DISTRICT 1
P.O Box 1980, Hobbs NM 88241-1980

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

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

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

Form C-107-A
New 3-12-96

APPROVAL PROCESS:
X Administrative __ Hearing

EXISTING WELLBORE
X YES __ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Amoco Production Company		**PO Box 3092 Houston, TX 77253-3092**	
Operator		Address	
Wilch A	**3**	**B 23-29N-08W**	**San Juan**
Lease	Well No.	Unit Ltr. - Sec Twp - Rge	County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. **000778** Property Code **001215** API NO. **30-452-23342** Federal **X**, 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	**Blanco Mesaverde 72319**		**Basin Dakota 71599**
2. Top and Bottom of Pay Section (Perforations)	**5020' - 5688' EST.**		**7646' - 7874'**
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 Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated or Measured Original	a. (Current) **622 PSIG (EST.)**	a. **859 PSIG**	
	b. (Original) **1083 PSIG (EST.)**	b. **2610 PSIG**	
6. Oil Gravity (° API) or Gas BTU Content	**1261 BTU (EST.)**		**1099 BTU**
7. Producing or Shut-In?	**New zone**		**Producing**
Production Marginal? (yes or no)	**YES**		**YES**
• If Shut-In, give data and oil/gas/water rates of last production Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data	Date: Rates: **128 MCFD (EST.) .6 BCPD .4 BWPD**	Date Rates:	Date Rates:
• If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates:	Date: Rates:	Date: Rates: **70 MCFD 0 BCPD 0 BWPD**
8. Fixed Percentage Allocation Formula -% for each zone	Oil: **65** % Gas **100** %	Oil: % Gas %	Oil: **35** % Gas **0** %

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DIST. 3

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? X 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? X Yes __ No

11. Will cross-flow occur? __ Yes X 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. X Yes __ No (If No, attach explanation)

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

13. Will the value of production be decreased by commingling? __ Yes X 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 Untied States Bureau of Land Management has been notified in writing of this application. X Yes __ No NO FEDERAL OR STATE LANDS

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. SEE ATTACHED
- 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 Mary Corley TITLE Sr. Business Analyst DATE 9/14/99

TYPE OR PRINT NAME Mary Corley TELEPHONE NO 281) 366-4491

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
311 South First., Artesia, NM 88210
DISTRICTIII
1000 Rio Brazos Rd., Aztec, NM 87410
DISTRICT IV
2040 South Pacheco, Sante Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, New Mexico 87505

Form C-102
Revised October 18, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
30-045-23342	72319 & 71599	Blanco Mesaverde & Basin Dakota

Property Code	Property Name	Well Number
001215	Wilch A	3

OGRID No.	Operator Name	Elevation
000778	AMOCO PRODUCTION COMPANY	6712' GR

Surface Location

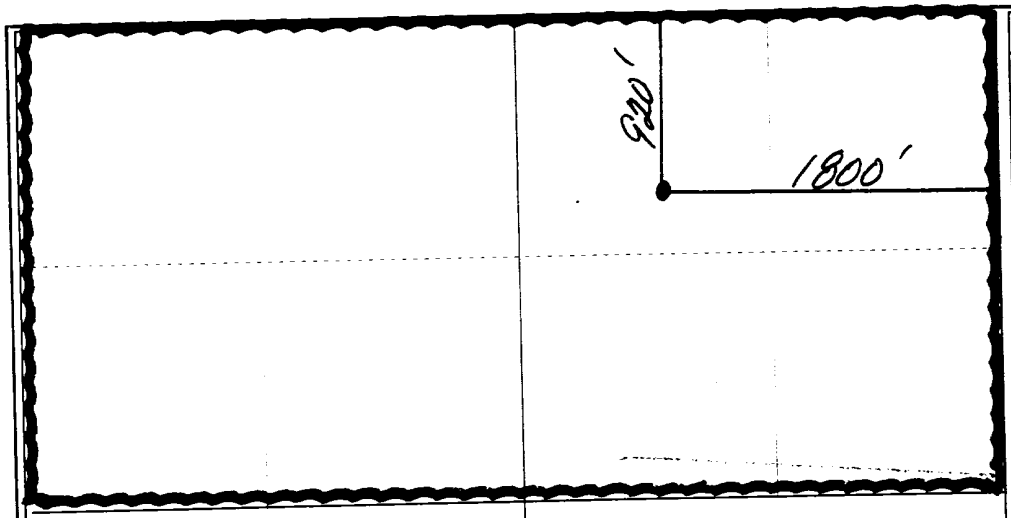
UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
UNIT B	23	29N	8W		920	NORTH	1800	EAST	San Juan

