STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

ADMINISTRATIVE ORDER DHC-1122

Amoco Production Company
P.O. Box 800
Denver, Colorado 80201-0800

Attention: Mr. J.W. Hawkins

Childers Well No.3-E
Unit O, Section 3, Township 31 North, Range 11 West,
NMPM, San Juan County, New Mexico.
Blanco Pictured Cliffs (Gas) and Basin Dakota (Prorated Gas) Pools

Dear Mr. Hawkins:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations to permit the subject well to commingle production from both pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the two zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303-C-4., total commingled oil production from the subject well shall not exceed 30 barrels per day, and total water production shall not exceed 60 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated pool as printed in the Division's San Juan Basin Gas Proration Schedule.

In accordance with the provisions of Rule 303-C, the supervisor of the Aztec District Office of the Oil Conservation Division shall determine the proper allocation of production from the subject well following its completion.

FURTHER: The operator shall notify the Aztec District Office of the Division upon implementation of the commingling process.

Pursuant to Rule 303-C-5, the commingling authority granted by the order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 11th day of April, 1995.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

WILLIAM J. LEMAY
Director

S E A L

WJL/BES

cc: Oil Conservation Division - Aztec

Ernie Busch

From: Ernie Busch
To: David Catanach
Subject: AMOCO (DHC)
Date: Tuesday, March 28, 1995 10 07AM
Priority: High

CHILDERS #3E
O-03-31N-11W
RECOMMEND: THEY SHOULD BE ABLE TO SUBMIT A LIST OF THE CLOSEST OFFSETTING PC WELLS TO GIVE US A BETTER IDEA OF EXPECTED PERFORMANCE

ENVIROTECH LABS

5796 US HIGHWAY 64-3014 • FARMINGTON, NEW MEXICO 87401
PHONE: (505) 632-0615 • FAX: (505) 632-1865

EPA METHOD 8040
PHENOLS

	N/A	Project #:	N/A
	Matrix Blank	Date Reported:	02-27-95
r Number:	0219MBLK	Date Sampled:	N/A
ustody:	N/A	Date Received:	N/A
rix:	Soil	Date Extracted:	02-19-95
ve:	Cool	Date Analyzed:	02-24-95
	Cool & Intact	Analysis Requested:	TCLP

	Concentration (mg/L)	Det. Limit (mg/L)	Regulatory Limit (mg/L)
	ND	0.020	200.0
	ND	0.040	200.0
hlorophenol	ND	0.020	2.0
hlorophenol	ND	0.020	400.0
ophenol	ND	0.020	100.0

RECOVERIES:

Parameter	Percent Recovery
2,4,6-tribromophenol	96 %

Method 1311, Toxicity Characteristic Leaching Procedure Test Methods for Evaluating Solid Waste, SW-846, USEPA, July 1992.

Method 3510, Separatory Funnel Liquid-Liquid Extraction, Test Methods for Evaluating Solid Waste, SW-846, USEPA, July 1992.

Method 8040, Phenols, Test Methods for Evaluating Solid Waste, SW-846, USEPA, Sept. 1986.

Regulatory Limits based on 40 CFR part 261 subpart C section 261.24, July 1, 1992.

eter not detected at the stated detection limit.

QA/QC for samples 8206, 8213-8216, 8220.

Review

Southern
Rockies
Business
Unit

March 21, 1995

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

RECEIVED
MAR 23 1995
OIL CON. DIV.
DIST. 3

Application for Exception to Rule 303-A
Downhole Commingling and
Approval of Unorthodox Location
Childers #3E Well
1290' FSL, 1780' FEL, Section 3-T31N-R11W
Blanco Pictured Cliffs, Basin Dakota Pools
San Juan County, New Mexico

Amoco Production Company hereby requests administrative approval to downhole commingle production from the Blanco Pictured Cliffs and Basin Dakota Pools and approval for an unorthodox location for the Blanco Pictured Cliffs Pool in the Childers #3E well referenced above. This well was originally drilled at an approved non-standard location under order NSL-1627 and has been producing as a single Dakota completion. We now wish to add the Pictured Cliffs formation and downhole commingle the two zones in this well. The ownership (WI, RI ORRI) of these pools is identical in this wellbore. Downhole commingling will offer an economical method of production while protecting against reservoir damage, waste of reserve and violation of correlative rights. Amoco is the only offset operator affected by this application

