot. Each zone has been hydraulically fractured to stimulate production. The well was initially completed as a dual completion in October 1969.

A Packer Leakage Test in May 1984 indicated the two zones were communicatd downhole. Since to date the Gallup has failed to produce, downhole commingling will be the most efficient method of producing the well. The proposed commingling may result in the recovery of additional hydrocarbons from each of the subject pools, thereby preventing waste and will not violate correlative rights.

The reservoir characteristics of each of the subject zones are such that underground waste would not be caused by the proposed downhole commingling. The fluids from each zone are compatible and no precipitates will be formed to cause damage to either reservoir. The daily production will not exceed the limit of Rule 303c, Section 1a, Part 1. Both fluids have an API oil gravity close to 58°. The bottom hole pressure for the Dakota is 972 psi. The bottom hole pressure for the Gallup is 950 psi.

Jicarilla H #8
Proposed Commingling
Page 2

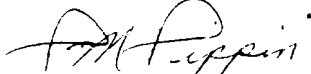
The Jicarilla H #7 (K Section 19, T26N-R4W) located about 1/2 mile northwest of the subject well was commingled in the Gallup-Dakota in September 1981. The well did not experience any detrimental effects due to the commingling.

The District Office in Aztec will be notified anytime the commingled well is shut in for seven (7) consecutive days.

To allocate the commingled production to each of the zones, Union Texas Petroleum Corporation will consult with the District Supervisor of the Aztec District Office of the Division to determine an allocation formula for each of the production zones.

Included with this letter is a plat showing ownership of offsetting leases, letter to the offset operator, wellbore diagram, data sheet, production curves from offsetting commingled Gallup-Dakota well Jicarilla H #7.

Yours truly,



P. M. Pippin
Petroleum Engineer

PMP/ljm

cc: Frank Chavez
OCD - Aztec Office
Bureau of Land Management

July 25, 1985

Jerome P. McHugh
c/o Dugan Production Corp.
709 Bloomfield Highway
P.O. Box 208
Farmington, New Mexico 87401

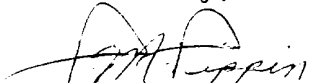
Gentlemen:

Union Texas Petroleum Corporation is in the process of applying for a downhole commingling order for their Jicarilla H #8 well located 790' FSL; 790' FEL, Section 19, T26N-R4W, N.M.P.M., Rio Arriba County, New Mexico, in the Basin Dakota and Tapacito Gallup.

The purpose of this letter is to notify you of such action, as our records indicate that you are the owner and operator of acreage which adjoins the area in which the downhole commingling is requested. If you have no objections to the proposed commingling order, we would appreciate your signing the attached copy of this letter and return same to this office.

Your prompt attention to this matter would be appreciated.

