



Southern

Rockies

Business

Unit

May 29, 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

Application for Exception to Rule 303-C - Downhole Commingling
Payne A #1E Well
Unit N Section 19-T29N-R10W
Basin Dakota, Otero Chacra and Blanco Mesaverde Pools
San Juan County, New Mexico

OIL CONSERVATION
DIVISION

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

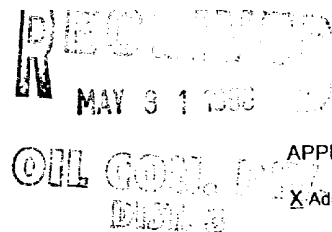
Enclosures

cc: Steve Webb
Gail Jefferson
Wellfile
Proration File

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

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

State of New Mexico
Energy, Minerals and Natural Resources Department



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

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

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

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

APPLICATION FOR DOWNHOLE COMMINGLING

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE
☒ YES ☐ NO

Amoco Production Company		P.O. Box 800 Denver, CO 80201	
Operator PAYNE A	Well No. 1E	Address N-19-29N-10W	County San Juan
Lease			
Spacing Unit Lease Types: (check 1 or more)			
OGRID NO. <u>000778</u>	Property Code <u>000948</u>	API NO. <u>3004524444</u>	Federal <input type="checkbox"/> State <input type="checkbox"/> (and/or) Fee <input checked="" type="checkbox"/>

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	BASIN DAKOTA 71599
2. Top and Bottom of Pay Section (Perforations)	2793' - 2810'	3370' - 4117'	6106' - 6246'
3. Type of production (Oil or Gas)	GAS	GAS	GAS
4. Method of Production (Flowing or Artificial Lift)	FLOWING COMMINGLED WITH MESAVERDE	FLOWING COMMINGLED WITH CHACRA	FLOWING
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated or Measured Original	a. (Current) 620 PSI (EST) COMMINGLED	a. 620 PSI (EST) COMMINGLED	a. 685 PSI
	b. (Original) 1200 PSI	b. 1286 PSI	b. 2458 PSI
6. Oil Gravity (* API) or Gas BTU Content	1000 BTU	1164 BTU	1000 BTU
7. Producing or Shut-In?	PRODUCING	PRODUCING	PRODUCING
Production Marginal? (yes or no)	YES	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. * If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates:	Date: Rates:	Date: Rates:
		COMINGLED WITH CK 77 MCFD .003 BCPD 1 BWPD (5/96)	5/96 17 MCFD .003 BCPD 2 BWPD
8. Fixed Percentage Allocation Formula -% for each zone	Oil: 0 % Gas 3 %	Oil: 50 % Gas 79 %	Oil: 50 % Gas 18 %

NOTE: ALLOCATIONS FOR CHACRA/MESAVERDE ARE CURRENTLY GAS - 96% MV, 4% CK OIL - 100% MV THESE ARE INCORPORATED HEREIN

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
15. NMOC 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 5/29/96
TYPE OR PRINT NAME PAMELA W. STALEY TELEPHONE NO. (303) 830-5344

All distances must be from the outer boundaries of the Section.