Sincerely,

J. W. Hawkins

Enclosures

Dawson A #1

cc: Mark Rothenberg

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

Application for Exception to Rule 303: SEGREGATION OF PRODUCTION FROM POOLS

Requirements

(1) Name and address of the operator:

Amoco Production Company
P.O. Box 800
Denver, CO 80201

(2) Lease name, well number, well location, name of the pools to be commingled:

Lease Name:	Childers
Well Number:	3E
Well Location:	1290' FSL & 1780' FEL
	Section 3, T31N-R11W
	San Juan County, New Mexico
Pools Commingled:	Blanco Pictured Cliffs
	Basin Dakota

(3) A plat of the area showing the acreage dedicated to the well and the ownership of all offsetting leases.

Attached

(4) A current (within 30 days) 24-hour productivity test on Division Form C-116 showing the amount of oil, gas and water produced from each zone.

The Dakota has produced for over 20 years and is currently averaging about 20 mcfd. The Pictured Cliffs will be a new completion and has not been produced.

(5) A production decline curve for both zones showing that for a period of at least one year a steady rate of decline has been established for each zone which will permit a reasonable allocation of the commingled production to each zone for statistical purposes. (This requirement may be dispensed within the case of a newly completed or recently completed well which has little or not production history. However, a complete resume of the well's completion history including description of treating, testing, etc., of each zone, and a prognostication of future production from each zone shall be permitted.)

Dakota Completion: Historical production curve attached.

Pictured Cliffs Completion: not yet completed.

(6) Estimated bottomhole pressure for each artificially lifted zone. A current (within 30 days) measured bottom hole pressure for each zone capable of flowing.

	BH Pressure	SI Tubing Press.	Fluid Level
Blanco Pictured Cliffs Completion:	500 est. psi		
Basin Dakota Completion	481 psi	431 psi	0'

(7) A description of the fluid characteristics of each zone showing that the fluids will not be incompatible in the wellbore.

The fluids have no abnormal components that would prohibit commingling, or promote the creation of emulsions or scale.

(8) A computation showing that the value of the commingled production will not be less than the sum of the values of the individual streams:

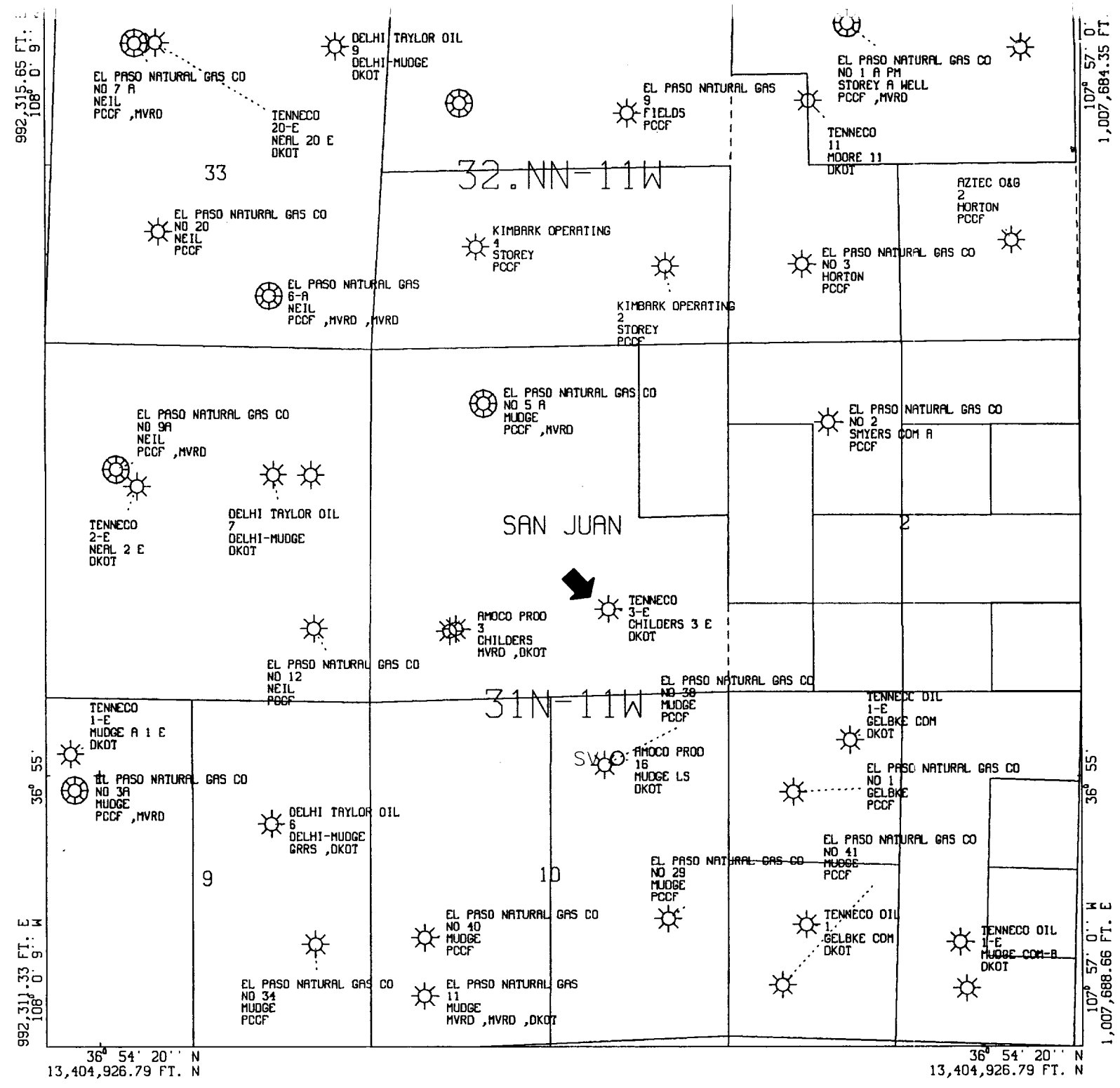
Since the BTU content of the produced fluids are very similar, we would expect the commingled production to have the same value as the sum of the individual streams.