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West Line	County

Dedicated Acreage:	Joint or Infill	Consolidation Code	Order No.
320			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



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DIST. 3

OPERATOR CERTIFICATION

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

Signature: Mary Corley
Printed Name: Mary Corley
Position: Sr. Business Analyst
Date: 08/14/1999

SURVEY CERTIFICATION

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 of Survey

Signature & Seal of Professional Surveyor

Fred B. Kerr, Jr.

Certificate No.
3950

Wilch 3 Production Allocation

DK	0.08	PC	0.04
MV	0.07	FT	0.04
		CK	0.04

WELL NAME: **Wilch 3**
FORMATION: DK
SURFACE PRESS: 238
PERFS TOP: 7646
BOTTOM: 7874

(7646 + 7874)/ 2 = 7760 Mid Perf
7760 x 0.08 = 621
620.8 + 238 = 859 **Bottom Hole Pressure**

Initial Bottom Hole Pressure= 2610

WELL NAME: **Hardie 4**
FORMATION: MV
SURFACE PRESS: 304
PERFS TOP: 5364
BOTTOM: 5526

(5364 + 5526)/ 2 = 5445 Mid Perf
5445 x 0.07 = 381
381.15 + 304 = 685 **Bottom Hole Pressure**

Initial Bottom Hole Pressure= 1251

WELL NAME: **Hardie 4A**
FORMATION: MV
SURFACE PRESS: 197
PERFS TOP: 4683
BOTTOM: 5627

(4683 + 5627)/ 2 = 5155 Mid Perf
5155 x 0.07 = 361
360.85 + 197 = 558 **Bottom Hole Pressure**

