NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
GOVERNOR

AZTEC DISTRICT OFFICE
1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178 Fax (505)334-6170

JENNIFER A. SALISBURY
CABINET SECRETARY

ADMINISTRATIVE ORDER RECOMMENDATION

Date: _____

New Mexico Oil Conservation Division
PO Box 2088
Santa Fe NM 87504-2088

RE:

Proposed MC_____	Proposed DHC X
Proposed NSL_____	Proposed SWD_____
Proposed WFX_____	Proposed PMX_____
Proposed NSP_____	Proposed DD_____

Gentlemen:

I have examined the application received on 3/8/96
for the Amoco Jicarilla 155 #30
OPERATOR LEASE & WELL NUMBER
D-30-26N-5W and my recommendations are as follows:
UL-S-T-R

Yours truly,

Southern
Rockies
Business
Unit

March 1, 1996

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
2040 S. Pacheco Street
P. O. Box 6429
Santa Fe, NM 87505

Application for Exception to Rule 303-C
Downhole Commingling
Jicarilla 155 #30 Well
820' FWL & 1120' FNL, Unit D Section 30-T26N-R5W
Blanco Mesaverde (Pool IDN 72319) and Otero Chacra (Pool IDN 82329) Pools
Rio Arriba County, New Mexico

Amoco Production Company hereby requests administrative approval to downhole commingle production from the Blanco Mesaverde and Otero Chacra Pools in the Jicarilla 155 #30 well referenced above. The Jicarilla 155 #30 well was originally a dual completion in the Mesaverde and Chacra formations. This well has a marginal Chacra formation which is being produced dually with a marginal Mesaverde. If this well is left as a dual completion, the marginal zones will not be economic much longer. We plan to complete the well with both the Mesaverde and Chacra formations being downhole commingled in the wellbore. The two zones are expected to produce at a total commingled rate of about 242 MCFD with 3.15 BCPD due to the increased efficiencies of lifting liquids. Current production is 75 MCFD and 2.65 BCPD from the Mesaverde and 17 MCFD and no condensate from the Chacra formation. The ownership (WI, RI,ORI) of these pools is identical in this wellbore. Downhole commingling will offer an economical method of production while protecting against reservoir damage, waste of reserves and violation of correlative rights. Amoco is the only offset operator in both formations.

The allocation method that we plan to use for this commingled well is as follows. Since these formations have been producing for some time, we have a good historical representation of the production by formation. Based on historical production we recommend that the allocation for gas production be 82% from the Mesaverde formation and 18% from the Chacra formation. The Chacra has historically produced no liquids in this well. Based on that fact, we propose to allocate 100% of the liquid production to the Mesaverde formation and none to the Chacra. The actual commercial value of the commingled production will not be less than the sum of the values of the production from each of the common sources of supply.

Attached to aid in your review are plats showing the location of the well and offset wells in the same

formations, a historical production plot, recent production information and a C-102 for each formation. This spacing unit is on a federal lease (Jicarilla Contract 155) and a copy of the application will be sent to the BLM as required.

Should you have questions concerning this matter, please contact me at (303) 830-5344.

Sincerely,

Pamela W. Staley

Enclosures

cc: Steve Smethie
Patty Haefele
Wellfile
Proration Files

Frank Chavez, Supervisor
NMOCD District III
1000 Rio Brazos Road
Aztec, NM 87410

Robert Kent
Bureau of Land Management
435 Montano NE
Albuquerque, NM 87107

Application for Exception to Rule 303: SEGREGATION OF PRODUCTION FROM POOLS

Requirements

(1) Name and address of the operator:

Amoco Production Company
P.O. Box 800
Denver, CO 80201

(2) Lease name, well number, well location, name of the pools to be commingled:

Lease Name:	Jicarilla 155
Well Number:	30
Well Location:	820' FWL & 1120' FNL Unit D Section 30-T26N-R5W Rio Arriba County, New Mexico
Pools Commingled:	Otero Chacra Blanco Mesaverde

(3) A plat of the area showing the acreage dedicated to the well and the ownership of all offsetting leases.