(9) A formula for the allocation of production to each of the commingled zones and a description of the factors or data used in determining such formula:

The well is undergoing additional testing to aid in determination of the allocation factor. We propose a fixed percentage allocation using the recent average Dakota rate as a percentage of the commingled rate.

(10) A statement that all offset operators and, in the case of a well on federal land, the United States Bureau of Land Management, have been notified in writing of the proposed commingling.

Amoco is the only offsetting operator.



POLYCONIC CENTRAL MERIDIAN - 107° 58' 35" W LON
SPHEROID - 6

AMOCO PRODUCTION COMPANY
PLAT MAP
Childers 3E
Offset DK and PC Wells

SCALE 1 IN. = 2,000 FT. FEB 24, 1995

--RUN#95055025213

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

[1] API Number	[2] Pool Code	[3] Pool Name
3004525623	72359	Blanco Pictured Cliffs (Gas)

[4] Property Code	[5] Property Name	[6] Well Number
000372	Childers	3E

[7] OGRID No.	[8] Operator Name	[9] Elevation
000778	Amoco Production Company	

[10] Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	3	31N	11W		1290	South	1780	East	San Juan

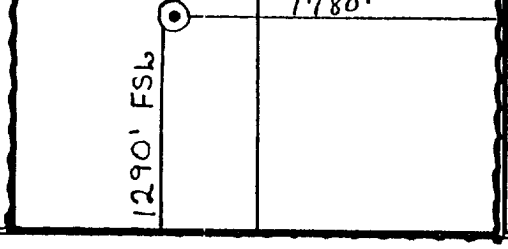
[11] Bottom Hole Location If Different From Surface

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

[12] Dedicated Acres	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
160.00			

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

16



[17] OPERATOR CERTIFICATION

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

Gail M. Jefferson
Signature

Gail M. Jefferson
Printed Name

Business Assistant
Title

03-16-1995
Date

[18] SURVEYOR 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 belief.