Initial Bottom Hole Pressure= 914

WELL NAME: Wilch 3
FORMATION: MV

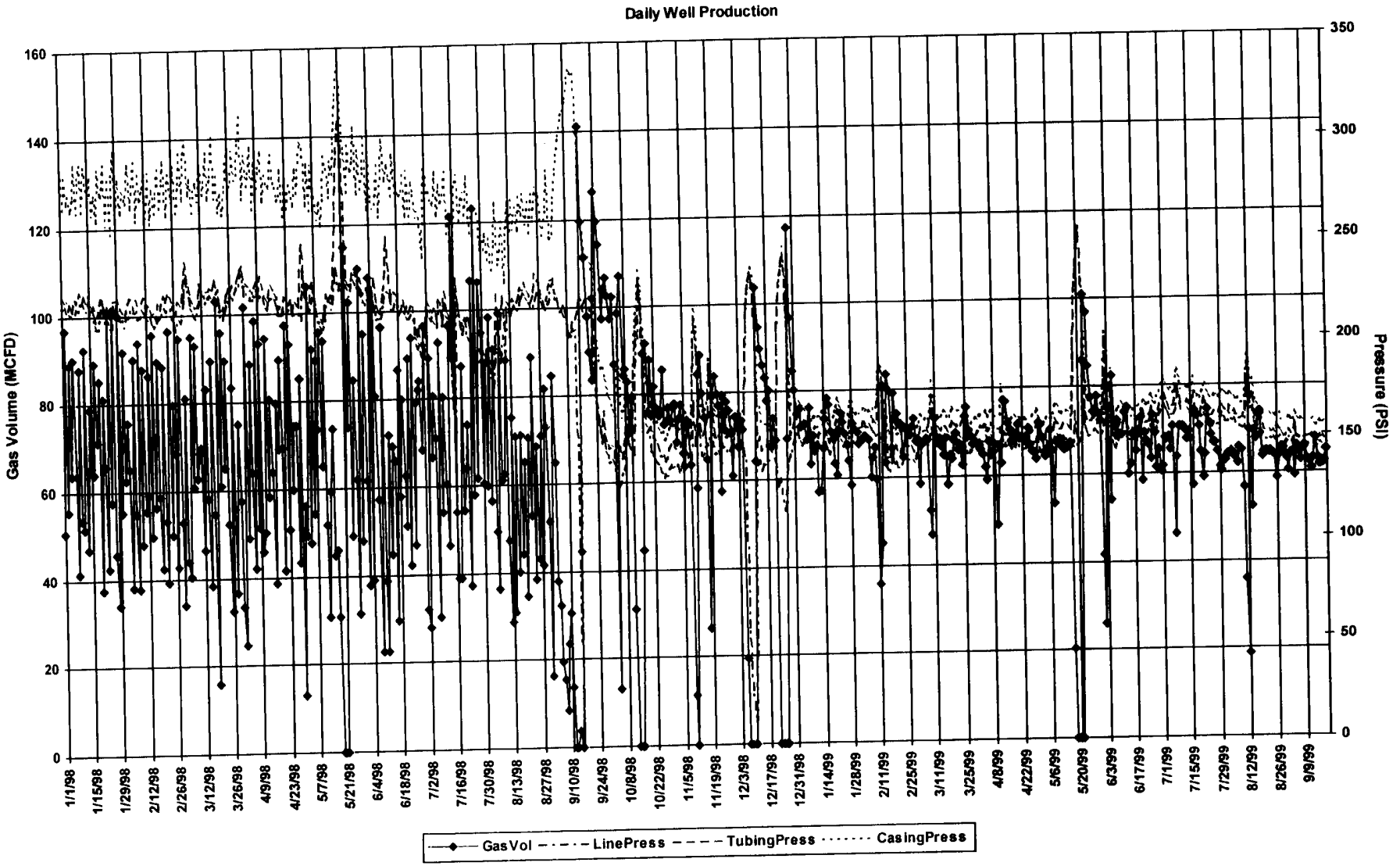
Initial Bottom Hole Pressure: (1251 + 914) / 2 ≅ 1083
Bottom Hole Pressure: (685 + 558) / 2 ≅ 622 est.

Hardie 4 + Hardie 4A BBLS (0 + 516) / 2 ≅ 258 est. annual production
Hardie 4 + Hardie 4A MCF (41312 + 50917) / 2 ≅ 46115 est. annual production

