

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office 1235 La Plata Highway Farmington, New Mexico 87401

June 20, 1996

IN REPLY REFER TO: SF-080245 3162.3-2 (07327)

Pamela W. Staley Amoco Production Company P.O. Box 800 1670 Broadway Denver, Colorado 80201

Dear Ms. Staley:



We have reviewed your application to commingle production downhole from the Otero Chacra and the Basin Dakota Pools in the following well located on Federal lease No. SF-080245:

Hammer #3E 77 970' FSL, 870' FWL, Section 29, T-29N, R-9W San Juan County, New Mexico

Production profiles from both formations were analyzed to determine if future allocation based on percentages would be equitable. Both formations have been declining at similar rates for the past year. Your Application and allocation method, are hereby approved as submitted, effective the date that actual commingling of the pools occurs. Approved allocation factors are:

Formation	Gas	Condensate
Otero Chacra	36%	55%
Basin Dakota	64%	45%

If you have any questions regarding this correspondence, please contact Ray Hager at (505) 599-6366.

Sincerely.

Duane Spencer Team Lead, Petroleum Management

bcc:

New Mexico Oil Conservation Division, Santa Fe New Mexico Oil Conservation Division, Aztec AIRS

DOM Reader

07327:RHager: 06/20/96 :x366:Hammer3E.ltr

Well File (SF-080245, Hammer #3E, 970 FSL, 870 FWL, Section 29, T-29N, R-9W) W/Application