September 23, 1982
Date of Survey

Signature and Seal of Professional Surveyer:

3950
Certificate Number

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
Y AND MINERALS DEPARTMENT

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-107
Revised 10-1-78

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

Operator	Lease	Well No.
TENNECO OIL COMPANY	CHILDERS	3E

Unit Letter	Section	Township	Range	County
O	3	31N	11W	San Juan

Actual Footage Location of Well:
1290 feet from the South line and 1780 feet from the East line

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage:
5980	Dakota	Basin Dakota	320 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

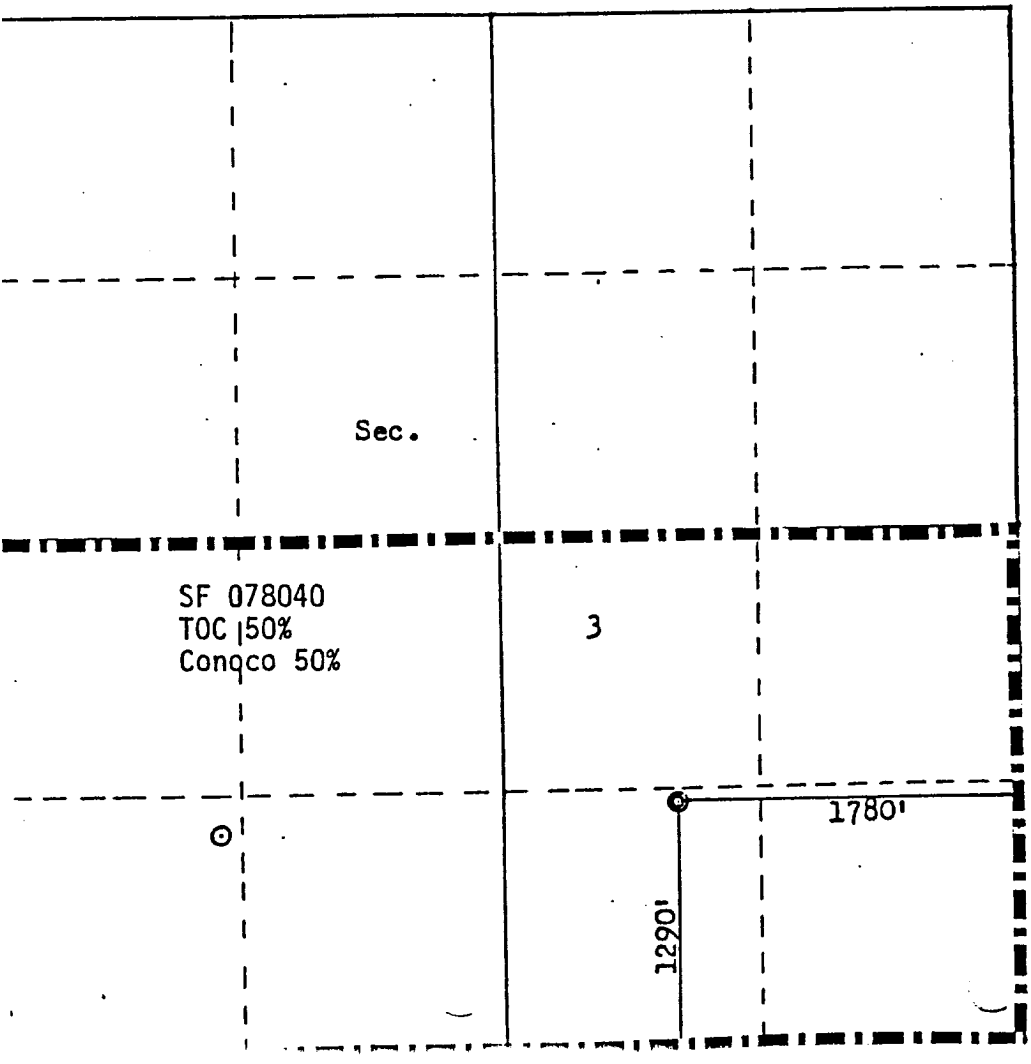
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. 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: Ken Russell

