



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

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

October 4, 1984

Administrative Order No. DHC-526

El Paso Exploration Company
P.O. Box 4289
Farmington, NM 87499-4289

Attention: Doug Mussett

Re: Jicarilla 119 N Well No. 8 (MD)
Unit M, Sec. 8, T-26N, R-4W,
Blanco Mesaverde and Basin Dakota
Pools, Rio Arriba County, NM

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 Division 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

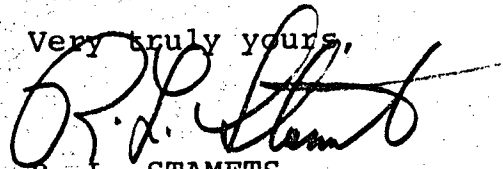
exceed 50 barrels per day, and total water production from the well shall not exceed 100 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allocations for each respective prorated gas pool as printed in the Oil Conservation Division's San Juan Basin Gas Proration Schedule.

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

Blanco Mesaverde	Pool: Oil 50 %, Gas 68 %
Basin Dakota	Pool: Oil 50 %, Gas 32 %

Pursuant to Rule 303-C 5, the commingled authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.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



R. L. STAMETS,
Acting Director



P. O. BOX 4289
FARMINGTON, NEW MEXICO 87499-4289
PHONE: 505-325-2841

August 27, 1984

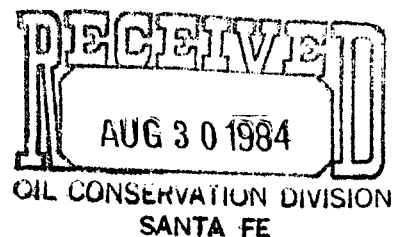
Mr. Joe Ramey
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

Subject: Downhole Commingle
Jicarilla 119 N #8 (MD)
Unit M, Section 8, T26N, R4W
Rio Arriba County, New Mexico

Dear Mr. Ramey:

El Paso Exploration Company requests administrative approval to downhole commingle the production from the Jicarilla 119 N #8 gas well located in Unit M, Section 8, T26N, R4W, Rio Arriba County, New Mexico. This well produces from the Blanco Mesa Verde and Basin Dakota pools. El Paso Exploration owns 100% working interest in both producing intervals and feels that downhole commingling is the most efficient way to produce the well. Additionally, the well has been found to have a packer leak and the current tubing configuration is non-conducive for effective gas flow to the surface. These items will be addressed in the following two paragraphs.

In May 1983, the annual packer leakage test indicated communication between the zones. We have confirmed the leakage from in-house testing conducted in June 1984. As can be seen from the enclosed well schematic, there are two locations where a leak can exist; at the Otis packoff (5782') within the 2-3/8" tubing string, or at the Baker packer (7178'). Shut-in pressures for the Mesa Verde and Dakota zones taken during the May 1983 packer leakage test are 637 psig and 629 psig, respectively. The corresponding bottom hole pressures are calculated to be 701 psig and 692 psig, respectively. The ratio of the bottom hole pressures is 1.01/1.00, therefore, no migration of gas or liquids will occur since neither zone is pressured over 50% of the other.



Mr. Joe Ramey
August 27, 1984
Page 2

In addition to the communication between zones, it is felt that a 25% increase in production will be realized if the well is commingled due to the present tubing configuration. The Dakota production has to flow through a choke located above the packer at 7178' and then enters 1" tubing at 5784'. The Mesa Verde production enters the 2-3/8" tubing and must flow through the 1" by 2-3/8" annulus to the surface. These restrictions greatly increase the friction in the well and impede smooth fluid flow to the surface. To illustrate this effect, a similar situation can be cited on the Jicarilla 119 N #4. This well was also a Mesa Verde-Dakota dual that was commingled in February 1977. It lies in Section 6, just to the northwest of the subject well. It, too, had the same tubing configuration as the No. 8 well. After the workover, the commingled gas production was 231 MCFPD (averaged over 10 months) versus a combined gas production prior to the workover of 194 MCFPD (averaged over 12 months). The No. 8 well can be expected to perform in the same fashion, given the similarities between the two.

The attached production decline curve shows a substantial jump in the Mesa Verde production, corresponding at about the same time that the packer leak was detected. It is anticipated that when the restrictions are removed from the wellbore the Mesa Verde will continue producing at present levels or greater and the Dakota will increase in production. The expected commingled rate should be at least 250 MCFPD. Present oil rates are $\pm \frac{1}{4}$ BOPD for each reservoir. These rates should increase to 2-3 BOPD. Both zones also produce a trace of water, but not enough to cause any formation damage due to commingling.