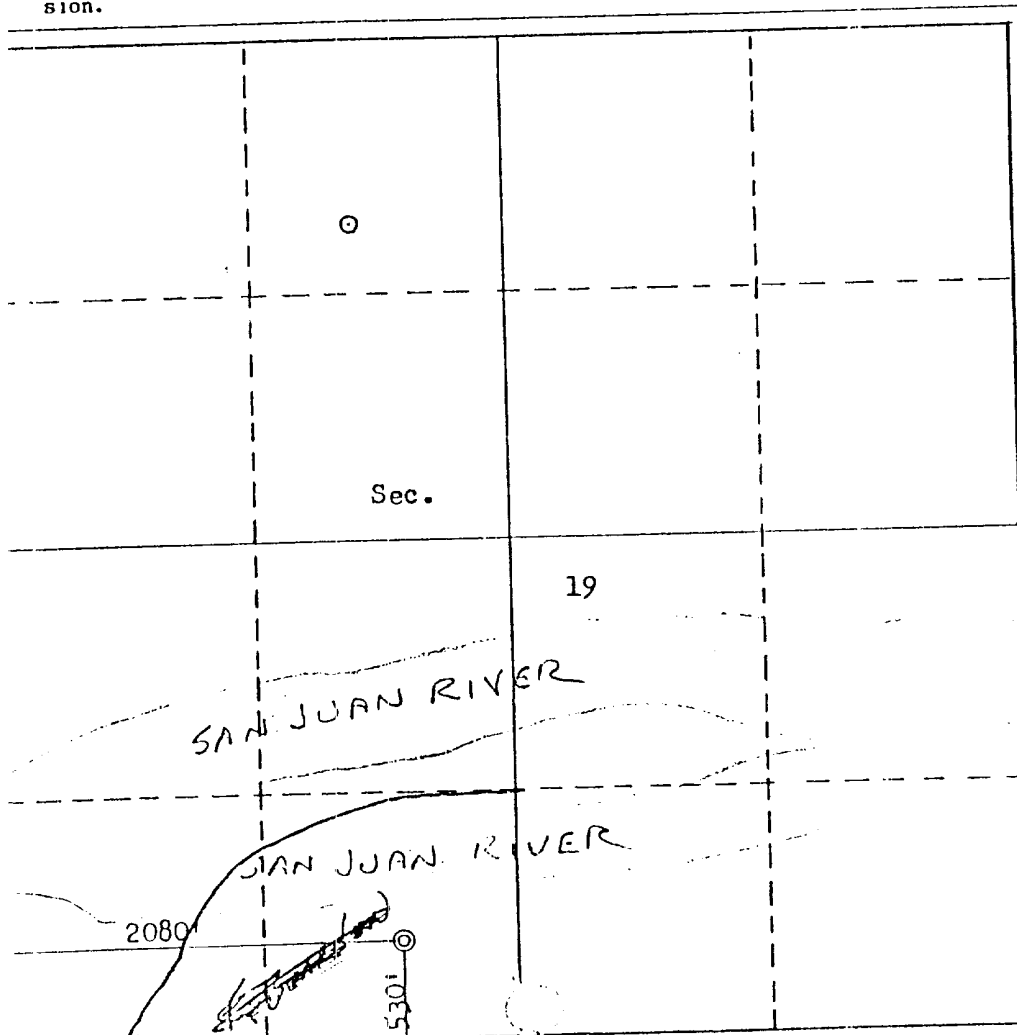
Owner ENNECO OIL COMPANY		Lease ELVIN J. PAYNE GAS UNIT "A"		Well No. 1-E
Letter 19	Section 29N	Township 10W	County San Juan	
Well Location of Well:				
30	feet from the South	line and 2080	feet from the West	line
nd Level Elev. 476	Producing Formation	Pool	Dedicated Acreage: Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Name

Position

Company

Date

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 Surveyed

September 14, 1979

Registered Professional Engineer and/or Land Surveyor

Fred B. Kerr

Certificate No.

