



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

July 19, 1983

TONEY ANAYA
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

Administrative Order No. DHC-412

Amerada Hess Corporation
P. O. Drawer D
Monument, New Mexico 88265

Attention: D. W. Holmes

Re: Jicarilla Apache "F" Well No. 2
in Sec. 17 and Jicarilla Apache
"F" Well No. 4 in Sec. 18, both
in T-25-N, R-5-W, Rio Arriba
County, New Mexico; South Blanco
Cliffs and Otero Chacra Gas Pools

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations for the subject dually completed wells to permit the removal of the down-hole separation equipment and to commingle the production from both pools in the wellbore.

It appearing that the subject wells qualify for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and Division Orders No. DC-337 and DC-485, respectively, which authorized the dual completions and required separation of the two zones, is hereby placed in abeyance.

In accordance with the provisions of Rule 303.C.4., total commingled condensate production from the subject wells shall not exceed 20 barrels per day, and total water production from the wells shall not exceed 40 barrels per day. The maximum amount of gas which may be produced daily from the wells shall be determined by the standard proration schedule for both pools.

Assignment of allowable to the wells and allocation of production from the wells shall be on the following basis:

Jicarilla Apache "F" Well No. 2

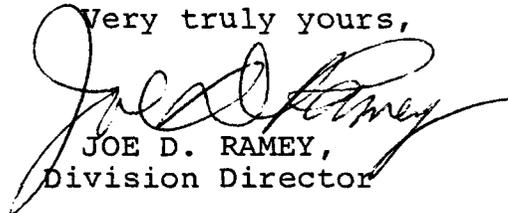
S. Blanco Pictured Cliffs Pool: Condensate 49%, Gas 49%
Otero Chacra Pool: Condensate 51%, Gas 51%

Jicarilla Apache "F" Well No. 4

S. Blanco Pictured Cliffs Pool: Condensate 21%, Gas 21%
Otero Chacra Pool: Condensate 79% Gas 79%

Pursuant to Rule 303-C 5, the commingled authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Very truly yours,



JOE D. RAMEY,
Division Director