

DATE IN 9/22/99	SUSPENSE 10/12/99	ENGINEER DC	LOGGED KW	TYPE DHC
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

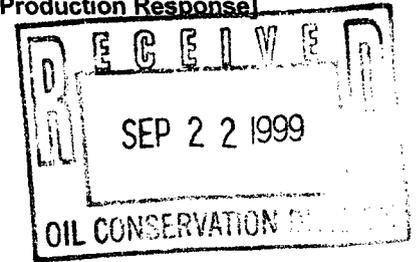
2483

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
- [DD-Directional Drilling] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]



[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Directional Drilling
 NSL NSP DD SD

Check One Only for [B] and [C]

- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

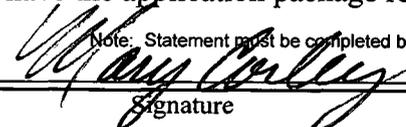
[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Mary Corley  Sr. Business Analyst 9/13/99
 Print or Type Name Signature Title Date



Amoco Exploration & Production
501 Westlake Park Blvd.
Post Office Box 3092
Houston, TX 77079



September 14, 1999

**Ms. Lori Wrotenbery, Director
New Mexico Oil Conservation Division
2040 S. Pacheco Street
P. O. Box 6429
Santa Fe, NM 87505**

**Application for Exception to Rule 303-A- Downhole Commingling
Wilch A #5
Unit L Section 23-T29N-R8W
Blanco Mesaverde and Basin Dakota Pools
San Juan County, New Mexico**

Enclosed please find an administrative application form (C-107-A) and attachments for downhole commingling for the captioned well. All working, overriding and royalty interests are identical in both zone, therefore, no notification of this application is required to be submitted via certified mail. By copy of this application, Amoco is notifying all offset operators in the formations captioned above. The Division Director may approve the proposed downhole commingling in the absence of a valid objection from any offset operator or any interest owner in those instances where ownership is not common in the zones to be commingled within 20 days after the receipt of the application if, in her opinion, waste will not result thereby, and correlative rights will not be violated.

Should you have questions regarding this application, do not hesitate to call me at 281-366-4491.

Sincerely,

**Mary Corley
Enclosures**

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

**Duane Spencer
Bureau of Land Management
1235 La Plata Hwy.
Farmington, NM 87401**

James Dean

Well File

OFFSET OPERATORS

Wilch A #5

**Burlington Resources Oil and Gas Co.
PO Box 4289
Farmington, NM 87499**

**Conoco Inc.
10 Desta Drive, Suite 100 West
Midland, TX 79705-4515**

PRODUCTION ALLOCATION RECOMMENDATION

Wilch A #5

Since no Mesaverde Production has been established for the subject well Amoco Production Company proposes to from the Dakota formation in the subject well and the estimated production rate established utilizing the production from Mesaverde wells producing in the immediate area of the subject well. This method of calculation is indicated on the attached Production Allocation Worksheet.

WORKING, OVERRIDING, and ROYALTY INTEREST OWNERS NOTIFICATION

Wilch A #5

All of the working, overriding, and royalty interest are identical in both proposed commingled zones.

OIL CONSERVATION DIVISION

APPROVAL PROCESS:

DISTRICT II
811 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

PO Box 3092 Houston, TX 77253-3092

Operator
Wilch A

5

Address
L 23-29N-08W

County
San Juan

Lease

Well No.

Unit Ltr. - Sec Twp - Rge

County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. **000778** Property Code **001215** API NO. **30-045-23343** Federal State (and/or) Fee

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	Blanco Mesaverde 72319		Basin Dakota 71599
2. Top and Bottom of Pay Section (Perforations)	4707' - 5420' EST		7346' - 7750'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated or Measured Original	a. (Current) 502 PSIG (EST.)	a.	685 PSIG
	b. (Original) 1225 PSIG (Est.)	b.	2356 PSIG
6. Oil Gravity (° API) or Gas BTU Content	1256 BTU		1111 BTU
7. Producing or Shut-In?	New zone		Producing
Production Marginal? (yes or no)	YES		YES
• If Shut-In, give data and oil/gas/water rates of last production Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data	Date: Rates:	Date: Rates:	Date: Rates:
• If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates:	Date: Rates:	Date: Rates:
8. Fixed Percentage Allocation Formula -% for each zone	Oil: 100 % Gas 72 %	Oil: % Gas %	Oil: 0 % Gas 28 %

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?

