DHC-1310



in reply refer to: SF-078499 (WC) 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 (<u>downhole</u>) from the Blanco Mesaverde and the Blanco Pictured Cliffs Pools in the following well located on Federal lease SF 078499:

United States Department of the Interior

BUREAU OF LAND MANAGEMENT Farmington District Office 1235 La Plata Highway Farmington, New Mexico 87401

June 17, 1996

Tapp LS #3 1650' FSL, 990' FWL, Section 15, T-28N, R-8W San Juan County, New Mexico

Production profiles from both formations were analyzed to determine if future allocation based on percentages would be equitable. Recent Pictured Cliffs production has been very erratic, however, historical production verifies that decline rates from both formations are similar.. 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 |
|------------------------|------------|------------|
| Blanco Mesaverde | 79% | 100% |
| Blanco Pictured Cliffs | 21% | none |

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

Sincerely,

lai Duane Spancer

Duane Spencer Team Lead, Petroleum Management

bcc:

New_Mexico Oil Conservation Division, Santa Fe New Mexico Oil Conservation Division, Aztec Well File (SF-078499, Tapp LS #3, 1650 FSL, 990 FWL, Section 15, T-28N, R-8W) W/Application AIRS DOM Reader 07327:RHager: 06/17/96 :x366:Tapp.ltr