

DHC-1439



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

December 31, 1996

IN REPLY REFER TO:

SF-079232 (WF)
3162.7-3 (07327)

Ms. Pamela W. Staley

~~Amoco Production Company~~

P.O. Box 800
Denver, CO 80201

RE: Downhole Commingling Application

No. 14 Bolack "C" LS

800' FNL & 1640' FEL

Section 30, T. 27 N., R. 8 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 16, 1996, applying for downhole commingling approval for the South Blanco Pictured Cliffs and the Blanco Mesaverde Pools in the above referenced well.

Estimated production rates of 40 Mcfd, 1 Bcpd for the Mesaverde formation and 20 Mcfd for the Pictured Cliffs formation will be used for allocation determination. These numbers were determined from offset producers since the referenced well had a packer leak and provided erroneous number. The corrected bottom hole pressures are 260 psi for the Pictured Cliffs and 465 psi for the Mesaverde. Using these values, the fixed percentage for allocated production for each formation has been determined as follows:

FORMATION	GAS PRODUCTION	OIL PRODUCTION
South Blanco Pictured Cliffs	33%	0%
Blanco Mesaverde	67%	100%

Approval to downhole commingle the Mesaverde and Pictured Cliffs 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