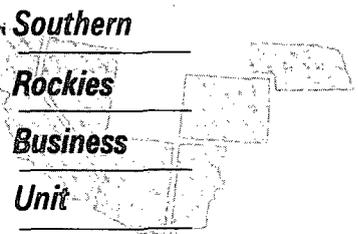




DHC 4-29-96  
1256

NEW MEXICO OIL CONSERVATION DIVISION  
RECEIVED  
MAR 28 4 41 PM '96



March 28, 1996

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

**Application for Exception to Rule 303-C  
Downhole Commingling  
Jicarilla Contract #148-25 Well  
Unit A Section 15-T25N-R5W  
Otero Chacra (Pool IDN 82329) and South Blanco Pictured Cliffs (Pool IDN 72439) Pools  
Rio Arriba, New Mexico**

Enclosed please find an administrative application form (C-107-A) and attachments for downhole commingling for the captioned well.

Should you have questions concerning this matter, please contact me at (303) 830-5344.

Sincerely,

Pamela W. Staley

Enclosures

cc: Steve Smethie  
Patty Haeefe  
Wellfile  
Proration file

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

Robert Kent  
Bureau of Land Management  
435 Montano NE  
Albuquerque, NM 87107

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

OIL CONSERVATION DIVISION

APPROVAL PROCESS:

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

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

Administrative  Hearing

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

APPLICATION FOR DOWNHOLE COMMINGLING

EXISTING WELLBORE  
 YES  NO

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

Operator Jicarilla Contract #148 25 Address Unit A Section 15-T25N-R5W Rio Arriba

Lease Well No. Unit Ltr. - Sec Twp - Rge County Spacing Unit Lease Types: (check 1 or more)  
OGRID NO. 000778 Property Code 000740 API NO. 3003922525 Federal  State  (and/or) Fee

Table with 4 columns: The following facts are submitted in support of downhole commingling, Upper Zone, Intermediate Zone, Lower Zone. Rows include Pool Name and Pool Code, Top and Bottom of Pay Section (Perforations), Type of production (Oil or Gas), Method of Production (Flowing or Artificial Lift), Bottomhole Pressure (Current and Original), Oil Gravity (° API) or Gas BTU Content, Producing or Shut-In?, Production Marginal? (yes or no), and Fixed Percentage Allocation Formula.

- 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? If not, have all working, overriding, and royalty interests been notified by certified mail? Have all offset operators been given written notice of the proposed downhole commingling?
- 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 JICARILLA CONTRACT #148
- 15. NMOCD 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 3/25/96  
TYPE OR PRINT NAME PAMELA W. STALEY TELEPHONE NO. ( 303 ) 830-5344