Yes No
 Yes No
 Yes No

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 NO FEDERAL OR STATE LANDS

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. SEE ATTACHED
- * 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 Mary Corley TITLE Sr. Business Analyst DATE 8/23/99
TYPE OR PRINT NAME Mary Corley TELEPHONE NO. (281) 366-4491

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
311 South First., Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
DISTRICT IV
2040 South Pacheco, Sante Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 18, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-23343	Pool Code 72319 & 71599	Pool Name Blanco Mesaverde & Basin Dakota
Property Code 001215	Property Name Wilch A	Well Number 5
OGRID No. 000778	Operator Name AMOCO PRODUCTION COMPANY	Elevation 6455' GR

Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
UNIT L	23	29N	8W		2450	SOUTH	1160	WEST	San Juan

Bottom Hole Location if Different From Surface

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West Line	County

Dedicated Acreage: 320	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i></p> <p>Signature <i>Mary Corley</i></p> <p>Printed Name <u>Mary Corley</u></p> <p>Position <u>Sr. Business Analyst</u></p> <p>Date <u>08/14/1999</u></p>
	<p>SURVEY CERTIFICATION</p> <p><i>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.</i></p> <p><u>10/01/1978</u></p> <p>Date of Survey</p> <p>Signature & Seal of Professional Surveyor</p> <p><u>Fred B. Kerr, Jr.</u></p> <p>Certificate No. <u>3950</u></p>

Wilch 5 Product Allocation

DK	0.08	PC	0.04
MV	0.07	FT	0.04
		CK	0.04

WELL NAME: **Wilch 5**
 FORMATION: **DK**
 SURFACE PRESS: **427**
 PERFS TOP: **7646** (7646 + 7874) / 2 = **7760** Mid Perf
 BOTTOM: **7874** 7760 x 0.08 = **621**
 620.8 + 427 = **1048** Bottom Hole Pressure

Initial Bottom Hole Pressure= **2356**

WELL NAME: **Hardie 4**
 FORMATION: **MV**
 SURFACE PRESS: **304**
 PERFS TOP: **5364** (5364 + 5526) / 2 = **5445** Mid Perf
 BOTTOM: **5526** 5445 x 0.07 = **381**
 381.15 + 304 = **685** Bottom Hole Pressure

Initial Bottom Hole Pressure= **1251**

WELL NAME: **Hardie 5**
 FORMATION: **MV**
 SURFACE PRESS: **146**
 PERFS TOP: **4716** (4716 + 5462) / 2 = **5089** Mid Perf
 BOTTOM: **5462** 5089 x 0.07 = **356**
 356.23 + 146 = **502** Bottom Hole Pressure

Initial Bottom Hole Pressure= **1198**

WELL NAME: **Wilch 5**
 FORMATION: **MV**
 Initial Bottom Hole Pressure: (1251 + 1198) / 2 = **1225**
 Bottom Hole Pressure: (685 + 502) / 2 = **594** est.

Hardie 4 + Hardie 5 BBLs (0 + 242) / 2 = **121** est. annual production
 Hardie 4 + Hardie 5 MCF (41312 + 31209) / 2 = **36261** est. annual production

