



December 22, 1994

Mr. William J. LeMay
New Mexico Oil Conservation Division
2040 S. Pacheco St.
P.O. Box 6429
Santa Fe, NM 87505

Southern

Rockies

Business

Unit

Case 11209


**Application for Exception to Rule 303-A
Surface Commingle Production
Jones A LS 1A Well, Section 10, T28N-R8W
Blanco Mesaverde Pool, So. Blanco Pictured Cliffs Pool
San Juan County New Mexico**

Amoco Production Company hereby makes application for exception to NMOCD general rule 303(A) to permit surface commingling of production from the Blanco Mesaverde Pool and So. Blanco Pictured Cliffs Pool for the Jones A LS 1A well. The well is located 1460' FSL and 1750' FEL Section 10, T28N-R8W, San Juan County, New Mexico. In support of this application, Amoco states the following:

1. Amoco is the operator of the Blanco Mesaverde Pool underlying the S/2 Section 10, T28N-R8W, San Juan County, New Mexico currently dedicated to the Jones A LS 1A well.
2. Amoco is the operator of the So. Blanco Pictured Cliffs Pool underlying the SE/4 Section 10, T28N-R8W, San Juan County, New Mexico currently dedicated to the Jones A LS 1A well.
3. The ownership (WI, RI, ORRI) is not common for the pools which are proposed for surface commingling.
4. The Jones A LS 1A well is dually completed in the Mesaverde and Pictured Cliffs formations. The surface commingling of the production will allow the use of a single train of production equipment including a single compressor to reduce operating costs from both formations.
5. The actual commercial value of the commingled production will not be less than the sum of the values of the production from each of the common sources of supply.
6. Approval of this application will otherwise be in the best interest of conservation, the prevention of waste, and the protection of correlative rights.

Amoco requests that this application be set for examiner hearing of the Oil Conservation Division on January 19, 1995. A copy of this application will be sent to offset operators and to owners in the well(WI, RI, ORI) by certified mail, return receipt requested.

Sincerely,


J. W. Hawkins