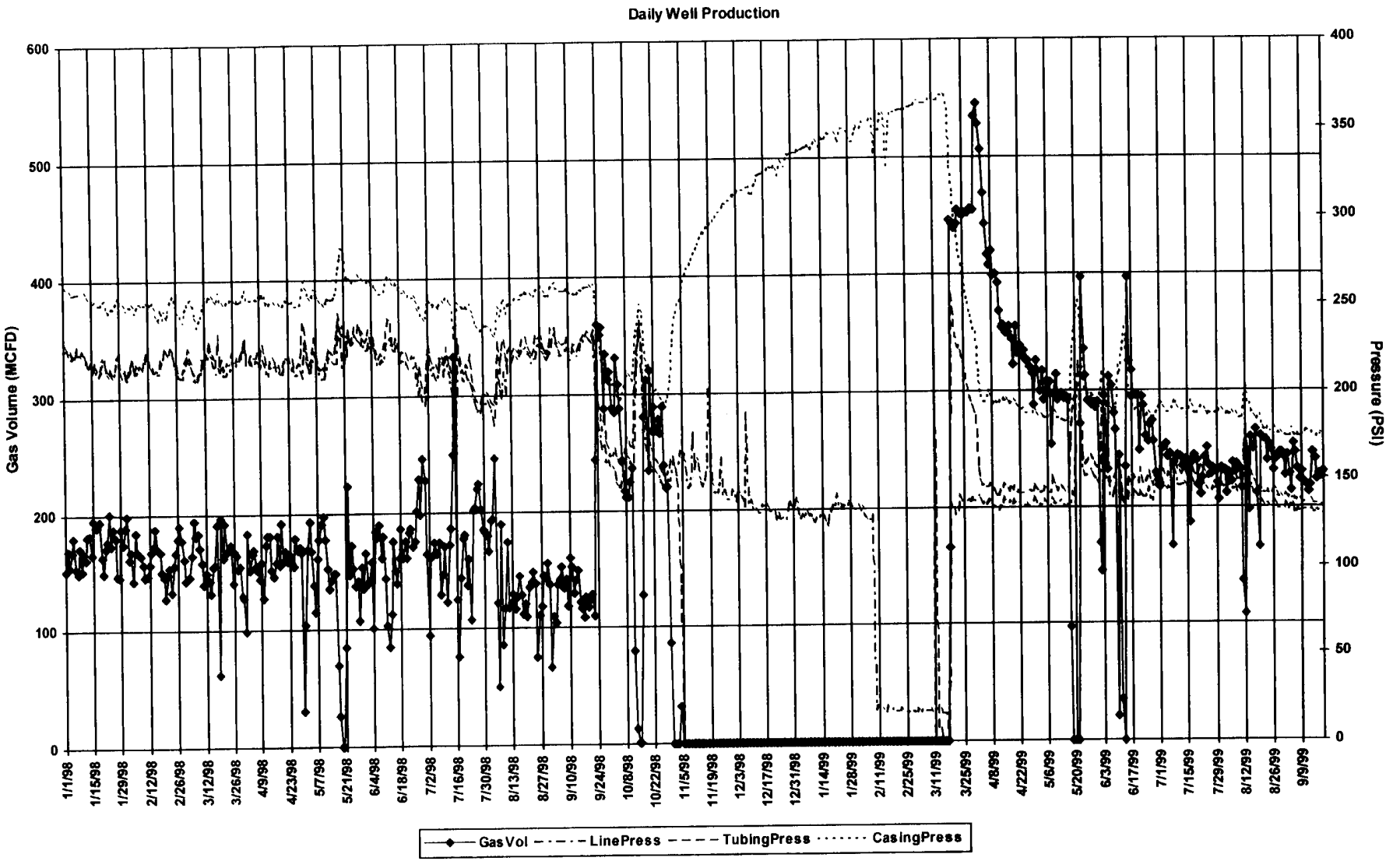
ALLOCATION

FM	BBL	%	GAS	%
DK	0	0%	25377	35%
MV	211	100%	46115	65%