Position: Sr. Production Analyst

Company: Tenneco Oil Company

Date: November 12, 1982

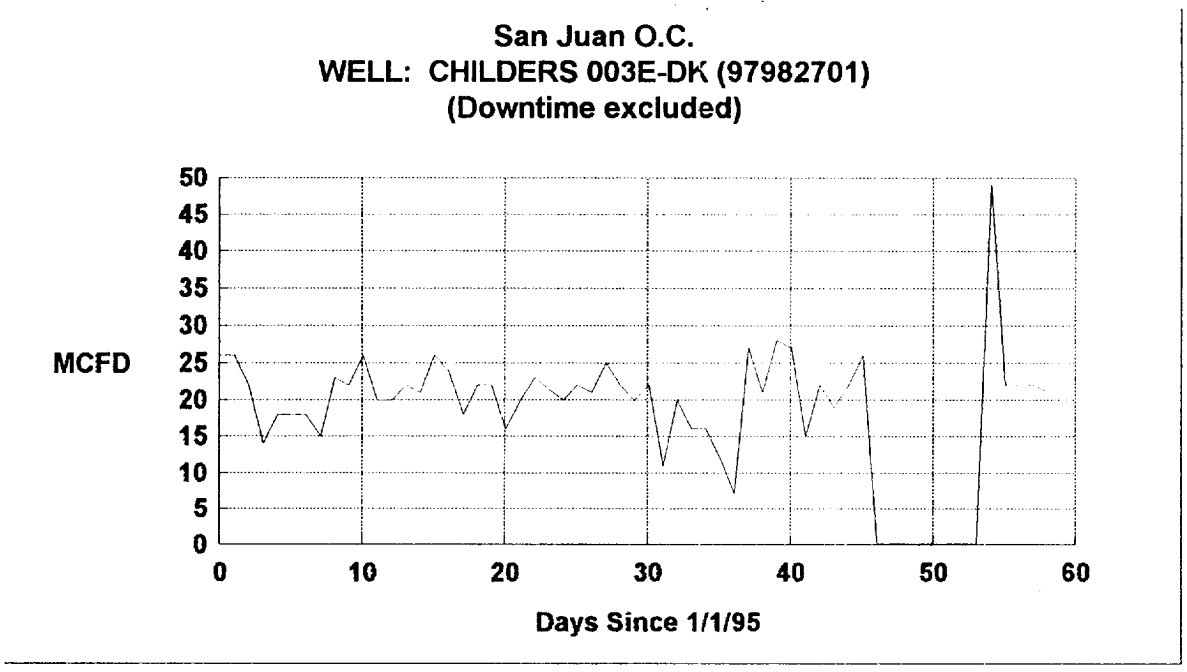
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: September 23, 1982

Registered Professional Engineer and Land Surveyor

Fred B. Kerr Jr.

Certificate No.