Attached

(4) A current (within 30 days) 24-hour productivity test on Division Form C-116 showing the amount of oil, gas and water produced from each zone.

The Mesaverde produced an average stabilized rate of 75 MCFD and 2.65 BCPD. The Chacra zone produced at an average rate of about 17 MCFD and no condensate.

(5) A production decline curve for both zones showing that for a period of at least one year a steady rate of decline has been established for each zone which will permit a reasonable allocation of the commingled production to each zone for statistical purposes.

Otero Chacra Completion:	Historical production curve attached.
Blanco Mesaverde Completion:	Historical production curve attached.

(6) Estimated bottomhole pressure for each zone. A current (within 30 days) measured bottom hole pressure for each zone capable of flowing.

Bottomhole pressures were estimated from OCD Packer Leakage Tests. Shut-in bottomhole pressure in the Chacra formation is calculated to be 616 PSIG while estimated bottomhole pressure in the Mesaverde formation is 880 PSIG. Therefore these pressures meet the pressure differential rule under article 303-C (b)(vi). See attached calculation and packer leakage test results.

(7) A description of the fluid characteristics of each zone showing that the fluids will not be incompatible in the wellbore.

The fluids in the Mesaverde have no abnormal components that would prohibit commingling, or promote the creation of emulsions or scale when commingled with the Chacra formation.

(8) A computation showing that the value of the commingled production will not be less than the sum of the values of the individual streams:

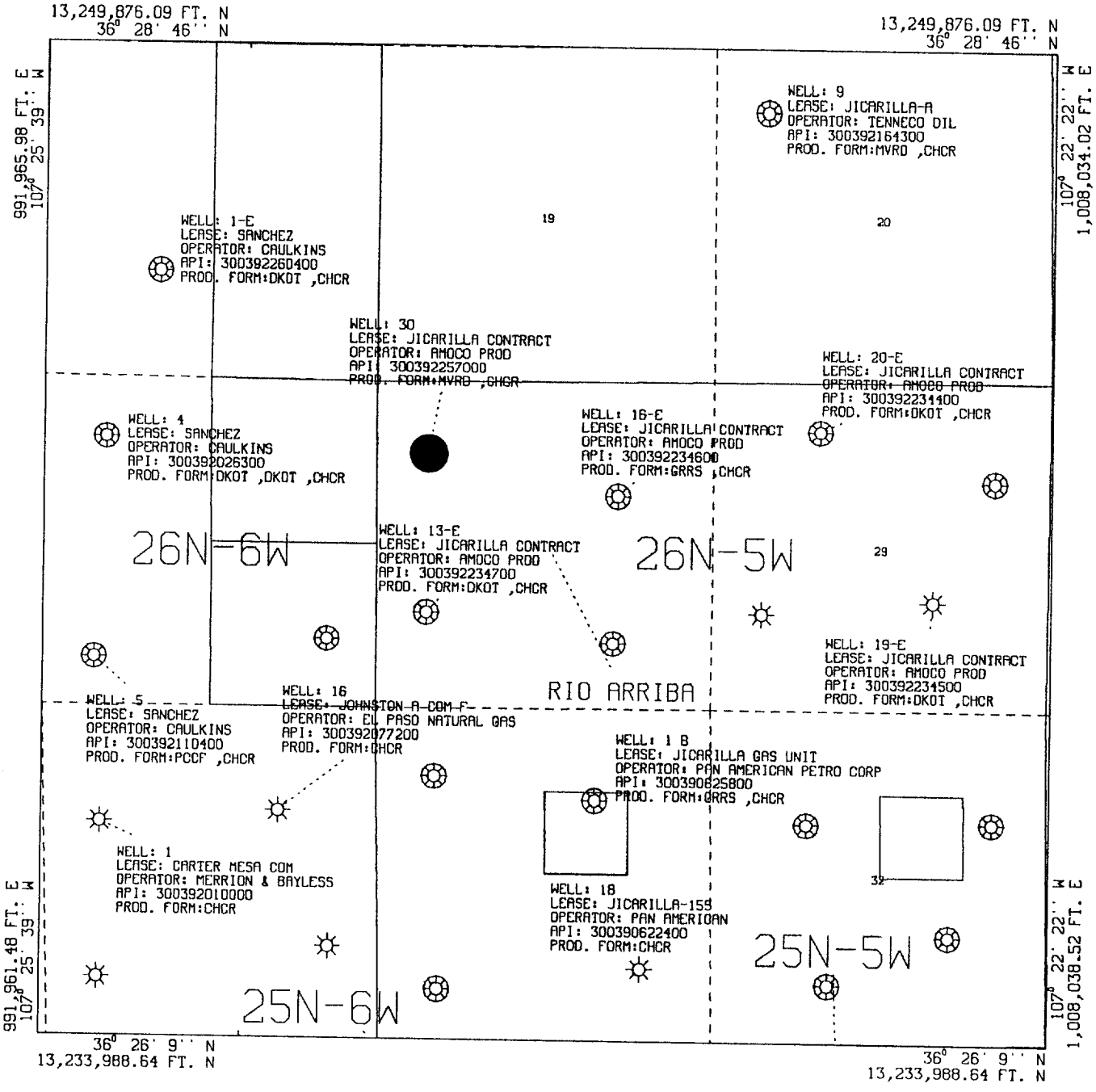
The BTU content of the produced streams are very similar and as such, we would expect the commingled production to have the same value as the sum of the individual streams.