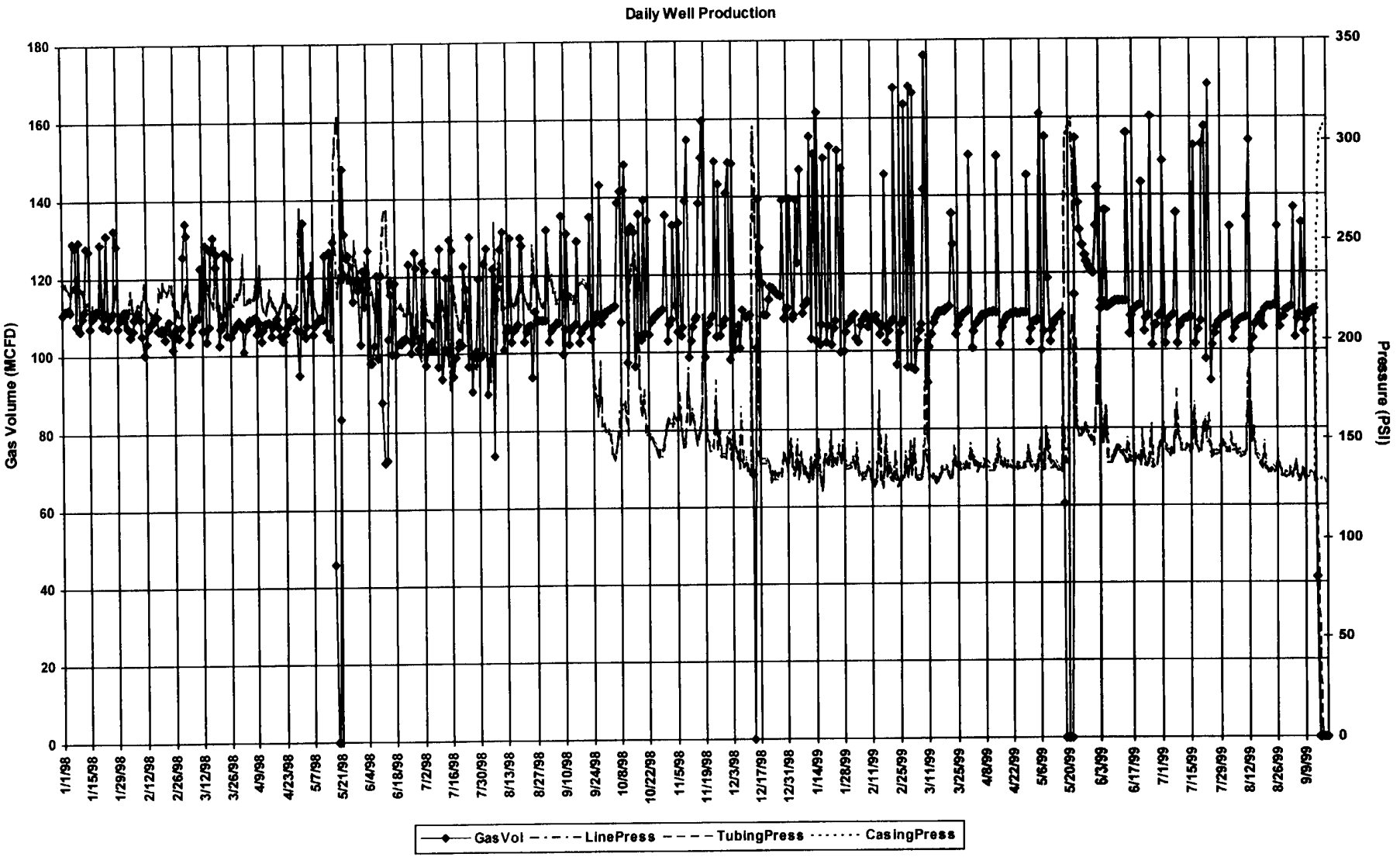
Wellname: **WILCH A 003-DK** Flacwell: **97949801** API: **300452334200** Amoco - OIDB/Synergy Data

