



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO:
SF-080776
3162.7-3 (07327)

May 8, 1996

Ms. Pamela W. Staley
Amoco Production Company
P.O. Box 800
Denver, CO 80201

RE: Federal Lease SF-080776
Downhole Commingling Application
Blanco Mesaverde and Basin Dakota Pools
No. 1 Mansfield "A"
1110' FWL & 1460' FSL
Section 25-T30N-R10W
San Juan County, New Mexico

Dear Ms. Staley:

The Farmington District Office (FDO) of the Bureau of Land Management (BLM) has received your letter dated April 22, 1996, for downhole commingling of the Blanco Mesaverde and Basin Dakota Pools in the above referenced well.

The Dakota formation has historically production data, while the Mesaverde formation is newly completed in the referenced well. The production history for the Dakota completion will be extrapolated out to the economic limit of the well. The projected monthly production for the Dakota completion will be used to calculate the allocated production for the Mesaverde completion, which will be equal to the difference of the total monthly production and the projected monthly Dakota production. For the condensate production, the allocation will be based on the percentage basis respective to the gas production split for that month. This allocation procedure is illustrated as follows:

Gas Production: $Q_{MV}(\text{gas}) = Q_T(\text{gas}) - Q_{DK}(\text{gas})$

where: Q_T = Total monthly gas production in MCF
 Q_{DK} = Extrapolated monthly Dakota gas production in MCF
 Q_{MV} = Calculated monthly Mesaverde gas production in MCF

Condensate production: $Q_{MV}(\text{con}) = Q_T(\text{con}) * Q_{MV}(\text{gas}) / Q_T(\text{gas})$

$Q_{DK}(\text{con}) = Q_T(\text{con}) * Q_{DK}(\text{gas}) / Q_T(\text{gas})$

where: $Q_T(\text{con})$ = Total monthly condensate production in bbls
 $Q_{MV}(\text{con})$ = Mesaverde condensate production in bbls
 $Q_{DK}(\text{con})$ = Dakota condensate production in bbls

Approval to downhole commingle the Blanco Mesaverde and Basin Dakota formations for the above referenced well is hereby granted.

If you have further questions regarding this matter, please contact Brian W. Davis at (505) 599-6367 or (505) 599-8900.

Sincerely,

~~Al Duane Spencer~~

Duane W. Spencer
Team Leader, Petroleum Management

bcc:

~~NMOCD, Santa Fe~~

Well File (No. 1 Mansfield "A", 1110' FWL & 1460' FSL, Sec 25-T30N-R10W)

DOMR

Suspense (Brian)

AIRS

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