293-2144

AMERADA HESS CORPORATION

May 31, 1985

P. O. DRAWER "D" MONUMENT, NEW MEXICO 88265

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State of New Mexico Oil Conservation Division P.O. Box 2088 Santa Fe, New Mexico 87501

RE: Request to Surface commingle the Basin Dakota and Otero Chacra - Control production in Amerada Hess Corporations' Jicarilla Apache "F" #13, Unit L, Sec. 18, T-25N, R-5W, Rio Arriba Co., New Mexico, Jicarilla Contract #149.

Gentlemen:

Amerada Hess Corporation is requesting approval for an exception to Rule 303-A to permit the surface commingling of production from the Basin Dakota and Otero Chacra pools currently being produced from the Jicarilla Apache "F" #13, a dual completion.

In December 1976, the Chacra formation in this wellbore was fracture treated and upon completion it was temporarily abandoned due to excessive water production which killed the well with time. It was never connected to sales. Recently, the Chacra was re-tested to the atmosphere through an orifice meter. It flowed 200 MCFPD with only a mist of water (approximately 2 bbls/wk.). It makes no condensate. The Basin Dakota is the other producing zone in this well and it makes 2500 MCF with 13 barrels of condensate a month. If approval to surface commingle the production is granted, both zones will be sold through a common meter run which is currently used only for Dakota gas sales.

Since the Chacra zone does not make condensate, all liquid production will be allocated to the Dakota. Periodically though, both zones will be tested individually by shutting in one side to assure the proper allocation of fluids. Separate annual deliverability tests will be conducted on the Chacra and Dakota formations in order to keep track of the gas production from each zone.

DULLES