Yours truly,



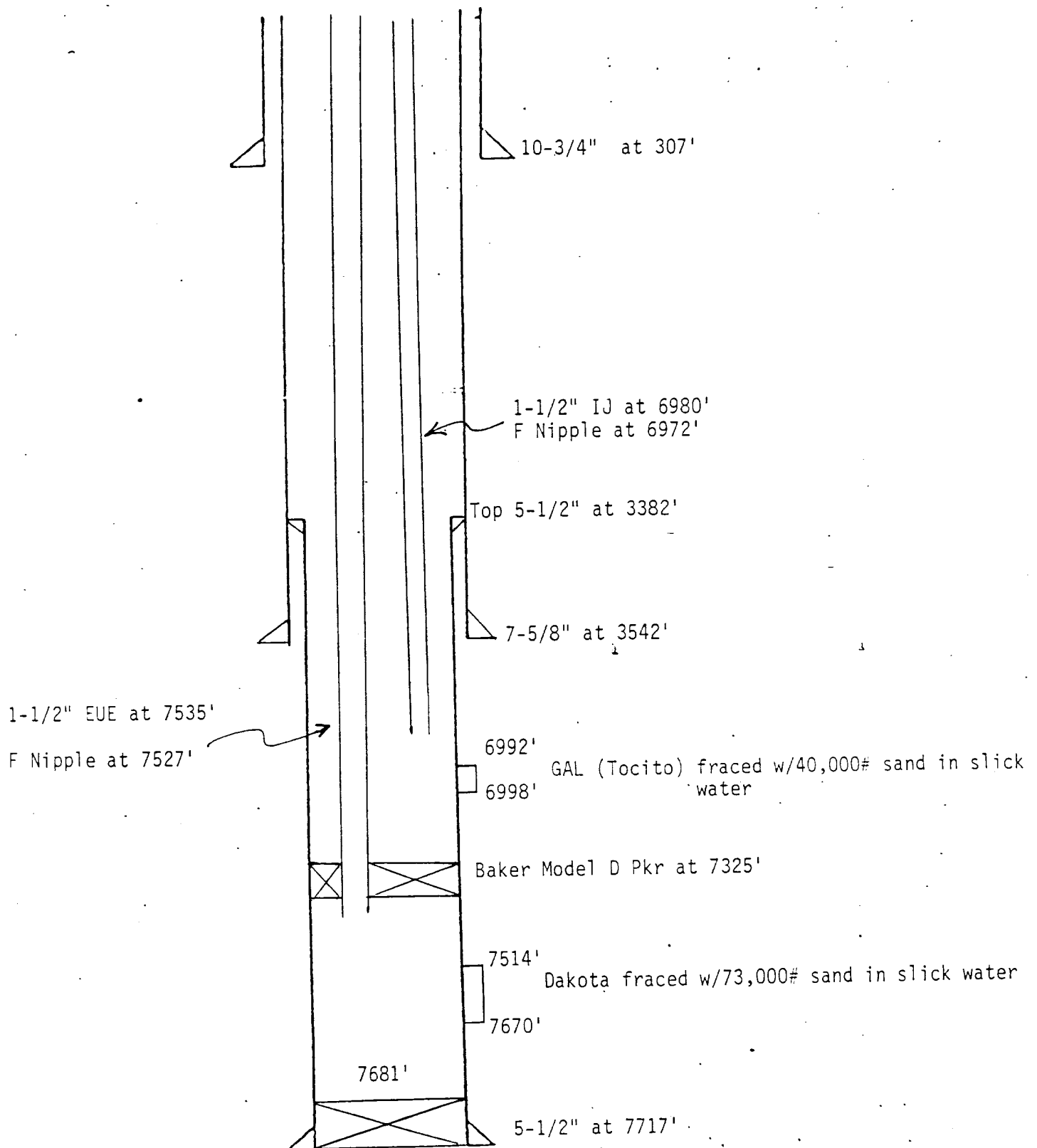
P. M. Pippin
Petroleum Engineer

PMP/ljm

The above downhole commingling request
is hereby approved:

Date: _____

WELL BORE DIAGRAM FOR JICARILLA H #8



WELL NAME Jicarilla H #8

DATE 7/23/85

LOCATION 790' FSL; 790' FEL Section 19, T26N-R4W
Rio Arriba County, New Mexico

DATUM KB (11' above G.L.)

ELEVATION 6713' G.L.

TOTAL DEPTH 7725'

FIELD FORMATION Basin Dakota
Tapacito Gallup

UNICON W.I. 50%
NR 43.75%

COMPLETED

INITIAL POTENTIAL

PLUG BACK TOTAL DEPTH

10/8/69
CASING RECORD

GAL = 566 MCF/D - 1165 psi
DK = 2127 MCF/D - 2359 psi

<u>CASING SIZE</u>	<u>WT. & GRADE</u>	<u>DEPTH SET</u>
10-3/4"	32.75# H-40	307'
7-5/8"	26.4 # J-55	3542'
5-1/2"	15.5 # J-55	3382-7717'

7681'

<u>CEMENT</u>	<u>TOP CEMENT</u>
250 ft ³	Circ.
1000 ft ³	1925'
700 ft	Circ.

