



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

January 29, 1997

IN REPLY REFER TO:
SW 323, SW 324 (CA)
3162.7-3 (07327)

Ms. Pamela W. Staley

Amoco Production Company

P.O. Box 800
Denver, CO 80201

RE: Downhole Commingling Application

No. 1 Martinez Gas Com "G"

1190' FNL & 790' FEL
Section 24, T. 29 N., R. 10 W.
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 December 2, 1996, applying for downhole commingling approval for the Blanco Mesaverde and Basin Dakota Pools in the above referenced well.

For the month of October 1996, the Mesaverde formation produced 160 Mcfd and <1 Bcpd and the Dakota formation produced 160 Mcfd and <1Bcpd. Bottom hole pressures are 469 psi for the Mesaverde and 833 for the Dakota, and BTU values are 1279 and 1168 respectively. Historically, the Dakota formation has produced 15,000 BO and the Mesaverde formation 1,000 BO. Using these values, the fixed percentage allocation for each formation has been determined as shown in the following table.

FORMATION	GAS PRODUCTION	OIL PRODUCTION
Mesaverde	50%	6%
Dakota	50%	94%

Approval to downhole commingle the Mesaverde and 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,

/s/ Duane W. Spencer

Duane W. Spencer
Team Leader, Petroleum Management

bcc:

NMOCD, Santa Fe; DOMR; Suspense (Brian); AIRS; CA Files NM-73932 and NM-73933

07237:BWDavis:1/29/97:x6367:staleyMartinezGasComG1.ltr

Note: Application filed in CA File NM73932