It is proposed that future production be allocated based on estimated remaining reserves. Mesa Verde reserves are 890 MMcfg and Dakota reserves are 410 MMcfg. Neither reservoir has oil reserves assigned to them. Therefore, based on these reserves, 68% of the gas production would be allocated to the Mesa Verde pool and 32% would be allocated to the Dakota pool. All oil produced should be split (50% Mesa Verde-50% Dakota) since each zone produces roughly the same small amounts.

All offset operators of the proposed commingling application, including the Bureau of Land Management, have been notified.

A well location plat, offset ownership plat, production decline curves, and productivity tests are also attached to this proposal.

Sincerely,



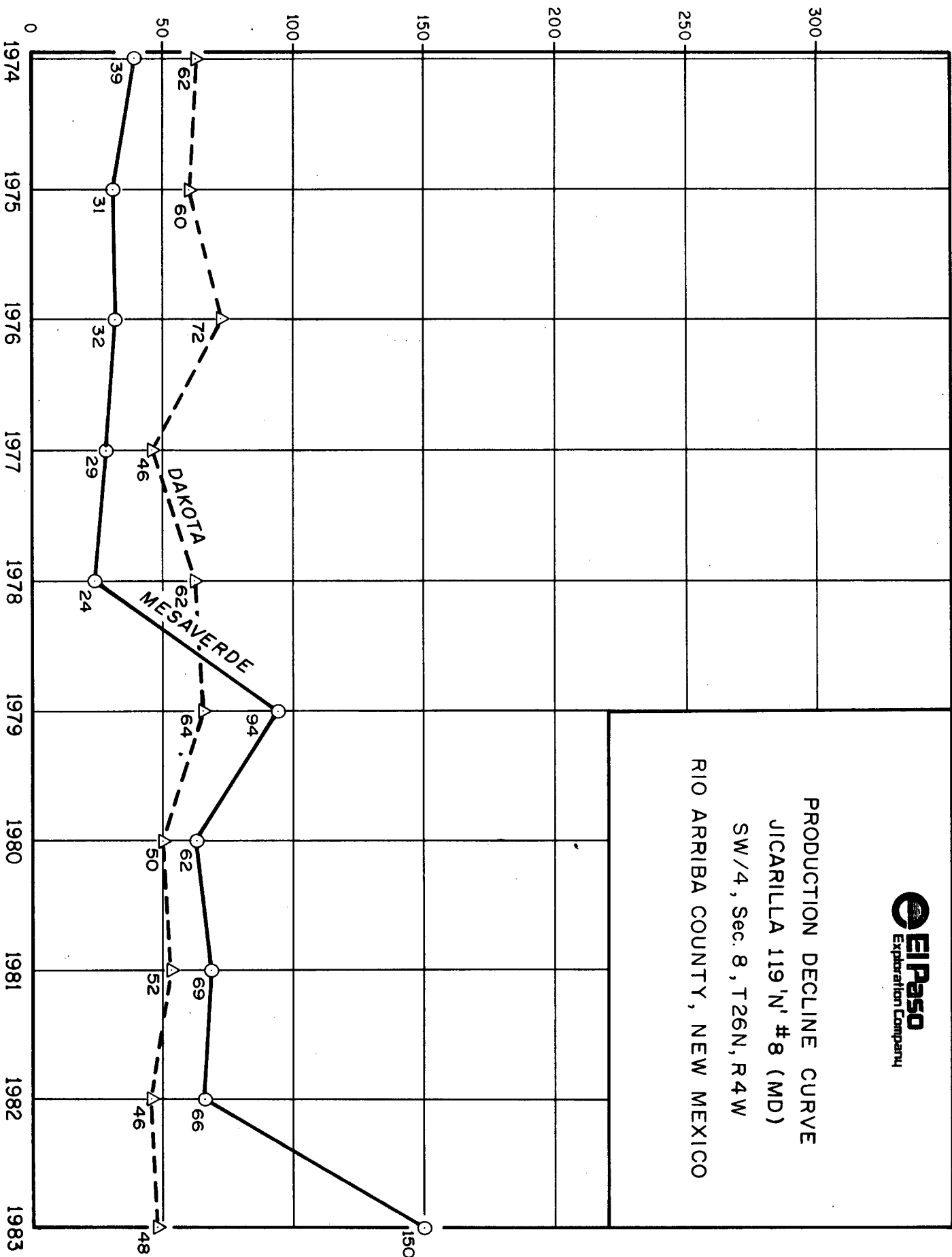
Doug Mussett
Production Engineer

DM:as
Enclosures

YEARLY DAILY AVERAGE Q , MCFPD



PRODUCTION DECLINE CURVE
JICARILLA 119 'N' #8 (MD)
SW/4, Sec. 8, T26N, R4W
RIO ARRIBA COUNTY, NEW MEXICO



RUN DATE 84-01-26
ENG CODE: CP 11

OPER NAME...EL PASO EXPLORATION CO
WELL NAME.....JICARILLA 119 N #8 MV

POSITION CODE 39490

DELIVERABILITY TEST PRESSURES IN PSIA AND VOLUMES IN MCF/D @ 15.025 P.B. *****

[illegible][illegible]

CT # CHP

ENTER CODE 04-130
D OFC...18
WITCHER...
ITE CODE...86218

FORM.....09
POOL.....314

OPERATOR CODE...1987
LOCATION..M-8-26-4

TYPE STIMULUS...:6
1ST DEL DATE..06-21-57

OPER NAME...EL PASO EXPLORATION CO
WELL NAME.....JICARILLA 119 N #8 DK

PRODUCTION DEPARTMENT
WELL DELIVERABILITY SYSTEM
SAN JUAN DELIVERABILITY AND SHUT-IN PRESSURE TEST SUMMARY--EPNG

RUN DATE 84-01-26
ENG CODE: CP
11

