

DHC-1429



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

March 7, 1997

IN REPLY REFER TO:
SF-078641 (WF)
3162.7-3 (07327)

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

RE: Downhole Commingling Application
No. 4 Berger
790' FNL & 1800' FWL
Section 22, T. 26 N., R. 11 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 January 2, 1997, applying for downhole commingling approval for the Gallegos Gallup and Basin Dakota Pools in the above referenced well.

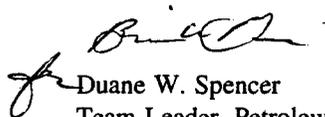
After commingling, the anticipated production for the Gallup formation is 60 Mcfd and .5 Bopd and for the Dakota formation is 210 Mcfd and 1.7 Bopd. The bottom hole pressure for Gallup is 740 psi and Dakota is 939 psi. Using these values, the fixed percentage allocation for each formation has been determined as shown below.

FORMATION	GAS PRODUCTION	OIL PRODUCTION
Gallegos Gallup	22%	22%
Basin Dakota Pool	78%	78%

Approval to downhole commingle the Gallup 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,


Duane W. Spencer
Team Leader, Petroleum Management

bcc:
NMOCD, Santa Fe; DOMR; Suspense (Brian); AIRS;
Well File (FloranceDLs14,1750'FSL&1750'FWL,21-27N-8W)

07237:BWDavis:03/06/97:x6367:staleyBeger4.ltr