ALLOCATION

FM	BBL	%	GAS	%
DK	0	0%	14339	28%
MV	121	100%	36261	72%

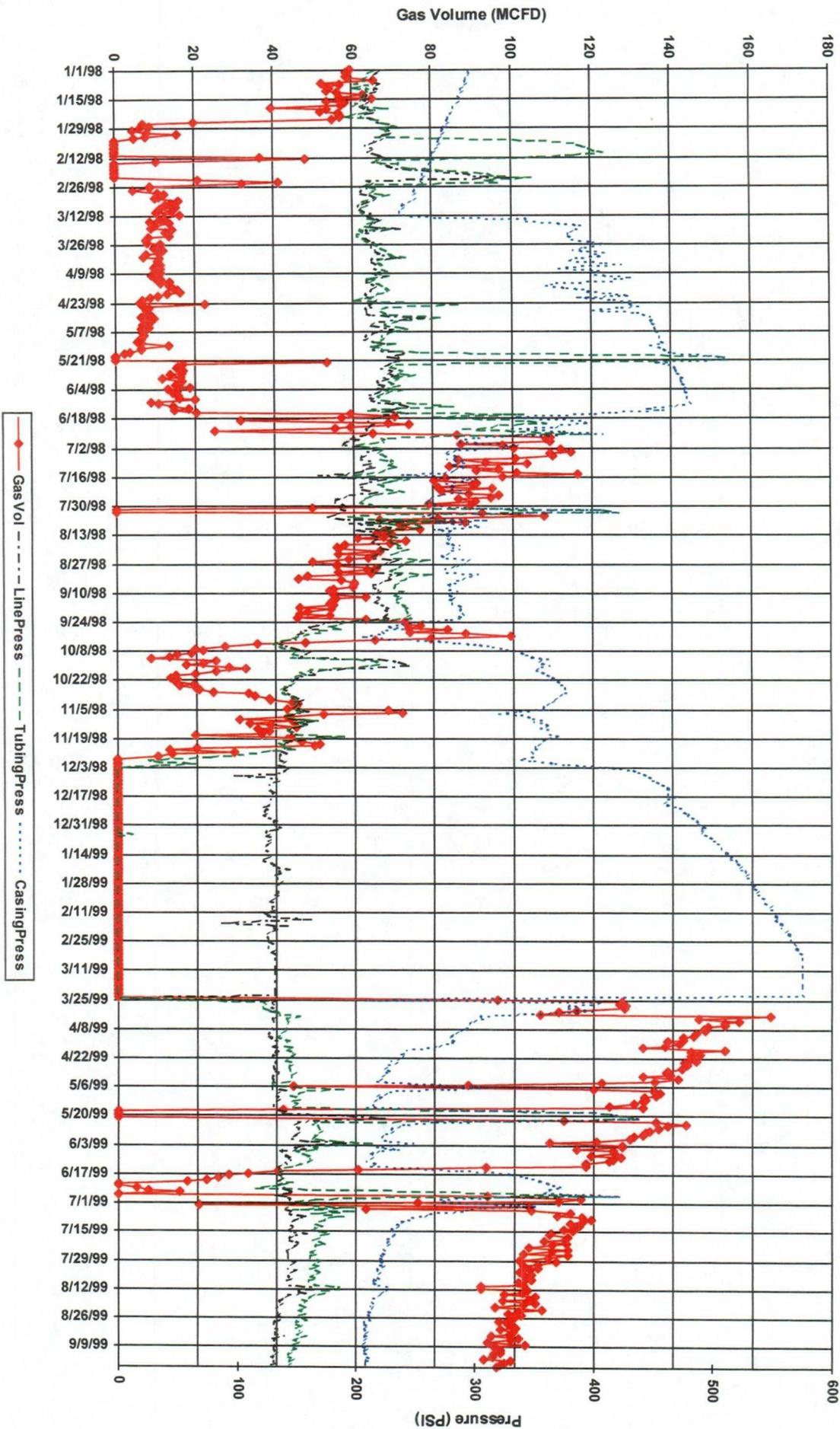
Wellname: WILCH A 005-DK

Flacwell: 97949901

API: 300452334300

Amoco - OI/DB/Synergy Data

