



**Southern**

**Rockies**

**Business**

**Unit**

May 28, 1996

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

**RECEIVED**  
MAY 31 1996  
**OIL CON. DIV.**  
DIST. 2

**Application for Exception to Rule 303-C - Downhole Commingling**  
**Lackey B LS #4 Well**  
**Unit A Section 29-T28N-R9W**  
**Otero Chacra and Blanco Mesaverde Pools**  
**San Juan County, New Mexico**

Enclosed please find an administrative application form (C-107-A) and attachments for downhole commingling for the captioned well. By copy of this application by certified mail, return receipt requested, Amoco is notifying all offset operators in the formations captioned above as well as all affected interest owners if the ownership of those formations is not common. The Division Director may approve the proposed downhole commingling in the absence of a valid objection from any offset operator or any interest owner in those instances where ownership is not common in the zones to be commingled within 20 days after the receipt of the application if, in his opinion, waste will not result thereby, and correlative rights will not be violated.

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

Sincerely,

Pamela W. Staley

Enclosures

cc: Steve Webb  
Gail Jefferson  
Wellfile  
Proration File

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

Duane Spencer  
Bureau of Land Management  
1235 La Plata Hwy.  
Farmington, NM 87401

OIL CONSERVATION DIVISION

APPROVAL PROCESS:

DISTRICT II  
811 South First St., Artesia, NM 88210-2835

2040 S. Pacheco  
Santa Fe, New Mexico 87505-6429

☒ Administrative ☐ Hearing

DISTRICT III  
1000 Rio Brazos Rd. Aztec, NM 87410-1693

APPLICATION FOR DOWNHOLE COMMINGLING

EXISTING WELLBORE  
☒ YES ☐ NO

Amoco Production Company		P.O. Box 800 Denver, CO 80201	
Operator	Address	County	
Lackey B	A-29-28N-9W	San Juan	
Lease	Well No.	Unit Ltr. - Sec Twp - Rge	
	4		

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 000778 Property Code 000784 API NO. 3004507220 Federal ☒ State ☐ (and/or) Fee ☐

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	OTERO CHACRA 82329		BLANCO MESAVERDE 72319
2. Top and Bottom of Pay Section (Perforations)	3224' - 3294'		4449' - 4562'
3. Type of production (Oil or Gas)	GAS		GAS
4. Method of Production (Flowing or Artificial Lift)	FLOWING		FLOWING
5. Bottomhole Pressure			
Oil Zones - Artificial Lift: Estimated Current	a. (Current) 590 PSI	a.	a. 639 PSI
Gas & Oil - Flowing: Measured Current	b. (Original) 1082 PSI	b.	b. 1225 PSI
All Gas Zones: Estimated or Measured Original			
6. Oil Gravity (" API) or Gas BTU Content	1167 BTU		1331 BTU / 49.3 DEG API
7. Producing or Shut-In?	PRODUCING		PRODUCING
Production Marginal? (yes or no)	YES		YES
• If Shut-In, give data and oil/gas/water rates of last production	Date: Rates:	Date: Rates:	Date: Rates:
Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data			
• If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: 5/96 Rates: 17 MCFD 0 BCPD 0 BWPD	Date: Rates:	Date: 5/96 Rates: 50 MCFD <1 BCPD <1 BWPD
8. Fixed Percentage Allocation Formula - % for each zone	Oil: 0 % Gas 25 %	Oil: % Gas %	Oil: 100 % Gas 75 %

9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.

10. Are all working, overriding, and royalty interests identical in all commingled zones? ☒ Yes ☐ No  
If not, have all working, overriding, and royalty interests been notified by certified mail? ☐ Yes ☐ No  
Have all offset operators been given written notice of the proposed downhole commingling? ☒ Yes ☐ No

11. Will cross-flow occur? ☐ Yes ☒ No If yes, are fluids compatible, will the formations not be damaged, will any cross-flowed production be recovered, and will the allocation formula be reliable. ☐ Yes ☐ No (If No, attach explanation)

12. Are all produced fluids from all commingled zones compatible with each other? ☒ Yes ☐ No

13. Will the value of production be decreased by commingling? ☐ Yes ☒ No (If Yes, attach explanation)

14. If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application. ☒ Yes ☐ No SF-077106

15. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S):

16. ATTACHMENTS:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of all offset operators.
- Notification list of working, overriding, and royalty interests for uncommon interest cases.
- Any additional statements, data, or documents required to support commingling.