(9) A formula for the allocation of production to each of the commingled zones and a description of the factors or data used in determining such formula:

The allocation method that we plan to use for this commingled well is as follows. Since these formations have been producing for some time, we have a good historical representation of the production by formation. Based on historical production we recommend that the allocation for gas production be 82% from the Mesaverde formation and 18% from the Chacra formation. The Chacra has historically produced no liquids in this well. Based on that fact, we propose to allocate 100% of the liquid production to the Mesaverde formation and none to the Chacra. The actual commercial value of the commingled production will not be less than the sum of the values of the production from each of the common sources of supply.

(10) A statement that all offset operators and, in the case of a well on federal land, the United States Bureau of Land Management, have been notified in writing of the proposed commingling.

BLM will receive a copy of this application by certified mail. Amoco is the only offset operator in both formations.



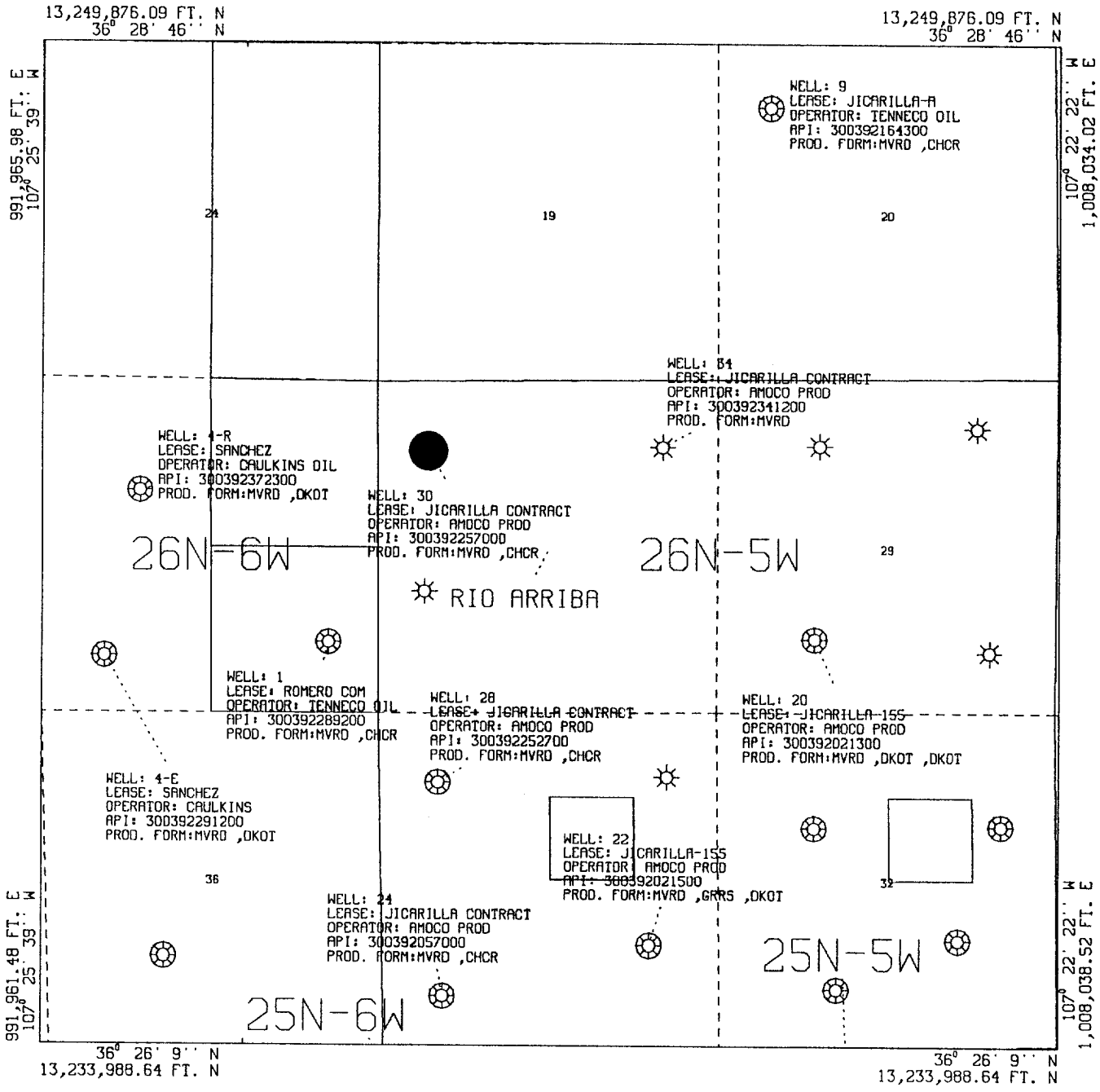
AMOCO PRODUCTION COMPANY
PLAT MAP
Jicarilla Contract 155-30 Sec 30-T26N-R05W CK
Rio Arriba New Mexico

SCALE 1 IN. = 2,500 FT. NOV 4, 1995

HORIZONTAL DATUM NAD27

PLOT 1 06.49.28 SAT 4 NOV, 1995 JOB-P0954502, ISSCO DISSPLA 10.0

HAB09545--RUN#95308062014



AMOCO PRODUCTION COMPANY
PLAT MAP
Jicarilla Contract 155-30 Sec 30-T26N-R05W MV
Rio Arriba New Mexico

SCALE 1 IN. = 2,500 FT. NOV 4, 1995

HORIZONTAL DATUM NAD27

PLOT 1 06.49.10 SAT 4 NOV, 1995 JOB-P0555302, 15500 DISPLA 10.0

HAB09553--RUN#9530B062330

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-107
Revised 10-1-7

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

Operator	Lease	Well No.
AMOCO PRODUCTION COMPANY	JICARILLA CONTRACT 155	30

Unit Letter	Section	Township	Range	County
D	30	26N	5W	Rio Arriba

Actual Footage Location of Well:
1120 feet from the North line and 820 feet from the West line