***** DELIVERABILITY TEST PRESSURES IN PSIA AND VOLUMES IN MCF/D @ 15.025 P.B. *****

DATE	SHUT-IN DATE	TS	FL	SIPC	SIPT	FLOW PRESSURE	STATE	LINE PRES	AVG FLOW	WELL WKG PRES	STATE DELIV	DEL PRES	CUM VOL	TD TEST	REMARKS
SPAN		TP	ST			CSG	TBG	Q	LINEH	PRES			M3CF		
1976	05-27-57	A	2	2255				158	699		230		331182	0	1976 EXEMPT MARGINAL
1976	10-16-57	A	2	959				180	470		159		331182		1978 EXEMPT MARGINAL
1978	08-29-58	A	2	1430				155	557		154		89000		1979 EXEMPT MARGINAL
1979	05-29-59	A	2	1150				124	522		121		117000		1980 EXEMPT MARGINAL
1980	05-29-60	A	2	1126				116	522		103		146000		1981 EXEMPT MARGINAL
1981	02-02-62	A	2	949				89	582		92		165000		1982 EXEMPT MARGINAL
1982	04-10-63	A	2	897				75	582		98		219000		1983 EXEMPT MARGINAL
1983	03-27-64	A	2	882				83	553		68		241000		1984 EXEMPT MARGINAL
1984	04-07-65	A	2	877				56	567		86		260000		
	04-18-66	A	2	861				71	550		66		287000		
	04-21-67	A	2	807				66	401		66				
1976	06-03-77	A	2	756				93	290		85		514194		1976 EXEMPT MARGINAL

NEW MEXICO OIL CONSERVATION COMMISSION

REVISED

Well Location and Acreage Dedication Plat

Section A. Date 1-9-59

Operator Northwest Production Corp. Lease "N"
Well No. 8-8 Unit Letter M Section 8 Township 26N Range 4W NMPM
Located 1190 Feet From South Line, 790 Feet From West Line
County Rio Arriba G. L. Elevation 6954.75 ungr Dedicated Acreage 320 Acres
Name of Producing Formation Dakota Pool Wildcat

1. Is the Operator the only owner* in the dedicated acreage outlined on the plat below?
Yes X No
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes No . If answer is "yes," Type of Consolidation
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner

Land Description

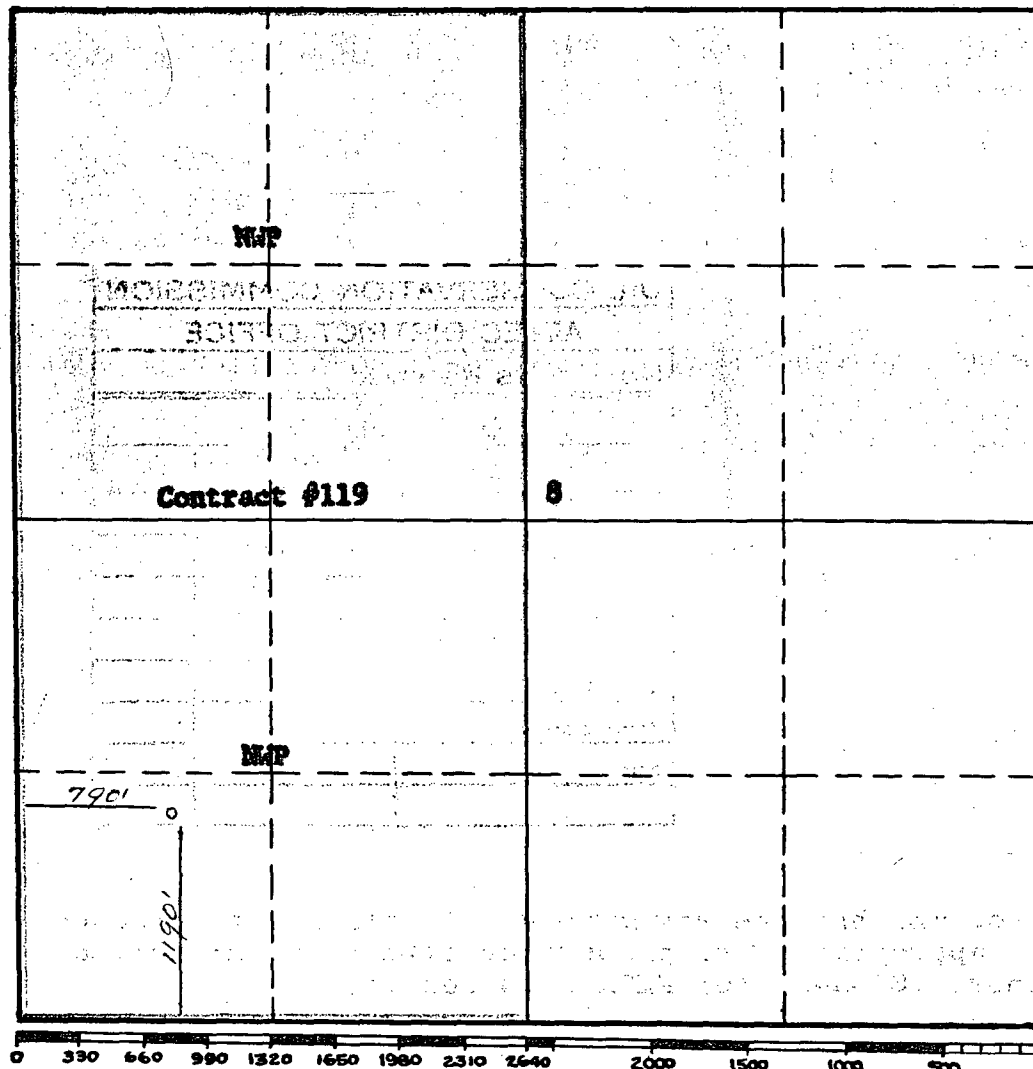
Revised under Order No. R-1287

RECEIVED

JAN 12 1959

OIL CON. COM.
DIST. 3

Section B



This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

Northwest Production Corp.

(Operator)

M. R. Jones M. B. JONES
Asst Mgr, Prod Operations

(Representative)

320 Sims Building
Albuquerque, New Mexico

Address

This is to certify that the well location shown on the plat in Section B 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.

Date Surveyed January 18, 1957

/s/ James P. Leese

Registered Professional
Engineer and/or Land Surveyor.

Certificate No. 1463

INSTRUCTIONS FOR COMPLETION:

1. Operator shall furnish and certify to the information called for in Section A.
2. Operator shall outline the dedicated acreage for both oil and gas wells on the plat in Section B.
3. A registered professional engineer or land surveyor registered in the State of New Mexico or approved by the Commission shall show on the plat the location of the well and certify this information in the space provided.
4. All distances shown on the plat must be from the outer boundaries of Section.
5. If additional space is needed for listing owners and their respective interests as required in question 3, Section A, please use space below

OIL CONSERVATION COMMISSION		
AZTEC DISTRICT OFFICE		
No. Copies Received 3		
DISTRIBUTION		
	NO. FURNISHED	
Operator	/	✓
Santa Fe	/	
Proration Office		
State Land Office		
U. S. G. S.		
Transporter		
File	/	

* "Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (e) NMSA 1953 Comp.)