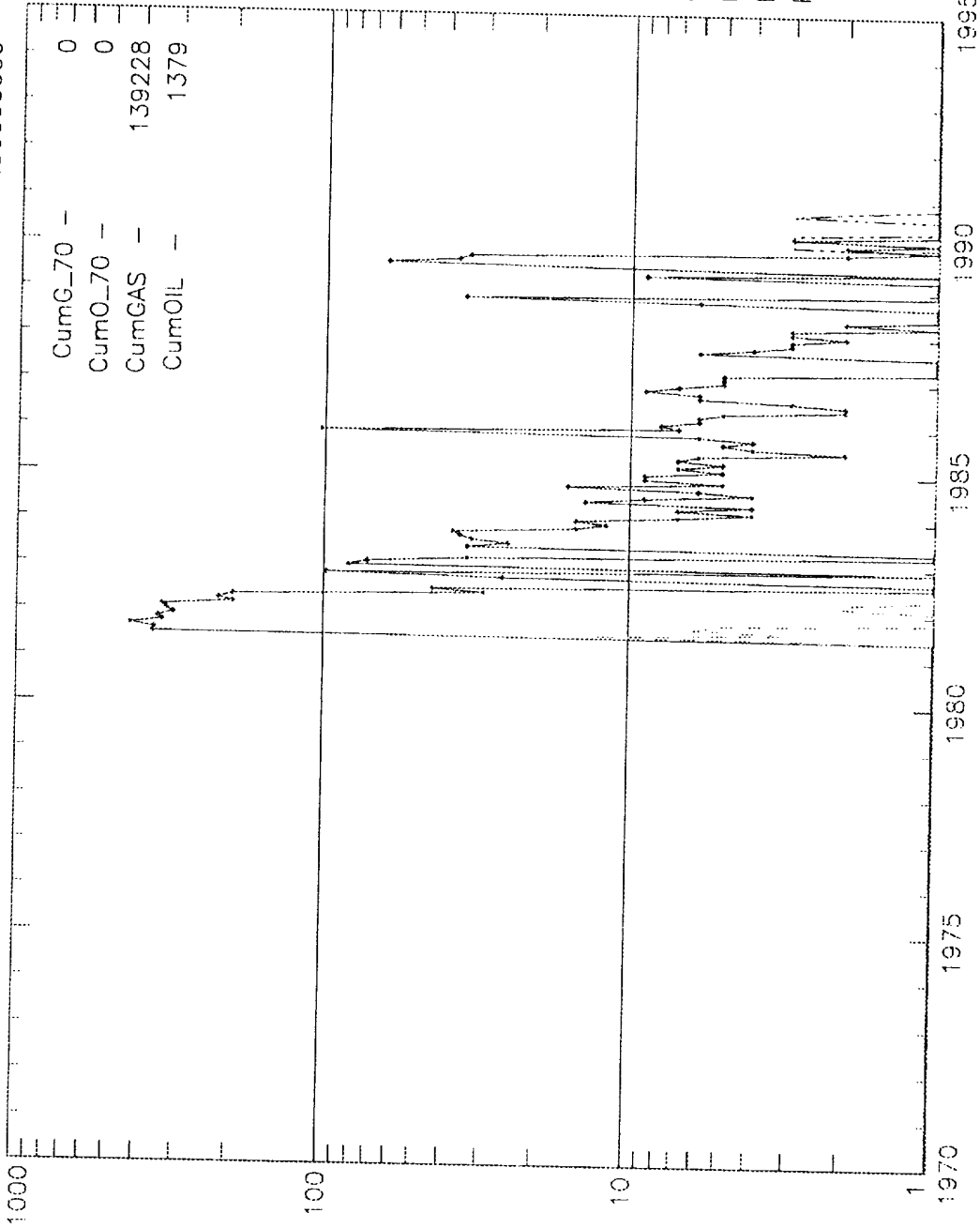
Engr: zdws22

PAYNE A 1E

Operator- AMOCO PRODUCTION CO

30045244400DK N192910-001EDK

APC_WI - 0.50000000



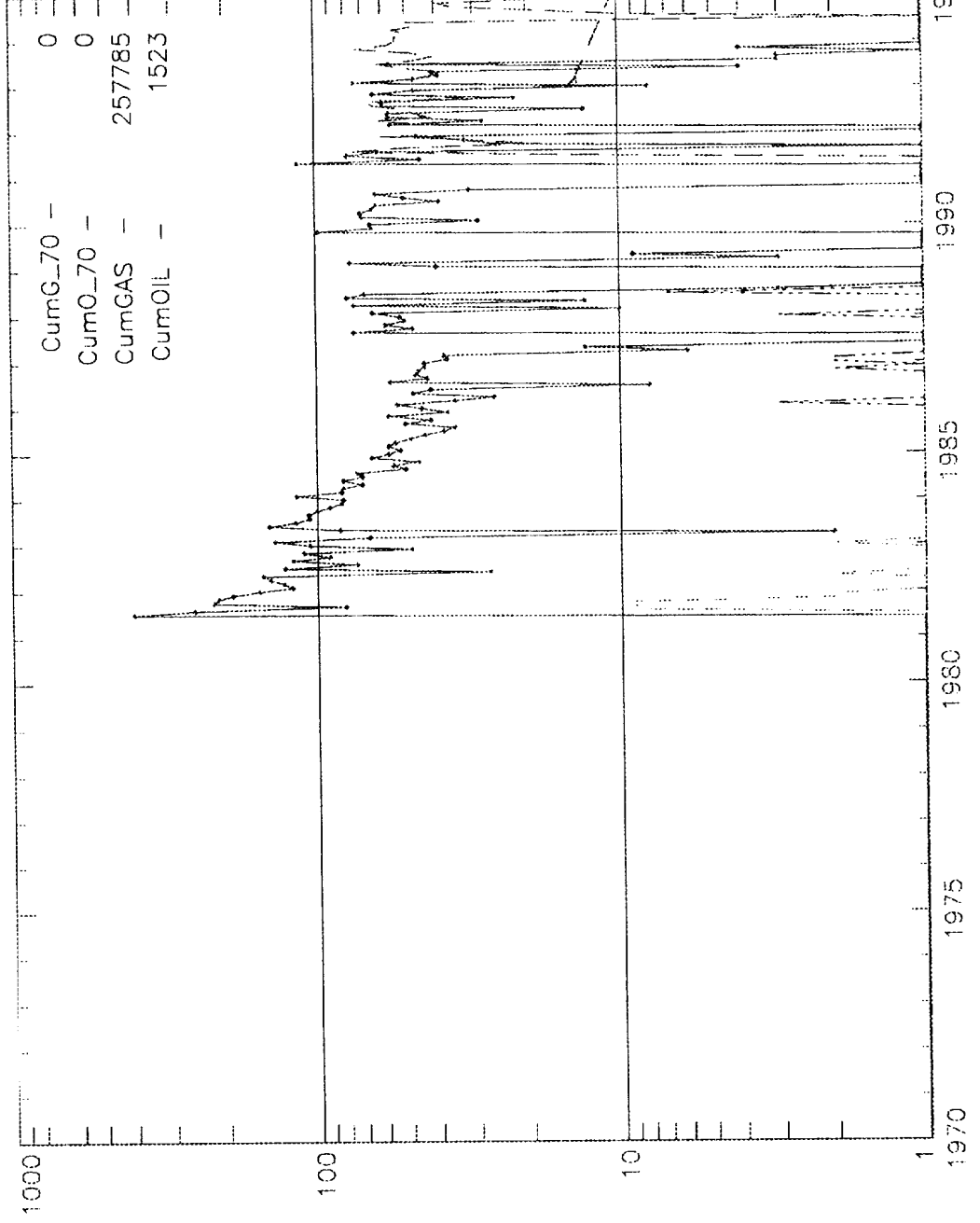
PAYNE A 1E

Operator- AMOCO PRODUCTION CO

300452444400CM

N192910-001ECM

APC_WI - 0.50000000



69847700 00001 617000 00 AMOCO PRODUCTION COMPANY P O BOX 591 TULSA	ZJAM63 OK 74102-0591	69827000 00001 948649 00 PHILLIP MICHAEL GILLETT 3940 W CAPOVILLA LAS VEGAS	ZJAM63 NV 89118-5146
69827000 00001 924757 00 FORREST AND ELLA BEARDEN JOINT TENANTS 6 ROAD 4901 BLOOMFIELD	ZJAM63 NM 87413-9613	69827000 00001 922562 00 EDWARD M HARTMAN 1002 TRAMWAY LANE NE ALBUQUERQUE	ZJAM63 NM 87122-1317
69827000 00001 939657 00 REBECCA CHILDERS 2500 WEST APACHE NO 2204 FARMINGTON	ZJAM63 NM 87401-3286	69827000 00001 948647 00 DEBORAH JOYCE HOCKMAN 33309 SANTIAGO ROAD SUITE NO.223 ACTON	ZJAM63 CA 93510-1413