Ground Level Elev:	Producing Formation	Pool	Dedicated Acreage:
6693	Chacra / Mesaverde	Otero Chacra/ Gonzales MV	160/ 160 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

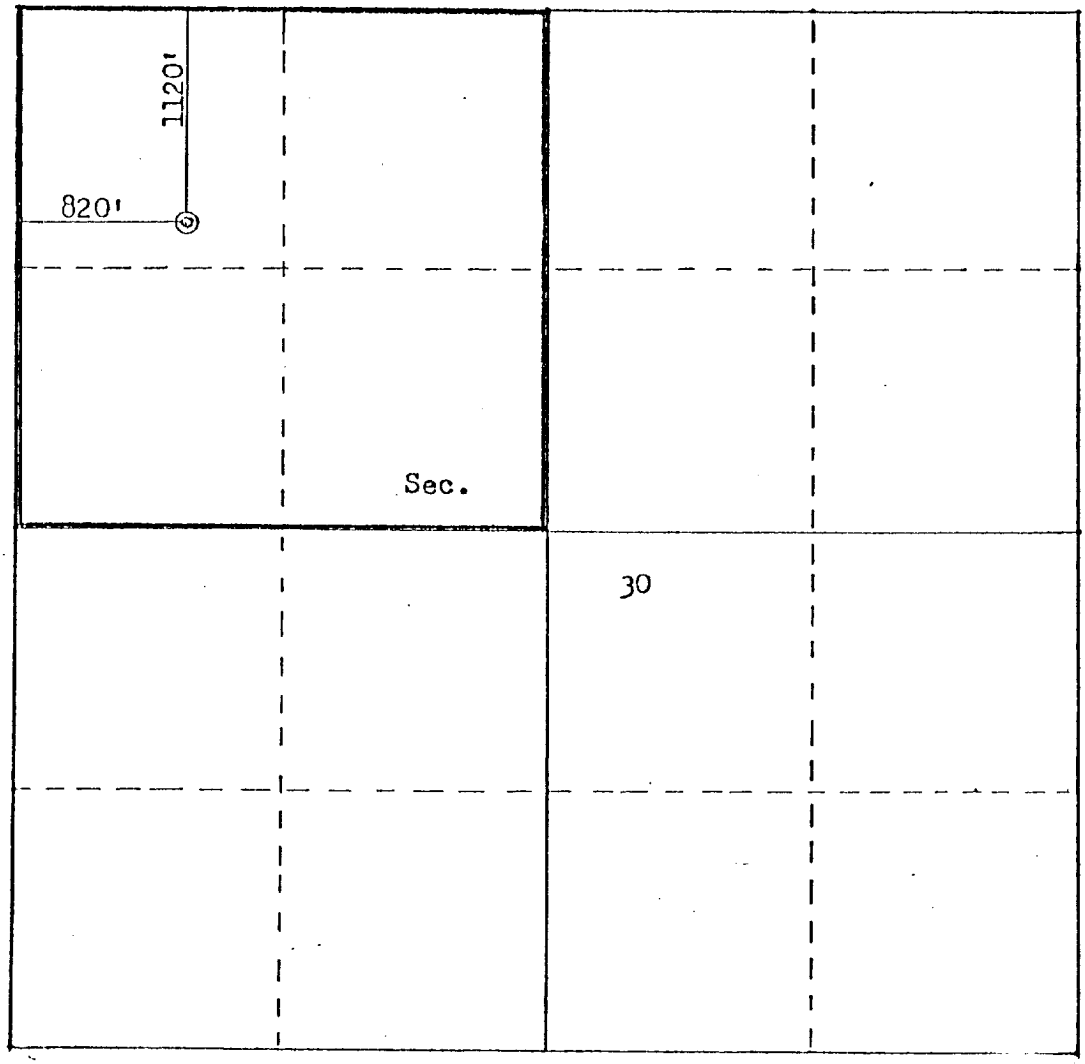
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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 _____

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.



