



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

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SANTA FE, NEW MEXICO 87501
(505) 827-5800

December 13, 1983

Administrative Order No. DHC-440

Tenneco Oil Company
P.O. Box 3249
Englewood, CO 80155

Attention: Harry Hufft

Re: Jicarilla A8, Unit H, Sec. 17,
Township 26-N, R-5-W, Tapacito
Gallup and Basin Dakota, Rio
Arriba, New Mexico

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 well 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 well qualifies 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 any Administrative Order which may have authorized the dual completion and required separation of the two zones, is hereby placed in abeyance.

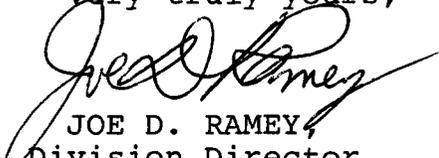
In accordance with the provisions of Rule 303.C.4., total commingled oil production from the subject well shall not exceed 40 barrels per day, and total water production from the well shall not exceed 80 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by the standard proration formula used in the Aztec district office as reflected in monthly gas proration schedule.

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

Tapacito Gallup Pool: Condensate 71 %, Gas 71 %
Basin Dakota Pool: Condensate 29 %, Gas 29 %

Pursuant to Rule 303-C 5, the commingled authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.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