

May 2, 1995

Mr. David Catanach  
New Mexico Oil Conservation Division  
2040 S. Pacheco Street  
P. O. Box 6429  
Santa Fe, NM 87505

*FILE-  
DHC-1128*



**Additional Requested Information**  
**Downhole Commingling Applications**  
**Storey "C" #2M Well and Florance #67 Well**  
**Blanco Mesaverde and Basin Dakota and Otero Chacra Pools**  
**San Juan County, New Mexico**

Referencing our conversation last week concerning the supporting data for our proposed gas allocation and the allocation split for liquid production from the subject wells I am hereby submitting this information for your consideration prior to approving our application. Please refer to the attached spreadsheet showing the nearby wells used in the analysis for each allocation. In addition you can see how we arrived at both the gas and oil allocation for each of the two wells.

**Storey "C" #2M Well**  
**1890' FNL, 655' FWL, Section 35-T28N-R9W**

We recommend that the oil allocation for this well be set at 80% to the Dakota formation, 20% to the Mesaverde formation and no production to the Chacra formation as it does not produce oil in this area. Attached you will find a listing of our net oil stock for 1995 for each of the offset wells in their respective producing formations. This was the information used to determine these allocations.

As we proposed in our March 31, 1995 letter of application for downhole commingling of this well, we would allocate 20% of the gas production to the Dakota formation, 45% of the gas production to the Chacra formation and 35% of the gas production to the Mesaverde formation. We have based this on the attached information from surrounding wells which indicates how we reached these numbers.

**Florance #67 Well**  
**1135' FSL, 1850' FEL, Section 19-T27N-R8W**

We recommend that the oil allocation for this well be set at 75% from the Dakota formation, 25% from the Mesaverde formation and no production from the Chacra formation as this formation does

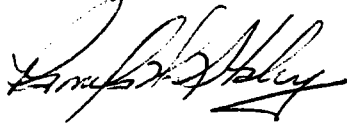
not produce liquids in the surrounding wells. As for the previous well, the net oil stock information from which our recommendation was reached is attached.

In our application dated March 31, 1995 for downhole commingling of this well, we proposed to allocate 10% of the gas production to the Dakota formation, 36% of the gas production to the Chacra formation, and 54% of the gas production to the Mesaverde formation. As in the cases above, the data supporting this recommendation is on the attached sheet.

In our discussion last week you also indicated that you would like us to consult with Mr. Frank Chavez of the Aztec District office of the NMOCD in planning the stabilized rate tests during the recompletions on these wells. We will incorporate that into our procedure for these two wells to make sure Mr. Chavez is consulted. I have copied Mr. Chavez on this letter to make sure he is aware of our proposal.

Should you have questions concerning our methods used here, please do not hesitate to contact me at (303) 830-5344.

Sincerely,



Pamela W. Staley  
Enclosure

cc: Lara Kwartin  
Gail Jefferson

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

# OIL AND GAS ALLOCATION

## WELLNAME

Storey C 2E  
 Schwerdfeger A LS 11  
 Florance D LS 17  
 Bolack C LS 14A  
  
 Florance 67  
 Florance D LS 13  
 Florance D LS 9  
 Florance D LS 17  
 Bolack C LS 14A

EM	MCFD	NET STOCK OIL '95
DK	80	81.8
MV	150	20.3
CK	100	---
CK	300	---
DK	40	103
MV	200	69
MV	250	1
CK	90	---
CK	200	---

## Storey C 2E Gas Allocation:

DK-80 MCFD 20%  
 MV-150 MCFD 35%  
 CK-200 MCFD (avg. of 100,300) 45%

430 MCFD total

## Storey C 2E Oil Allocation:

DK-81.8 BBL 80%  
 MV-20.3 BBL 20%  
 CK-0 BBL 0%

102.1 total

## Florance 67 Gas Allocation:

DK-40 MCFD 10%  
 MV-225 MCFD (avg. of 200,250) 54%  
 CK-150 MCFD (avg. of 250,90) 36%

415 MCFD total

## Florance 67 Oil Allocation:

DK-103 BBL 75%  
 MV-35 BBL (avg. of 69,1) 25%  
 CK-0 BBL 0%

138 total

**MERIDIAN OIL**

OIL CONSERVATION DIVISION  
RECEIVED

DHC-1128


1995 APR 17 PM 8:58  
APR 12, 1995

State of New Mexico  
Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, NM 87505

**RE: APPLICATION TO DOWNHOLE COMMINGLE**  
L.C. KELLY #4, SEC: 03, T30N, R12W  
LACKEY B #13M, SEC. 20, T28N, R09W  
STOREY C #2M, SEC. 35, T28N, R09W  
**SAN JUAN COUNTY, NEW MEXICO**

Meridian Oil Inc. has no objections to the downhole commingle of these wells.

Very truly yours,

  
Van L. Goebel *by DUG*  
Senior Landman

File: Amoco Correspondence

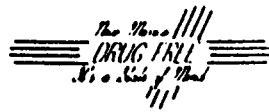
cc: Amoco Production Company



STATE OF NEW MEXICO

ENERGY, MINERALS and NATURAL RESOURCES DIVISION  
OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE

DHC-1128



BRUCE KING  
GOVERNOR

ANITA LOCKWOOD  
CABINET SECRETARY

'95 APR 11 PM 8 52

1000 RIO BRAZOS ROAD  
AZTEC, NEW MEXICO 87410  
(505) 334-6174

Date: 4/3/95

Oil Conservation Division  
P.O. Box 2088  
Santa Fe, NM 87504-2088

RE: Proposed MC \_\_\_\_\_  
Proposed NSL \_\_\_\_\_  
Proposed WFX \_\_\_\_\_  
Proposed NSP \_\_\_\_\_

Proposed DHC K \_\_\_\_\_  
Proposed SWD \_\_\_\_\_  
Proposed PMX \_\_\_\_\_  
Proposed DD \_\_\_\_\_

Gentlemen:

I have examined the application received on 4/3/95

for the Amoco Stoney C #2M  
OPERATOR LEASE & WELL NO.

E-35-28N-9W and my recommendations are as follows:  
UL-S-T-R

Approve after review of bottom hole pressures.  
Allocation should be on the basis of production

Yours truly,

S. J. G.