Daily Well Production



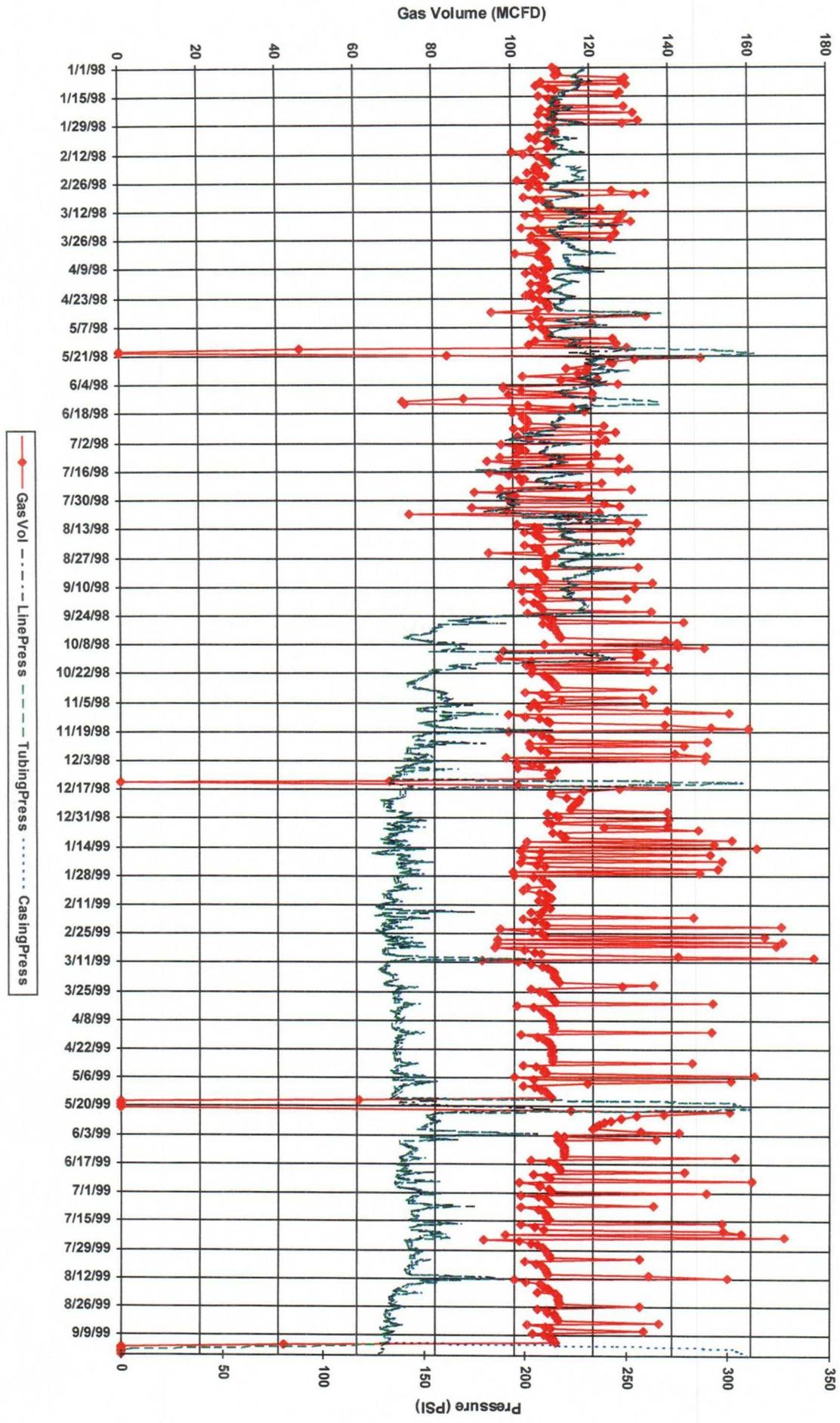
Wellname: **HARDIE LS 004-MV**

Flacwell: **97862601**

API: **300450805400**

Amoco - OI/DB/Synergy Data

Daily Well Production