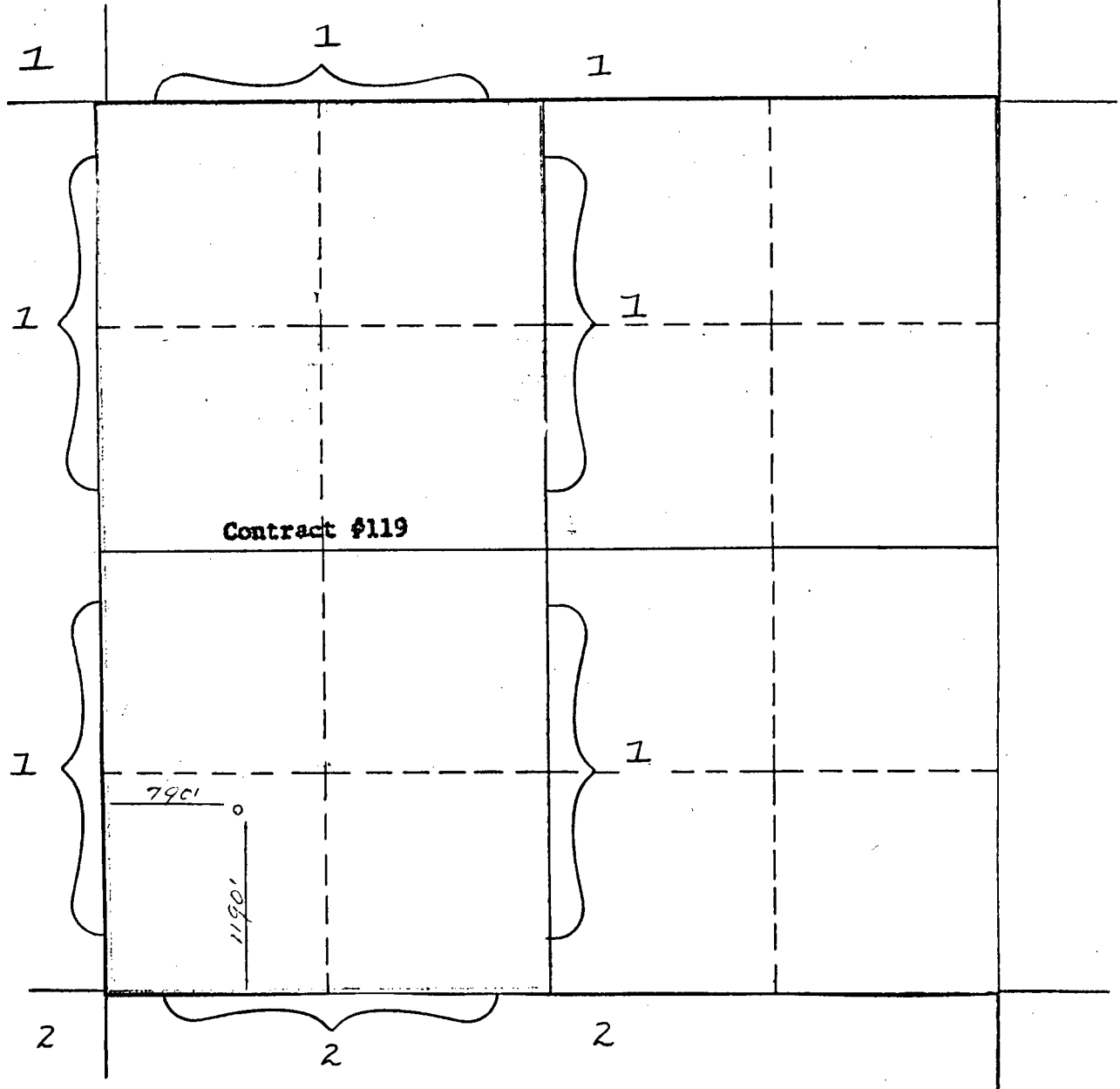
EL PASO NATURAL GAS COMPANY

Well Name Jicarilla 119 N #8

Footage---- 1190' FSL, 790' FWL

APPLICATION TO COMMINGLE MESAVERDE/DAKOTA

County Rio Arriba State New Mexico Section 8 Township 26N Range 4W



REMARKS:

- (1) El Paso Exploration Company
- (2) Union Texas Petroleum Corporation

MESAVERDE DATA:

TOP OF MESAVERDE: 5153'

BOTTOM OF MESAVERDE: 5810'