Scale: 1"=1000'

CERTIFICATION

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

R. A. Downey

Name
R.A. DOWNEY

Position
DISTRICT ENGINEER"

Company
AMOCO PRODUCTION COMPANY

Date
SEPTEMBER 11, 1980

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
July 29, 1980

Registered Professional Engineer and Land Surveyor

Fred B. Kerr Jr.

Certificate No.
3950

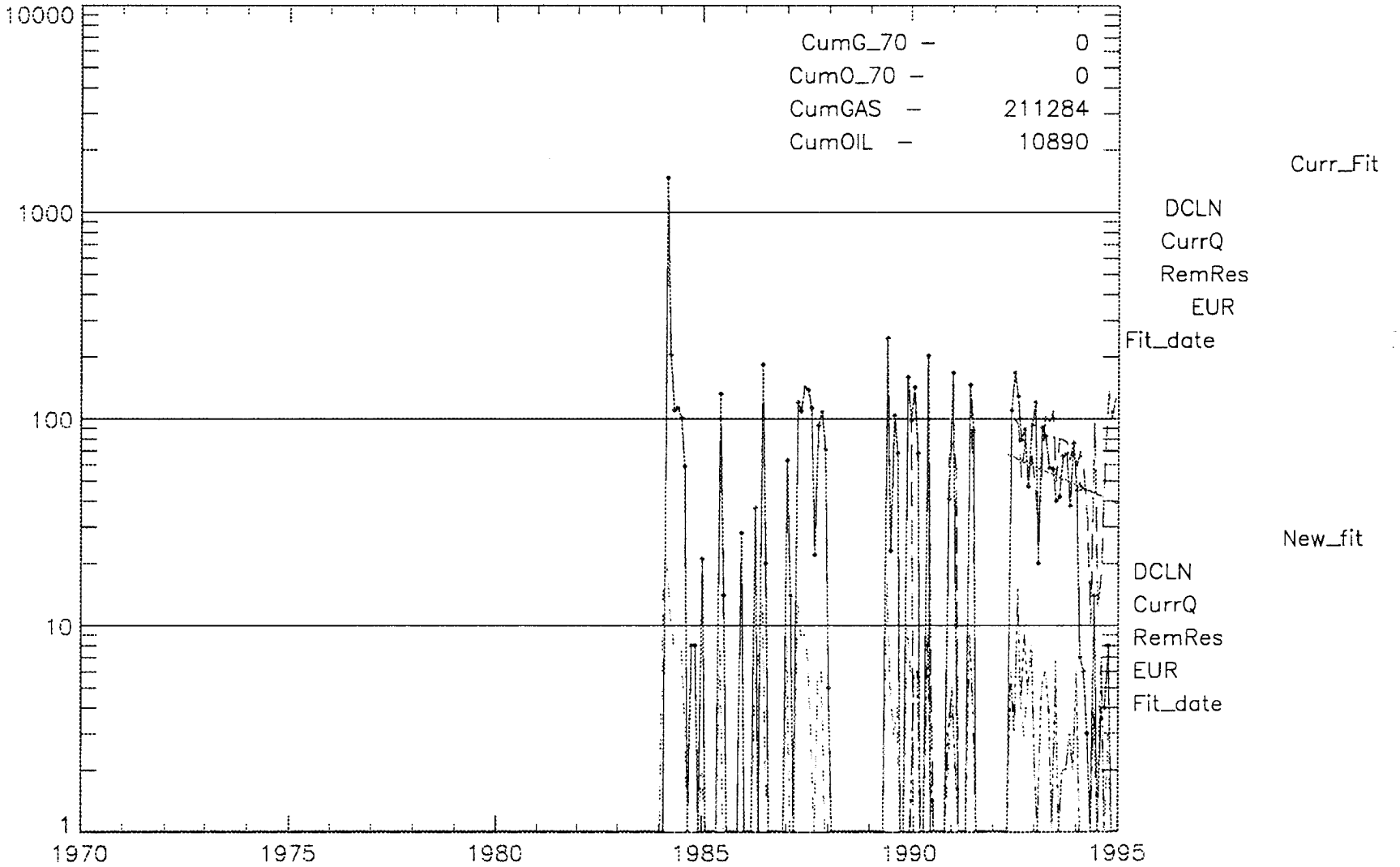
Engr: zhab0b

JICARILLA CONTRACT 155 30

Operator– AMOCO PRODUCTION CO

300392257000MV D302605–030 MV

APC_WI – 1.0000000



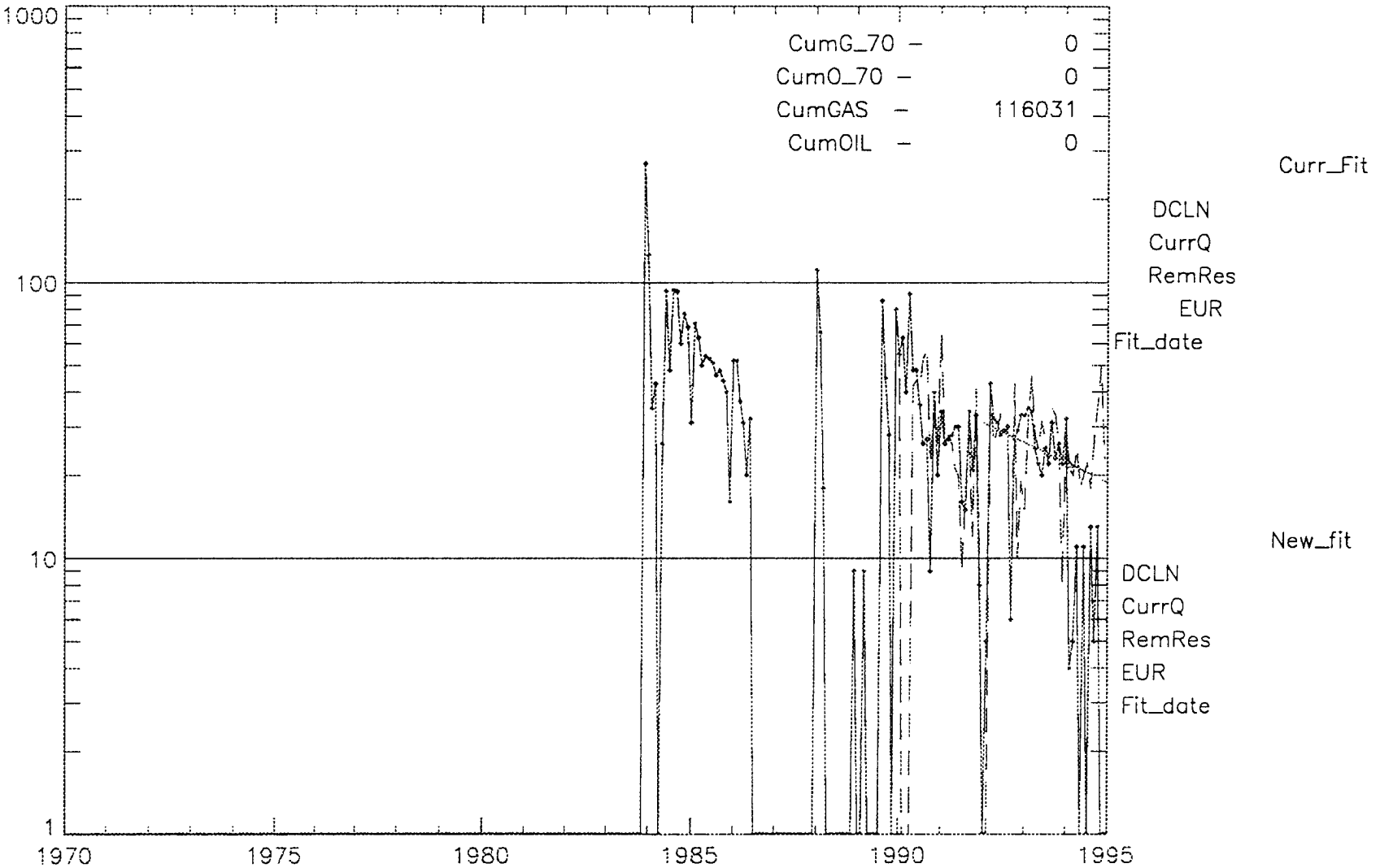
Engr: zhab0b

JICARILLA CONTRACT 155 30

Operator- AMOCO PRODUCTION CO

300392257000CK D302605-030 CK

APC_WI - 1.0000000



ESTIMATED BOTTOMHOLE PRESSURES

Jicarilla Contract #155-30

CK	PERFORATIONS		TOP	3962	BOTTOM	4071	MIDPERF	4017	
MV	PERFORATIONS		TOP	5286	BOTTOM	5476	MIDPERF	5381	