TUBING RECORD

F Nipple at 7527' (229 Jts)	1-1/2"	2.9# R-Con-55 EUE	7535'	Model D Pkr at 7325'
F Nipple at 6982' (213 Jts)	1-1/2"	2.76# R-Con-55 IJ	6980'*	
(F Nipple = 1.43" ID)				
*2-1/16" Baker Blase Jts across Gallup (6984'-7004')				

ELLHEAD

LOGGING RECORD

Density, Induction, CBL, Temp

STIMULATIONS

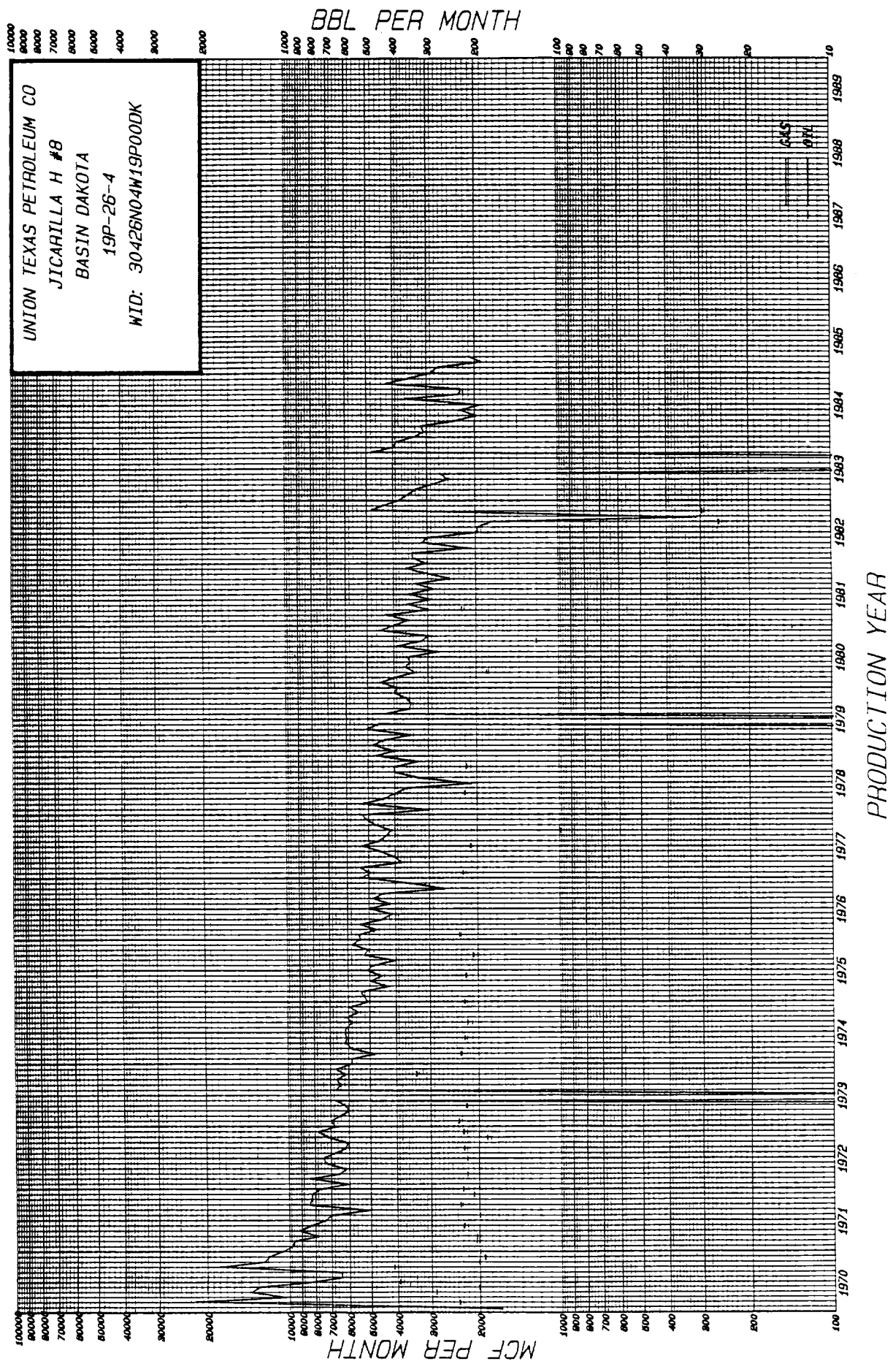
Perf DK 7514'-18', 7612'-30', 7652'-70' w/ 1 spf and frac w/73,000# sand in slick water
Perf GAL 6992'-6998' w/ 2 spf and frac w/40,000# sand in slick water.