69827000 00001 939654 00 DAVID W CRAWFORD 388 LA ENTRADA ROAD LOS LUNAS	ZJAM63 NM 87031-7616	69827000 00001 948646 00 KIM KATHLEEN KELLEY 1131 NORTH CURRIER STREET SIMI VALLEY	ZJAM63 CA 93065-5103
69847700 00001 750737 00 EL PAMCO INC P O BOX 14738 ALBUQUERQUE	ZJAM63 NM 87191-4738	69827000 00001 948648 00 DANA MARIE GILLETT KENNEDY 7665 SPANISH BAY DRIVE LAS VEGAS	ZJAM63 NV 89113-1397
69827000 00001 682456 00 MARGUERITE SULLIVAN FRAME ESTATE PAULA JAKUBANIS CONSERVATOR C/O SANDY ELLIOT HUTCHISON, HUGINS AND FREDERICK P O BOX 2250 DURANGO	ZJAM63 CO 81302-2250	69827000 00001 923636 00 FLOYD E LEADERS JR 9529 ASH HOLLOW PLACE GAITHERSBURG	ZJAM63 MD 20879-1239
69827000 00001 435232 00 ELOISE GARRETT N H 21 LAKE CHEROKEE LONGVIEW	ZJAM63 TX 75603	69827000 00001 939656 00 LAURIE L LEWIS P O BOX 955 BLOOMFIELD	ZJAM63 NM 87413-0955
69827000 00001 948650 00 RICHARD ELIAS GILLETT 3940 WEST CAPOVILLA LAS VEGAS	ZJAM63 NV 89118-5146	69827000 00001 599039 01 MANANA GAS INC 2520 TRAMWAY TERRACE CT NE ALBUQUERQUE	ZJAM63 NM 87122-2317