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

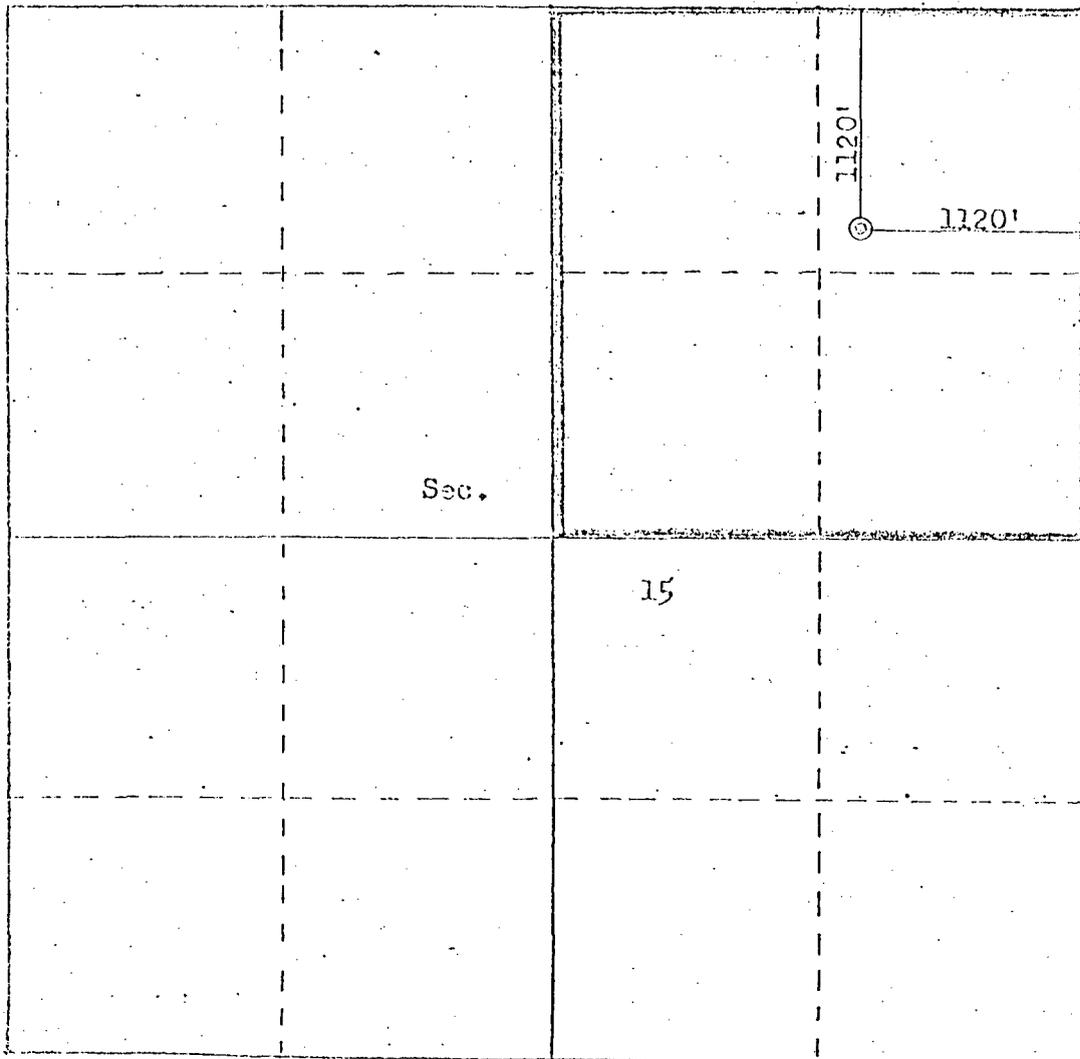
Operator <b>AMOCO PRODUCTION COMPANY</b>		Lease <b>JICARILLA CONTRACT 118</b>		Well No. <b>25</b>
Unit Letter <b>A</b>	Section <b>15</b>	Township <b>25N</b>	Range <b>5W</b>	County <b>Rio Arriba</b>
Actual Footage Location of Well: <b>1120</b> feet from the <b>North</b> line and <b>1120</b> feet from the <b>East</b> line				
Ground Level Elev: <b>7002</b>	Producing Formation <b>Chacra/Pictured Cliffs</b>	Pool <b>Otero Chacra/ South Blanco P.C.</b>	Dedicated Acreage: <b>160 Acres</b>	

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.



Scale: 1"=1000'

CERTIFICATION

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

*Wayne L. Peterson*

Name

W. L. Peterson

Position

DISTRICT ENGINEER

Company

AMOCO PRODUCTION COMPANY

Date

October 8, 1981

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

July 29, 1980

Registered Professional Surveyor and License No. \_\_\_\_\_

*Fred B. Baker Jr.*  
 Fred B. Baker Jr.

