



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

ADMINISTRATIVE ORDER DHC-2384

Louis Dreyfus Natural Gas Corp.  
14000 Quail Springs Parkway, Suite 600  
Oklahoma City, Oklahoma 73134-2600

Attention: Terrye D. Bryant

RECEIVED  
JUL - 9 1999

OIL CON. DIV.  
DIST. 3

*Federal 33 No. 24  
API No. 30-045-24978  
Unit N, Section 33, Township 27 North, Range 11 West, NMPM,  
San Juan County, New Mexico.  
Basin-Fruitland Coal (Gas - 71629) and  
Kutz-Pictured Cliffs (Gas - 79680) Pools*

Dear Terrye D. Bryant:

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above described well to commingle production from the subject 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 zones is hereby placed in abeyance.

The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated pool as printed in the Division's San Juan Basin Gas Proration Schedule.

Assignment of allowable to the well and allocation of production from the well shall be as follows:

Basin-Fruitland Coal Gas Pool	Oil 0%	Gas 85%
Kutz-Pictured Cliffs Gas Pool	Oil 0%	Gas 15%

REMARKS: The operator shall notify the Aztec District Office of the Division upon implementation of the commingling process.

*Administrative Order DHC-2384*

*Louis Dreyfus Natural Gas Corp.*

*July 2, 1999*


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Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 2nd day of July, 1999.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



LORI WROTENBERY  
Director

S E A L

LW/MWA/kv

cc: Oil Conservation Division - Aztec ✓  
Bureau of Land Management-Farmington

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires July 31, 1996

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-2 (ADD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator  
LOUIS DREYFUS NATURAL GAS CORP.

3a. Address 14000 Quail Springs Parkway,  
Ste. 600, Oklahoma City, OK 73134

3b. Phone No. (include area code)  
(405) 749-5287

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
1190' FSL & 1450' FWL (UL N) Sec. 33-T27N-R11W

5. Lease Serial No.  
SF-078896

6. Indian, Allottee or Tribe Name

7. Unit or CA/Agreement, Name and/or No.

8. Well Name and No.  
Federal 33-24

9. API Well No.  
30-045-24978

10. Field and Pool, or Exploratory Area  
Basin-Fruitland Coal (Gas)

11. County or Parish, State  
Kutz-Pictured  
San Juan Co., NM  
Cliffs (Gas)

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Commingling</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>prod. within</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	<u>wellbore</u>

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Drilled out CIBP @ 1675' on 9/1/99. Set 2-3/8" tbg. @ 1703', put well on 2" x 1-1/4" x 7' x 11' RHAC-Z BHP.

Well returned to production 9/2/99. Gas from Basin-Fruitland Coal and Kutz-Pictured Cliffs now commingled. Commingling approved by New Mexico OCD Order No. DHC-2384 dated 7/2/99. Production will be allocated 85% to Basin-Fruitland Coal, 15% to Kutz-Pictured Cliffs.

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Terrye D. Bryant

Signature

Title

Regulatory Technician

Date

11/30/99

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

**ACCEPTED FOR RECORD**

Approved by

Title

Date

DEC 16 1999

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

FARMINGTON FIELD OFFICE  
BY

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.