		69827000 00001 903560 00 HORACE F MCKAY JR AND ELMYRA K TRUST U/T/A DATED 12/19/88 HORACE F JR AND ELMYRA K MCKAY TRUSTEE P O BOX 14738 ALBUQUERQUE	ZJAM63 NM 87191-4738

69827000 00001 ZJAM63
924794 00
WILLIAM L AND MARIAN R NOBLES
6759 HWY 64
BLOOMFIELD NM 87413-9564

69827000 00001 ZJAM63
119632 00
ELIZABETH M RANSOM
503 WHITE AVENUE
AZTEC NM 87410-2335

69827000 00001 ZJAM63
925640 00
GLEN A RANSOM
HWY 550 RD 4475
AZTEC NM 87410

69827000 00001 ZJAM63
925538 00
PAUL W RANSOM
611 EAST 2ND STREET
NIXON TX 78140-3263

69847700 00001 ZJAM63
116322 00
FAVIANA SANCHEZ
#17 RD 4904
BLOOMFIELD NM 87413-9616

69827000 00001 ZJAM63
948645 00
SHERRY LYN SMITH
1131 NORTH CURRIER STREET
SIMI VALLEY CA 93065-5103

69827000 00001 ZJAM63
682455 00
R BRUCE SULLIVAN
MARY HELENE SULLIVAN SIKES ATTY-N-FACT
P O BOX 400
BLOOMFIELD NM 87413-0400

RAYMOND J RANSON
645 AUSTIN AVENUE
BOX 1613
ALAMO TX 78516