	Sep-93	SHUT-IN PRESSURES							
		CK	=	295	PSIG				
		MV	=	450	PSIG				
	GRADIENT	= 0.8 PSI/FT							
	CK	BHP =	295	PSIG +	4017	X 0.08 PSIG			
		=	616	PSI					
	MV	BHP =	450	PSIG +	5381	X 0.08 PSIG			
		=	880	PSI					

STATE OF NEW MEXICO
ENERGY and MINERALS DEPARTMENT

Location of Well: D302605 Page 1

OIL CONSERVATION DIVISION
NORTHWEST NEW MEXICO PACKER-LEAKAGE TEST

Operator: AMOCO PRODUCTION COMPANY Lease/Well Jic Cont. 155-30 [redacted]
Meter #: 85771 RTU: 1-175-01 County: RIO ARRIBA
85771

	NAME RESERVOIR OR POOL	TYPE PROD	METHOD PROD	MEDIUM PROD
UPR COMP	JIC CONTRACT 155 30 OCH 94668 1-176-1 ✓	GAS	FLOW	TBG
LWR COMP	JIC CONTRACT 155 30 MMV 85771 1-175-1	GAS	FLOW	TBG

PRE-FLOW SHUT-IN PRESSURE DATA

	Hour/Date Shut-In	Length of Time Shut-In	SI Press. PSIG	Stabilzed
UPR COMP	09/01/93			
LWR COMP	09/01/93			