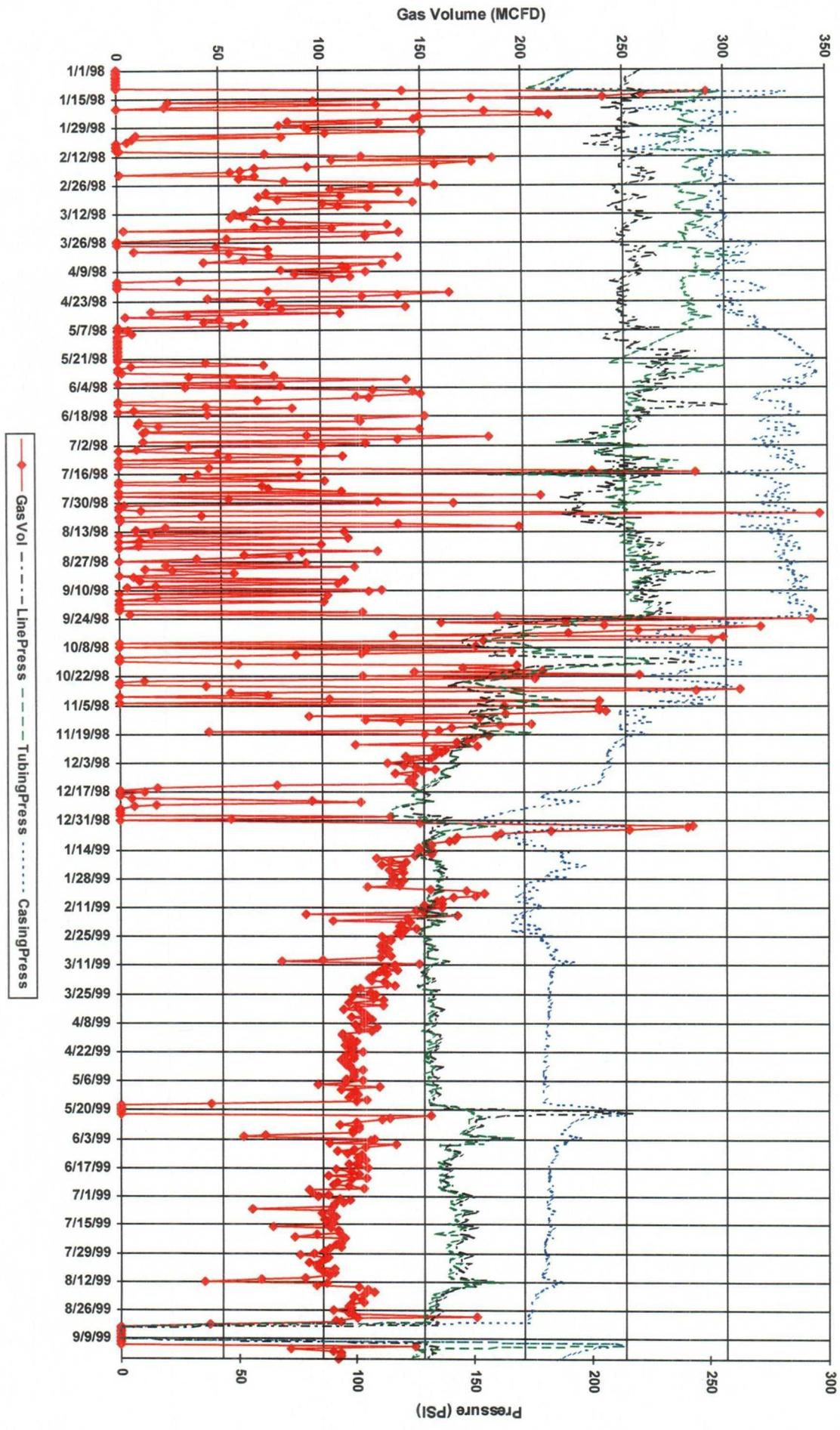
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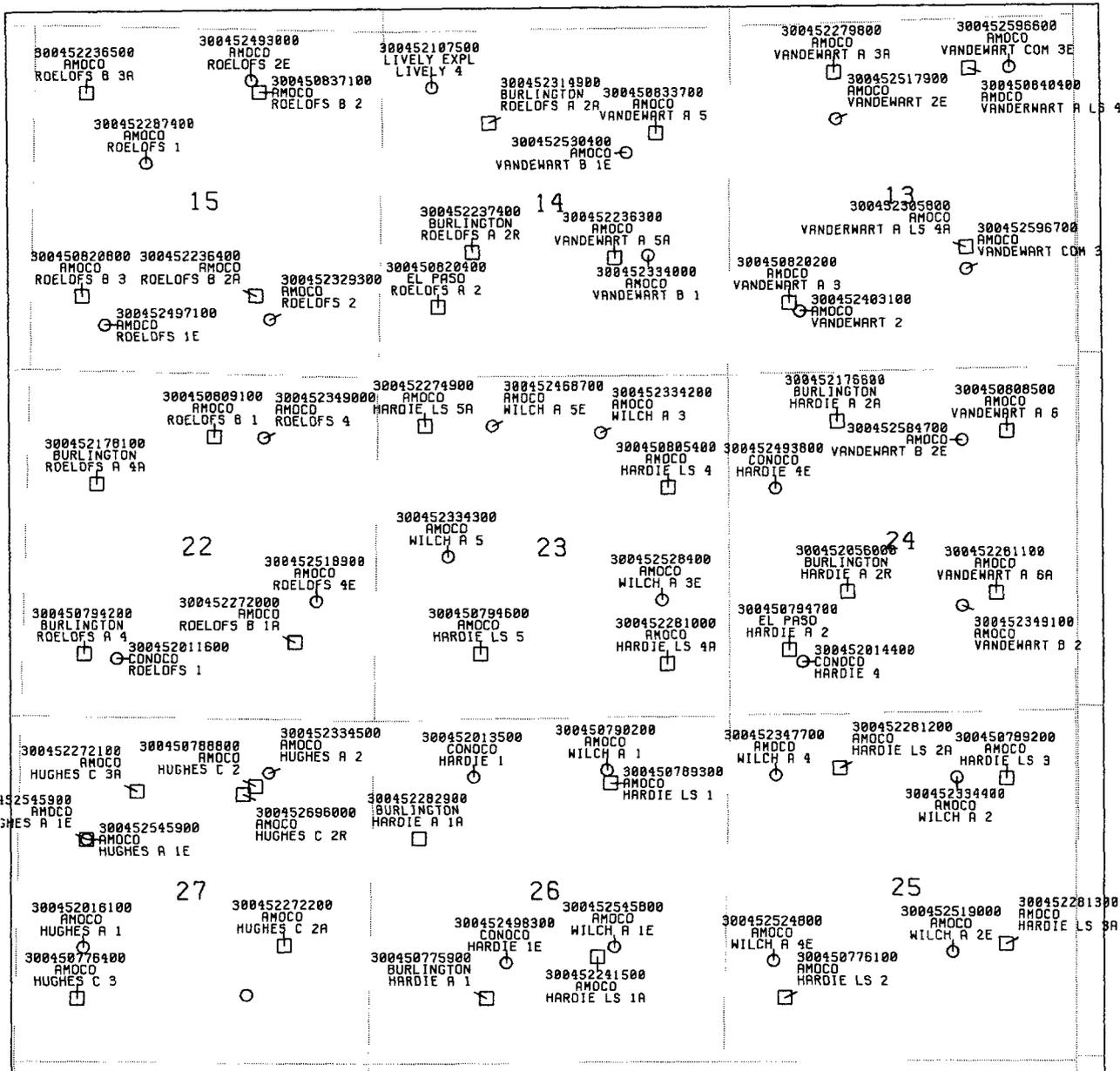
Flacwell: **97862201**

API: **300450794600**

Amoco - OI/DB/Synergy Data

Daily Well Production





AMOCO PRODUCTION COMPANY
HOUSTON, TX

WILCH A #5
23-29N-08W
MESAVERDE & DAKOTA WELLS

SCALE 1" = 2500'	DRAWN M. J. RITZ	DATE 2-SEP-1999
DRAWING		

- Q Dakota
- ☑ Mesaverde