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

SIGNATURE Pamela W. Staley TITLE REGULATORY AFFAIRS REP DATE 5/23/96  
TYPE OR PRINT NAME PAMELA W. STALEY TELEPHONE NO. ( 303 ) 830-5344

COMPANY EL PASO NATURAL GAS COMPANY

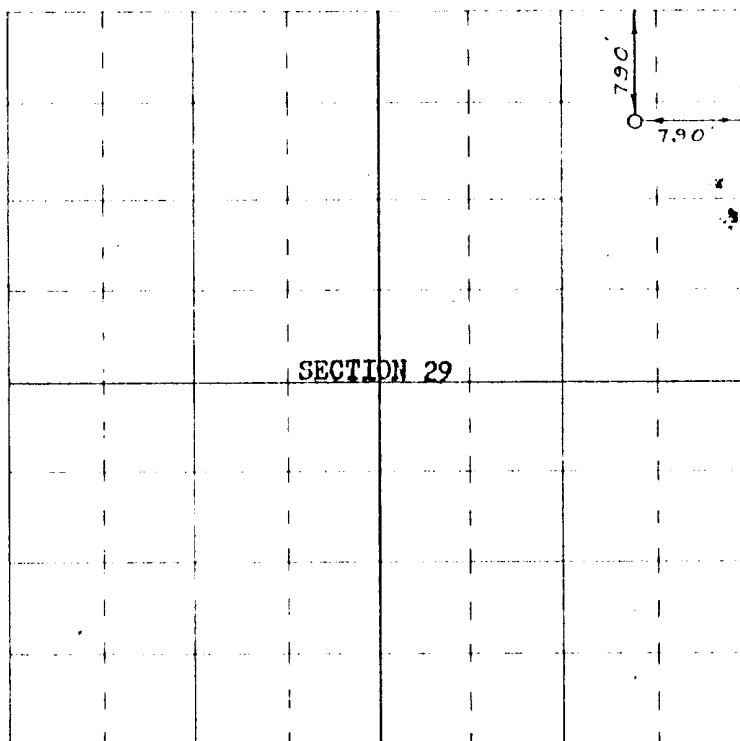
Well Name & No. LACKEY NO. 4-B Lease No. SF 077106

Location 790 FEET FROM THE NORTH LINE, 790 FEET FROM THE EAST LINE

Being in NE/4 OF THE NE/4

Sec. 29, T 28 N., R. 9 W., N.M.P.M., SAN JUAN COUNTY, NEW MEXICO

Ground Elevation 5975<sup>3.8</sup>



RECEIVED  
JAN 9 1956  
U. S. GEOLOGICAL SURVEY  
FARMINGTON, NEW MEXICO

Scale -- 4 inches equals 1 mile

Surveyed MARCH 25, 19 52

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

*E. O. Walker*

Registered Professional  
Engineer and Land Surveyor.

Seal:

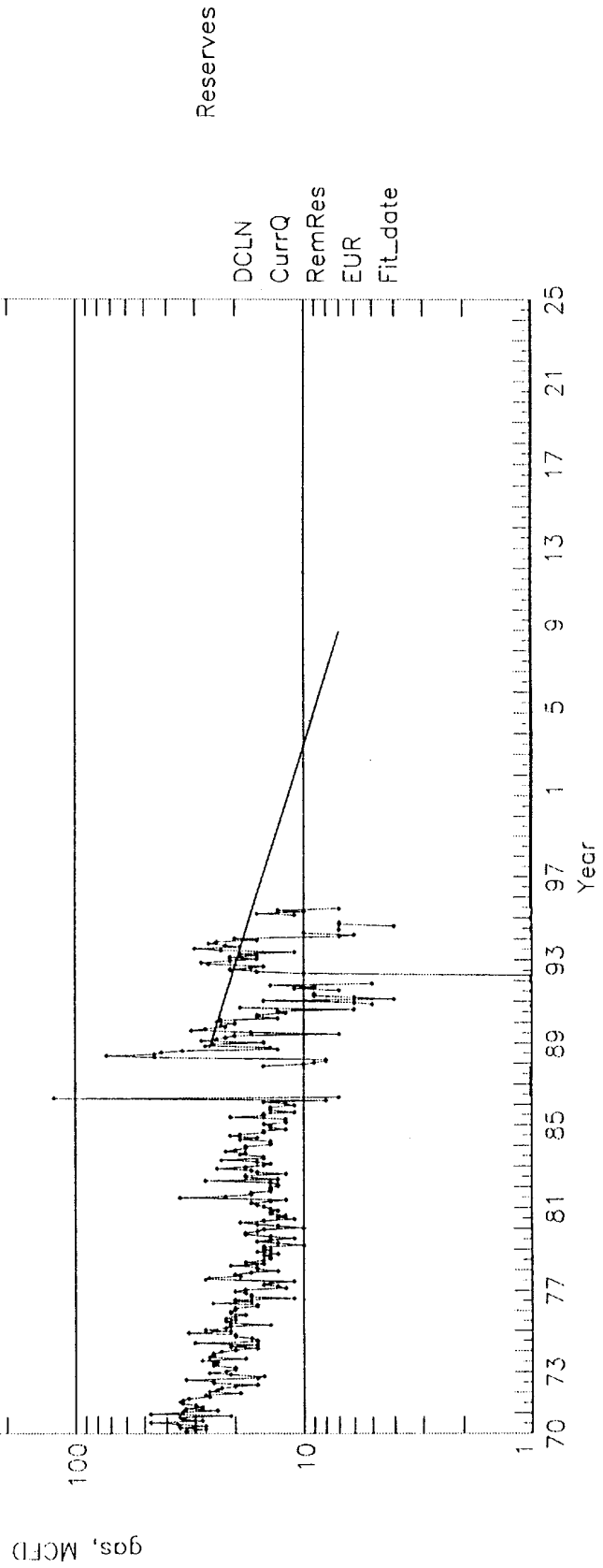
Farmington, New Mexico

320 ACRES, N/2 SECTION (PLAT)

For: zalc14  
Engr: zr06

LACKEY B LS 4      Operator— AMOCO PRODUCTION CO  
300450722000CK      A292809—004 CK      APC\_WI —      0.50000000

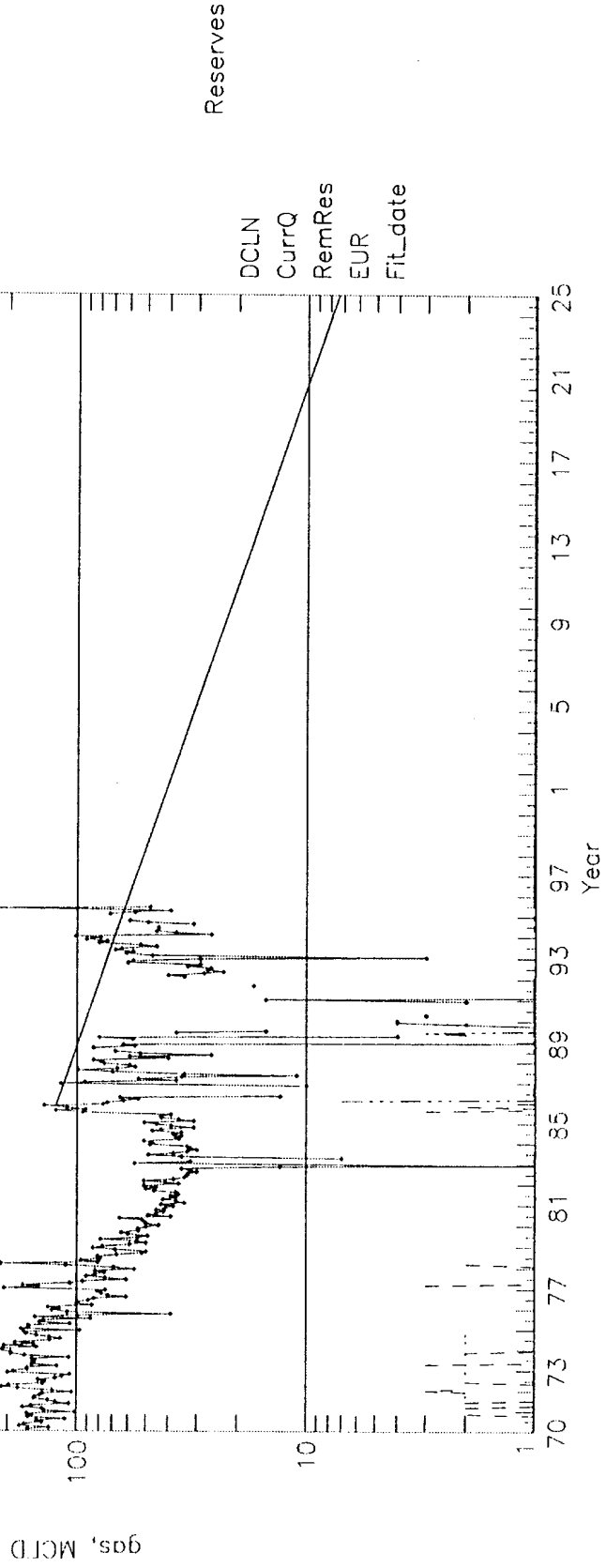
CumG_70	—	216719
CumO_70	—	55
CumGAS	—	375813
CumOIL	—	322



For: zalc14  
Engr: zr06

LACKEY B LS 4  
300450722000MV A292809-004 MV  
Operator- AMOCO PRODUCTION CO  
APC\_WI - 0.50000000

CumG_70	-	1178371
CumO_70	-	8413
CumGAS	-	1837859
CumOIL	-	11525



Last Op. Forecast by zr06 in 07/1995

**OFFSET OPERATORS**

**Lackey B LS #4**

Meridian Oil, Inc.  
P.O. Box 4289  
Farmington, NM 87499