WORKOVER HISTORY

None

PRODUCTION HISTORY

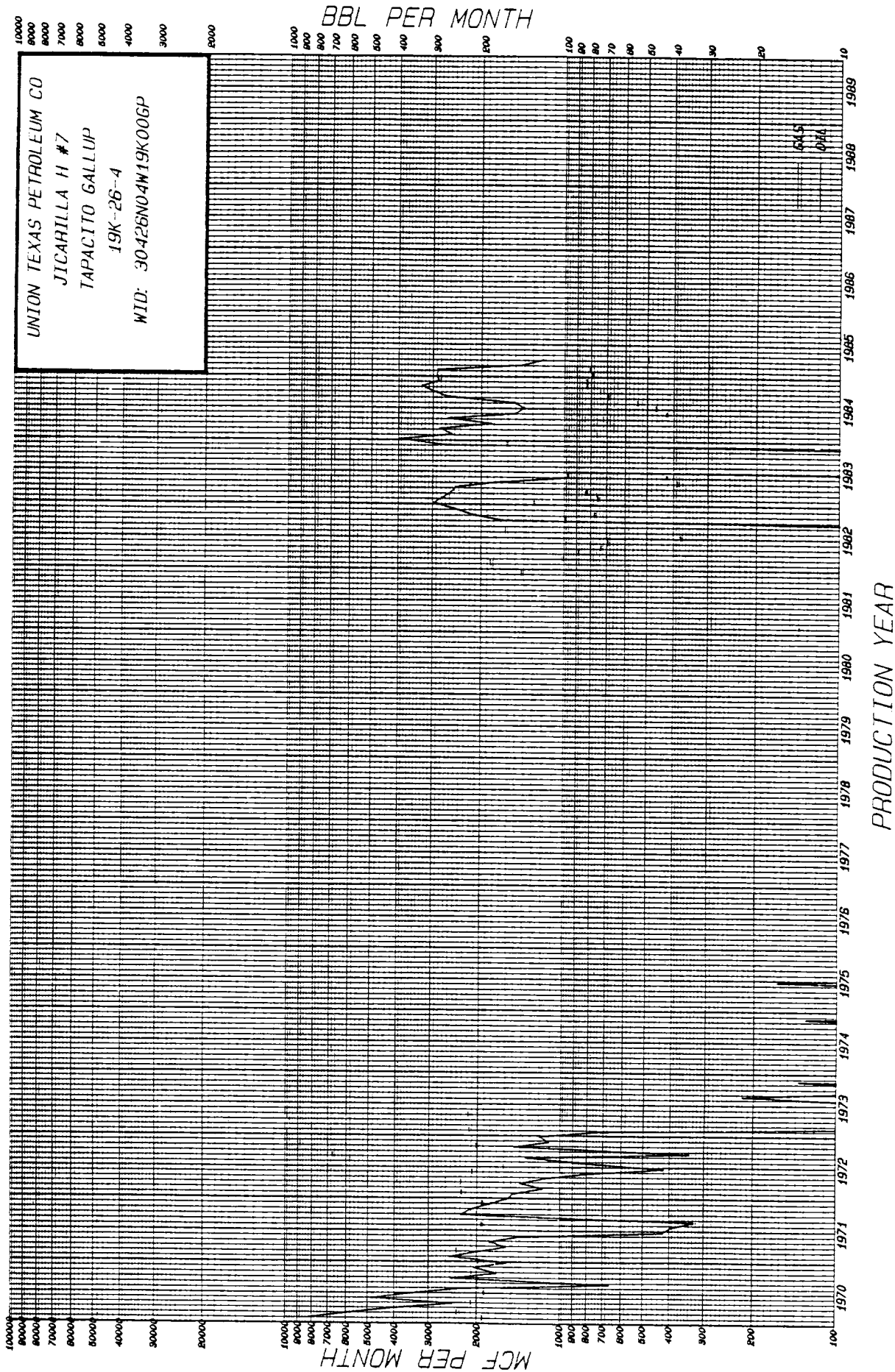
First Delivery: DK 10/8/69
First Delivery: GAL Never
Cumulative: DK 911 MMCF- 8971 BO
Cumulative: GAL - 0



