



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

September 17, 1986

Southland Royalty Co.
P.O. Drawer 4289
Farmington, NM 87499

Re: Whitley #7 F-09-27N-09W

Gentlemen:

Your recommended allocation of commingled production from
the referenced well is approved as follows:

	<u>Gas</u>	<u>Oil</u>
Chacra	32%	0%
Mesaverde	68%	100%

Sincerely,

Frank T. Chavez
District Supervisor

FTC/dj

xc: Santa Fe
Well File
Operator File



Southland Royalty Company

April 29, 1986

Mr. Frank Chavez
New Mexico Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico 87410

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MAY 01 1986
OIL CON. DIV.
DIST. 3

Subject: Administrative Order No. DHC-603
Whitley #7E
Section 9, T-27-N, R-9-W
San Juan County, New Mexico
Blanco Mesa Verde and Otero Chacra Pools

Dear Mr. Chavez:

In regard to Southland Royalty Company's request to commingle the Blanco Mesa Verde and Otero Chacra in the above referenced well, flow tests were run to determine the production allocation.

On April 24, 1986, an orifice flow prover was used to record a three-hour flow test on the Chacra formation during which time the well flowed 270 MCF/D of dry gas.

The Mesa Verde was then cleaned up and on April 26, 1986, a three-hour flow test was run on the Chacra and Mesa Verde, during which the combined flow was 398 MCF/D with a trace of liquids.

This gives the Mesa Verde 128 MCF/D. Based on the flow tests, 68% of the commingled zone's gas production should be attributed to the Otero Chacra Pool and 32% of the commingled zone's gas production should be attributed to the Blanco Mesa Verde Pool. All liquids should be attributed to the Blanco Mesa Verde Pool.

Very truly yours,

C. W. Dein
Regional Drilling Engineer

CAR:oh