FLOW TEST DATE NO.1

Commenced at (hour,date)*

Zone Producing (Upr/Lwr)

TIME (hour, date)	LAPSED TIME SINCE*	PRESSURE Upper	PRESSURE Lower	Prod Temp.	REMARKS
09/01/93	Day 1	140 T. 251 C.	250 C. 400 T.		Both Zones SI
09/02/93	Day 2	200 T. 275 C	420 T. 270 C.		Both Zones SI
09/03/93	Day 3	245 T. 285 C.	440 T. 285 C		Both Zones SI
09/04/93	Day 4	~~[illegible]~~ T260 275 C	~~[illegible]~~ T450 295 C		TURN ON LOWER ZONE
09/05/93	Day 5	225 T	440 T. 270 C.		
09/06/93	Day 6	170 T.	365 T. 255 C.		

Production rate during test
Oil: _____ BOPD based on _____ BBLs in _____ Hrs _____ Grav ___ GOR ___
Gas: _____ MFCPD: Tested theu (Orifice or Meter): METER

MID-TEST SHUT-IN PRESSURE DATA

	Hour,Date SI	Length of Time SI	SI Press. PSIG	Stabilized (yes/no)
UPR COMP				
LWR COMP				

RECEIVED
OCT 21 1993
OIL CON. DIV.
DIST. 3

(Continue on reverse side)