UNION TEXAS PETROLEUM CO
JICARILLA H #7
TAPACITO GALLUP
19K-26-4
WID: 30426N04W19K00GP

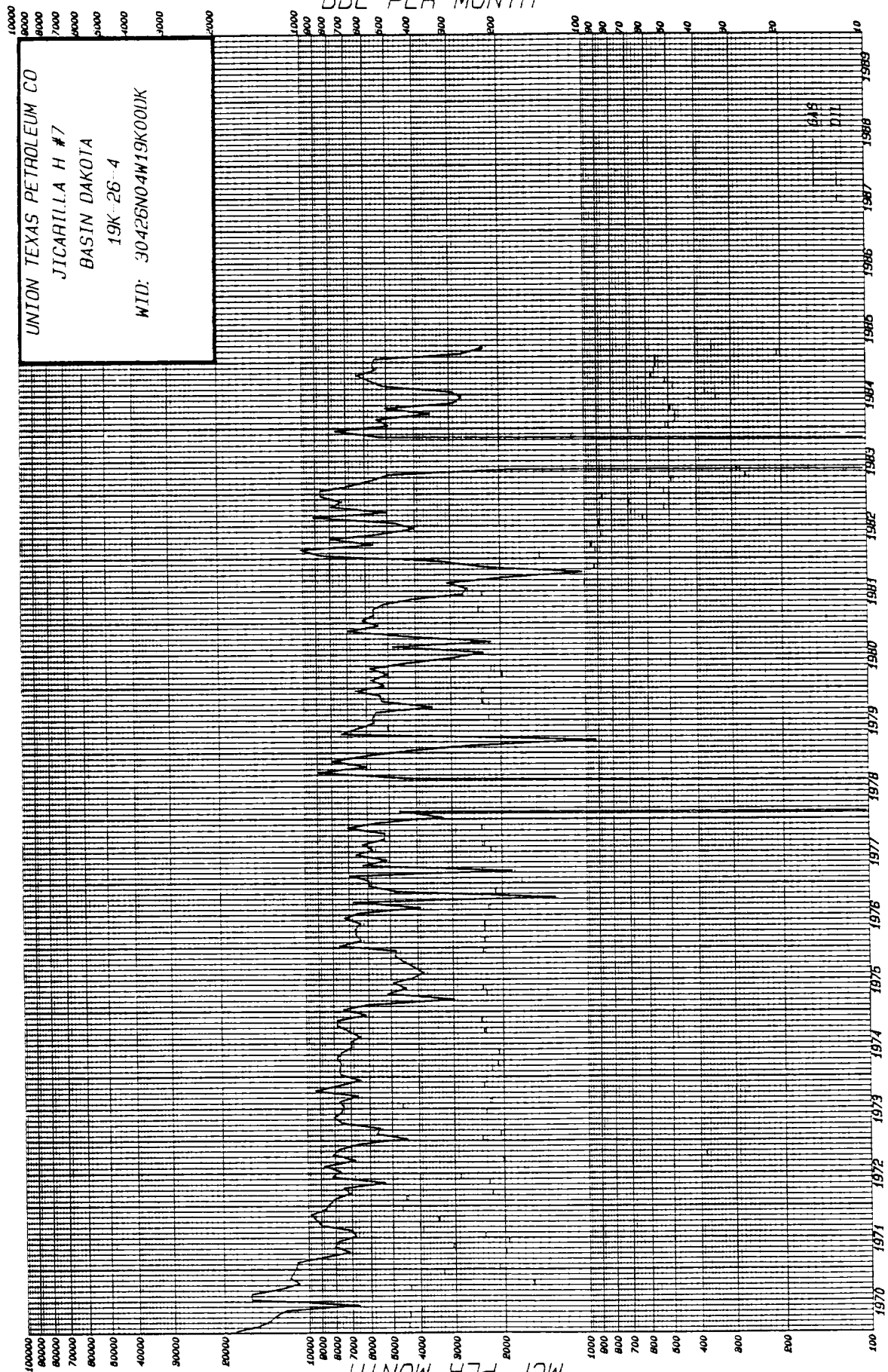
PRODUCTION YEAR

Jerome P. McHugh	Jerome P. McHugh