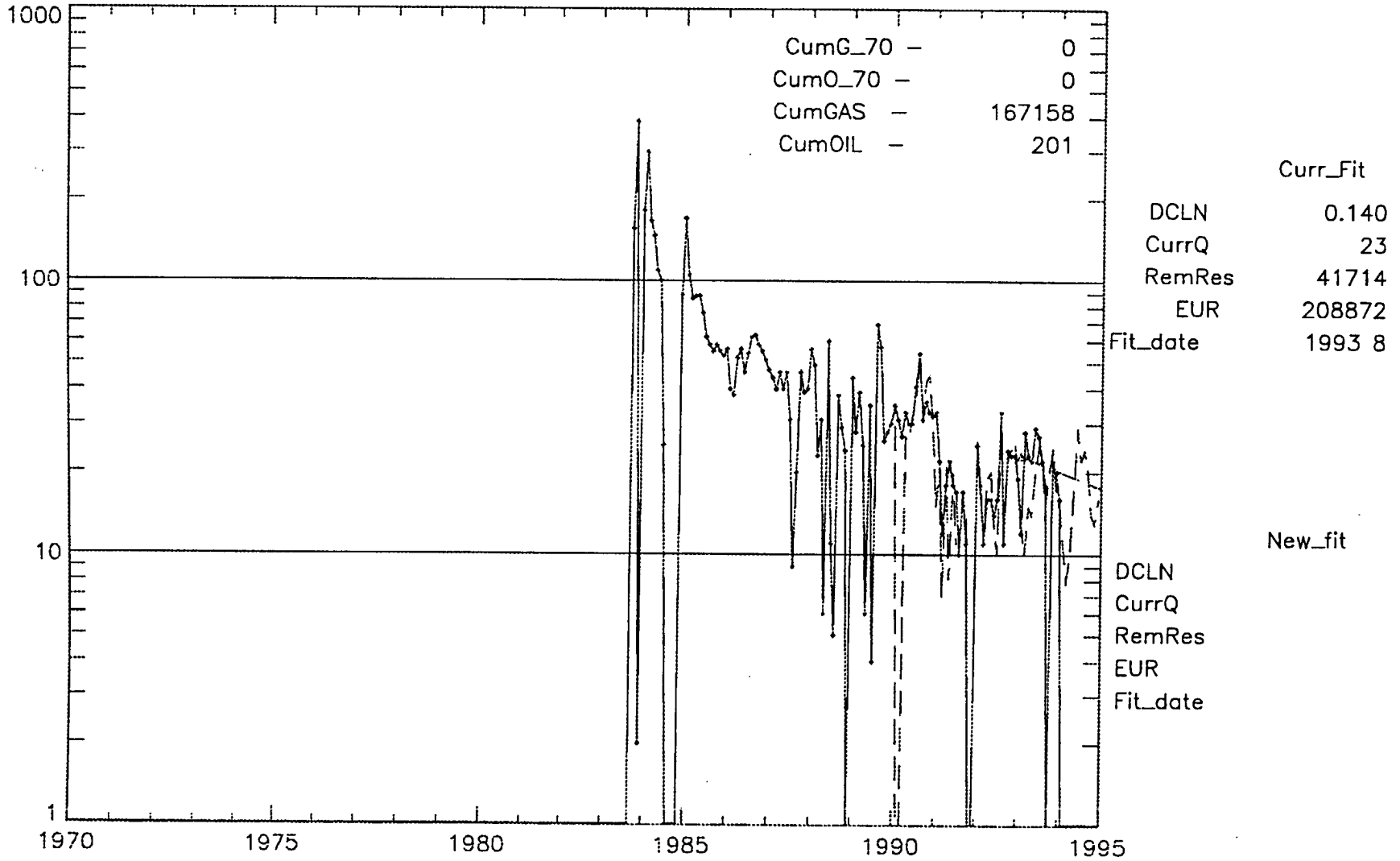

San Juan O.C.
WELL: CHILDERS 003E-DK (97982701)
(Downtime excluded)
MCFD
50
45
40
35
30
25
20
15
10
5
0
0
10
20
30
40
50
60
Days Since 1/1/95

Engr: zmdr16

CHILDERS 3E

Operator- AMOCO PRODUCTION CO

300452562300DK 0033111-003EDK APC_WI - 0.50000000



GAS ANALYSIS SERVICE

7/10/94

AMOCO PRODUCTION COMPANY
WELL ANALYSIS COMPARISON

WELL NAME: NEIL LS 12
STATION NO.: (Neighboring PC)

	BRADENHEAD	CASING
ANALYSIS NO.:	AMO40732	AMO40733
DATE:	7/7/94	7/7/94
COMPONENT	MOLE %	MOLE %
NITROGEN	7.172	0.206
CO2	0.041	0.505
METHANE	83.030	86.270
ETHANE	4.876	7.592
PROPANE	2.748	3.245
I-BUTANE	0.615	0.553
N-BUTANE	0.730	0.830
I-PENTANE	0.256	0.274
N-PENTANE	0.167	0.192
HEXANE +	0.365	0.333
BTU'S	1078.8	1174.3
GPM	2.8064	3.6829
SPEC. GRAV.	0.6730	0.6675

7/7/94

AMOCO PRODUCTION COMPANY
WELL ANALYSIS COMPARISON

WELL NAME: MOORE COM 1
STATION NO.: (Neighboring DK)

	BRADENHEAD	CASING	INTERMEDIATE
ANALYSIS NO.:	AMO40711	AMO40712	AMO40713
DATE:	7/6/94	7/6/94	7/6/94
COMPONENT	MOLE %	MOLE %	MOLE %
NITROGEN	0.211	0.181	0.182
CO2	0.145	0.150	0.148
METHANE	85.669	85.673	85.747
ETHANE	8.535	8.556	8.528
PROPANE	3.375	3.384	3.364
I-BUTANE	0.566	0.568	0.562
N-BUTANE	0.791	0.792	0.785
I-PENTANE	0.246	0.246	0.242
N-PENTANE	0.185	0.184	0.180
HEXANE +	0.277	0.266	0.262
BTU'S	1183.1	1183.3	1182.0
GPM	3.9255	3.9294	3.9076
SPEC. GRAV.	0.6672	0.6672	0.6663