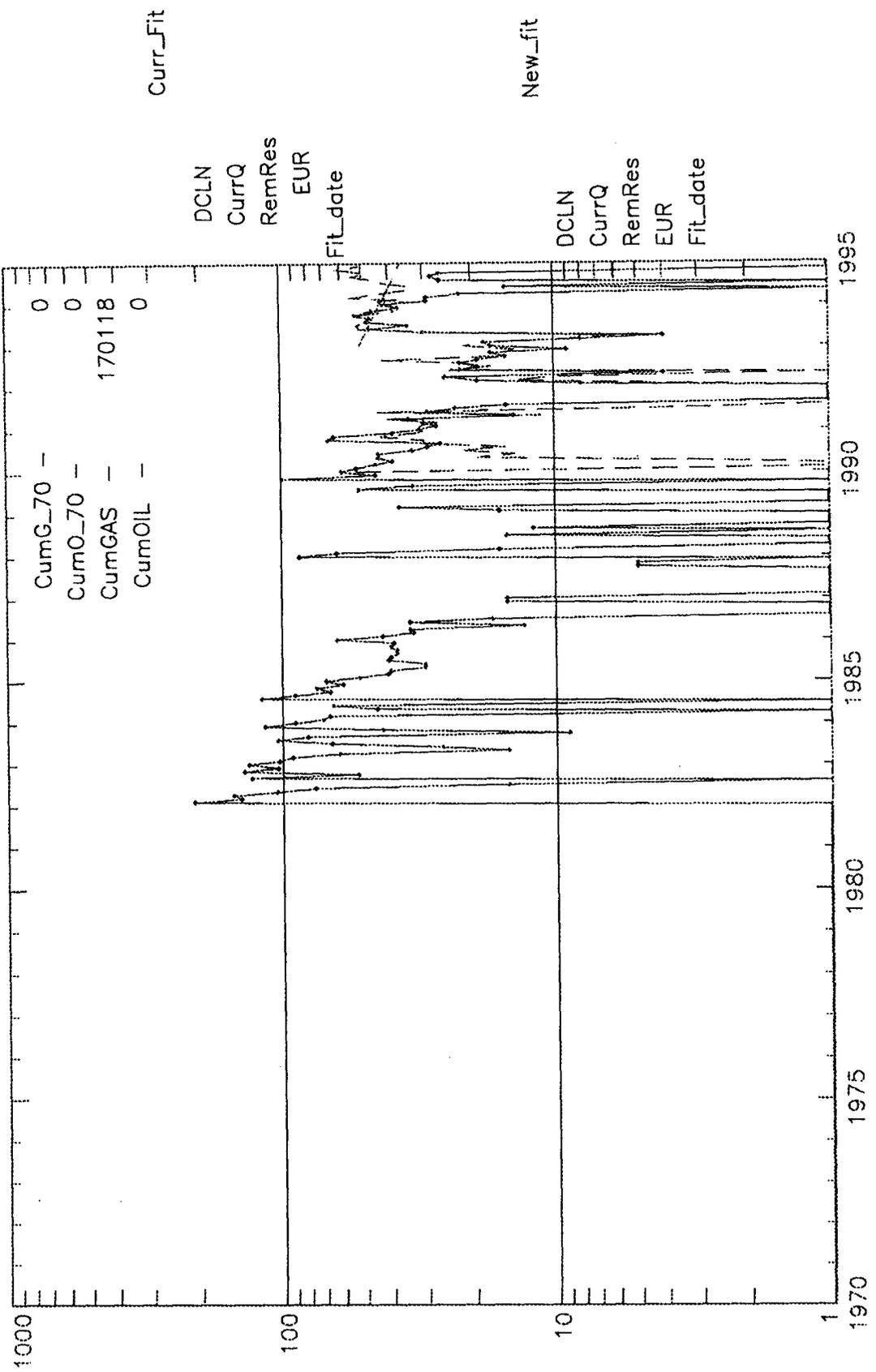
Certificate No. \_\_\_\_\_

3950



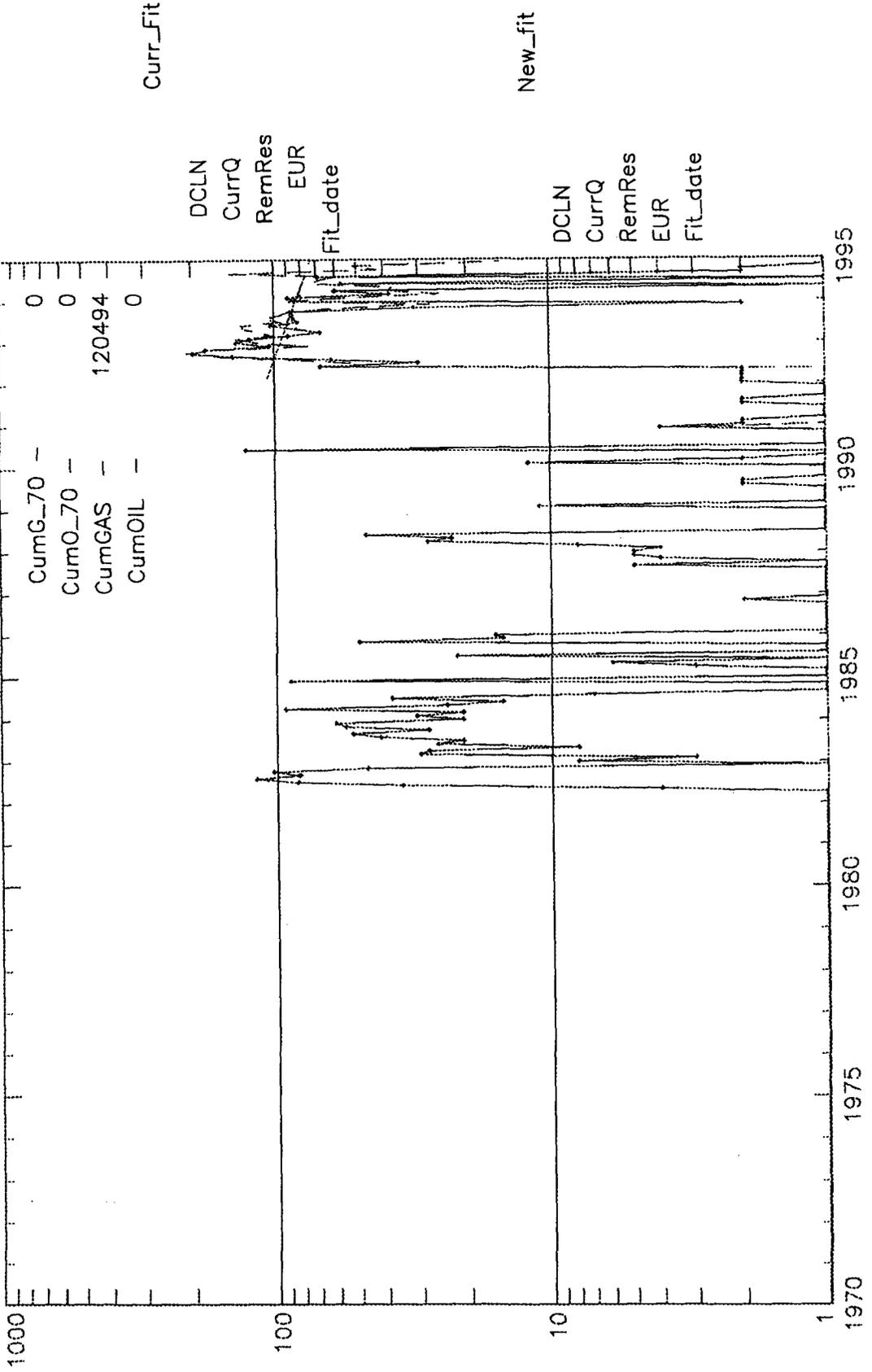
Engr: zhab0b

JICARILLA CONTRACT 148 25  
Operator- AMOCO PRODUCTION CO  
300392252500CK A152505-025 CK APC\_WI - 1.00000000



Engr: zhab0b

JICARILLA CONTRACT 148 25  
300392252500PC A152505-025 PC  
Operator- AMOCO PRODUCTION CO  
APC\_WI - 1.00000000



**LIST OF OFFSET OPERATOR ADDRESSES**

Merit Energy Corporation  
P.O. Box 351  
Midland, TX 79702