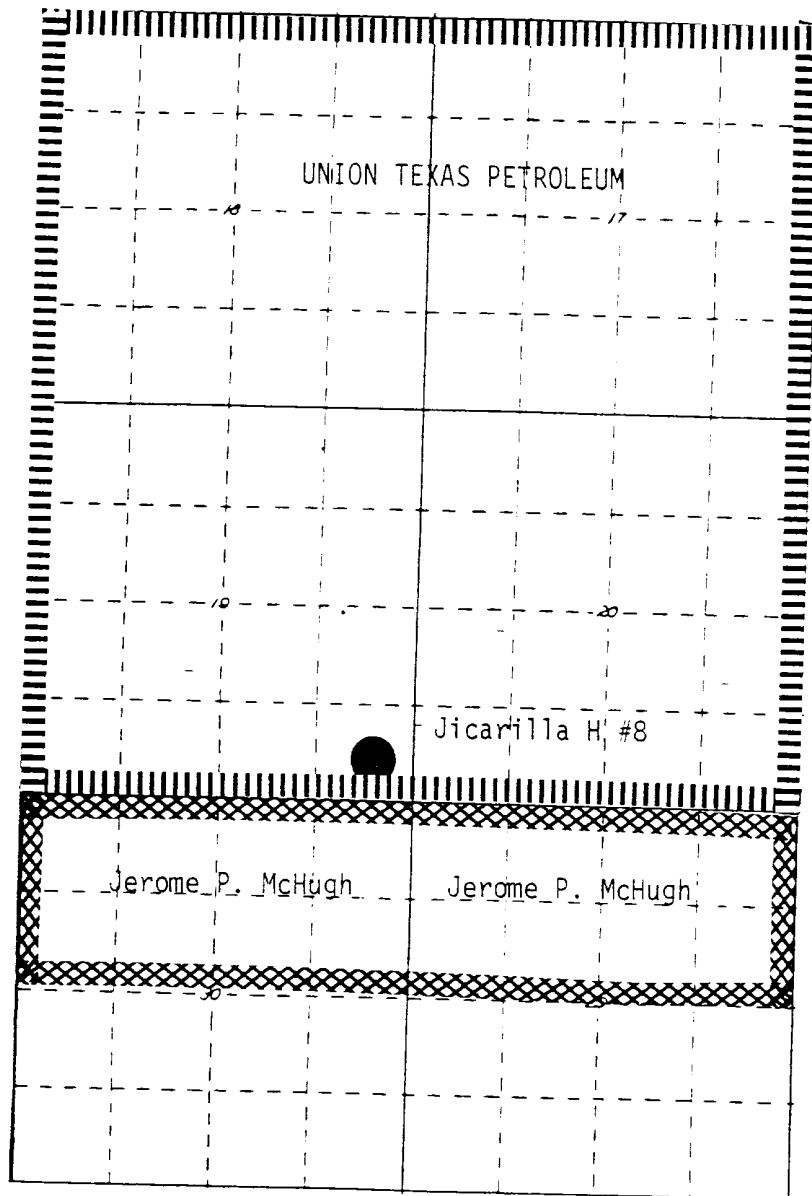


WID: 30426N04W19K00DK

MCF PER MONTH



UNION TEXAS PETROLEUM CORPORATION
Jicarilla H #8
Gallup-Dakota Commingle Application
Rio Arriba County
New Mexico



T
26
N

R4W