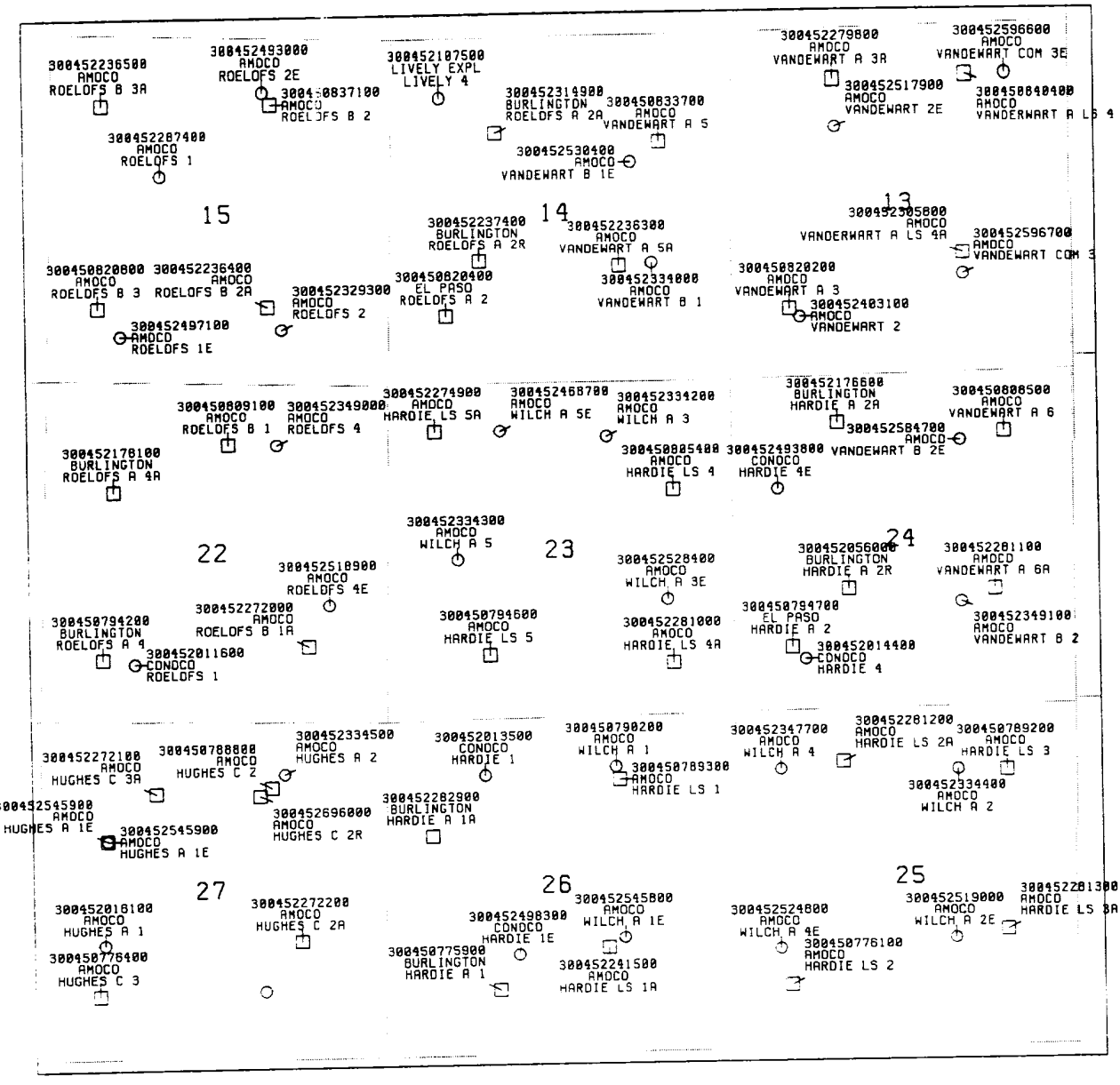


Wellname: **HARDIE LS 004A-MV** Flacwell: **97940601** API: **300452281000** Amoco - OIDB/Synergy Data



Wellname: **HARDIE LS 004-MV** Flacwell: **97862601** API: **300450805400** Amoco - OIDB/Synergy Data





Dakota

Mesaverde

AMOCO PRODUCTION COMPANY
HOUSTON, TX

WILCH A #3
23-29N-08W
MESAVERDE & DAKOTA WELLS

SCALE 1" = 2500'	DRAWN M. J. RITZ	DATE 2-SEP-1999
DRAWING		