



TONY ANAYA
GOVERNOR

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

November 26, 1984

Mr. Gilmer D. Mickey
Union Texas Petroleum Corp.
P.O. Box 1290
Farmington, NM 87499

Re: Newsom B #7E K-8-26N-8W

Dear Gilmer:

Your recommended allocation of production to the downhole commingled zones in the referenced well is approved as follows:

	<u>Oil</u>	<u>Gas</u>
Gallup	40%	40%
Dakota	60%	60%

If you have any questions, please contact this office.

Sincerely,

Frank T. Chavez
District Supervisor

FTC/dj

xc: Well File
Operator File



Union Texas
Petroleum

P. O. Box 1290
Farmington, NM 87499
Telephone (505) 325-3587

November 19, 1984

Oil Conservation Division
1000 Rio Brazos Road
Aztec, NM 87410

Attn: Frank Chavez

Re: Newsom B #7E
SF 078384
Section 8, T26N-R8W
San Juan County, NM

Dear Frank:

The Newsom B #7E has been commingled downhole as per administrative order no. DHC-530. We recommend production be allocated as follows:

Gas: 40% Gallup
60% Dakota

Oil: 40% Gallup
60% Dakota

This is based on offset Dakota reserves of 600 to 700 MMCFG and anticipated offset Gallup reserves of 400 to 500 MMCFG. Dakota oil reserves are expected to be 12 MBO, Gallup oil reserves are expected to be 8 MBO. Offset Gallup wells are now producing 4 BOPD, Dakota wells have averaged 5 to 6 BOPD at the same time their producing life.

Yours truly,

UNION TEXAS PETROLEUM CORPORATION

Gilmer D. Mickey
Petroleum Engineer

GDM:ljm

cc: W. K. Cooper
K. E. Roddy

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OIL CON. DIV.
DIST. 3