PERFORATIONS: 5156-5162', 5170-5174',
5202-5206', 5218-5226', 5232-5236',
5244-5250', 5266-5284', 5344-5348',
5384-5388', 5434-5446', 5484-5490',
5554-5560', 5592-5596', 5604-5608',
5668-5704', 5718-5722', 5726-5730',
5734-5738', 5750-5770',

Drain. Ross Nodules at 3154'

7 5/8" Casing at 3760'

GRANEROS DATA:

TOP OF GRANEROS: 7670'

BOTTOM OF GRANEROS: 7826'

PERFORATIONS: 7696-7734', 7744-7758',
7774-7782', 7798-7804',

Holes in 2 3/8" tubing:

1- 1/4" @ 5765'

1- 1/4" @ 5768'

1- 1/4" @ 5777'

1- 1/4" x 1/8" @ 5763'

1- 1/4" x 1/8" @ 5751'-
(OTIS MEAS. 0-5'
above 7900')

DAKOTA DATA:

TOP OF DAKOTA: 7826'

BOTTOM OF DAKOTA: 7910'

7828-7858', 7864-7870', 7874-7880',

*OTIS PACKERS AT
5782.45'*

1" tubing at 5782.30'

DIAGRAMATIC SKETCH OF DUAL GAS

COMPLETION FOR "N" WELL 8-B

OTIS Side-Door Choke
at 7177'

Baker "EEJ" Packer
at 7178.1'

2 3/8" Tubing
at 7676.3'

5 1/2" Liner
at 7909.96'

NORTHWEST PRODUCTION CORPORATION
ALBUQUERQUE, NEW MEXICO

APPLICATION FOR DUAL GAS COMPLETION
OF "N" WELL 8-B IN MESAVERDE AND
GRANEROS-DAKOTA FORMATION

RIO ARriba COUNTY
NEW MEXICO

CONTRACT #119

Drawn: W. H. McGohey
Approved: Ray Phillips

Scale 400' = 1"
Date 5-2-57



P. O. BOX 4289
FARMINGTON, NEW MEXICO 87499-4289
PHONE: 505-325-2841

August 27, 1984

Union Texas Petroleum Corporation
4001 Bloomfield Highway
Farmington, New Mexico 87401

Re: Jicarilla 119 N #8 (MD)
Unit M, Section 8, T26N, R4W
Rio Arriba County, New Mexico

Gentlemen:

El Paso Exploration Company has requested administrative approval to downhole commingle the production from the Blanco Mesa Verde and Basin Dakota pools in its Jicarilla 119 N #8 well. El Paso feels that commingling production is the most efficient manner to produce this well.

In compliance with New Mexico Oil Conservation Division rules, we are notifying you, as operator of an offsetting proration unit, of our application for administrative approval to downhole commingle the Jicarilla 119 N #8. Enclosed are three copies of this letter. If there are no objections to this application, please sign and return one copy to the New Mexico Oil Conservation Division, Post Office Box 2088, Santa Fe, New Mexico 87501; one copy to El Paso Exploration Company at the above address; and keep the remaining copy for your records.

A well location and offset ownership plats are enclosed.

Sincerely,


Douglas W. Mussett

DWM:as

WAIVER

_____ hereby waives objection to El Paso Exploration Company's application for downhole commingling its Jicarilla 119 N #8 well as proposed above.

By: _____

Date: _____

El Paso
Exploration Company

OIL CONSERVATION DIVISION

SEP 10 1984

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P. O. BOX 4289
FARMINGTON, NEW MEXICO 87499-4289
PHONE: 505-325-2841

August 27, 1984

Union Texas Petroleum Corporation
4001 Bloomfield Highway
Farmington, New Mexico 87401

Re: Jicarilla 119 N #8 (MD)
Unit M, Section 8, T26N, R4W
Rio Arriba County, New Mexico

Gentlemen:

El Paso Exploration Company has requested administrative approval to downhole commingle the production from the Blanco Mesa Verde and Basin Dakota pools in its Jicarilla 119 N #8 well. El Paso feels that commingling production is the most efficient manner to produce this well.

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A well location and offset ownership plats are enclosed.

Sincerely,


Douglas W. Mussett

DWM:as

WAIVER

Union Texas Petroleum hereby waives objection to El Paso Exploration Company's application for downhole commingling its Jicarilla 119 N #8 well as proposed above.

By: 

Date: 9.5-84

NEW MEXICO OIL CONSERVATION COMMISSION

REVISED

Well Location and Acreage Dedication Plat

Section A.

Date **1-9-59**

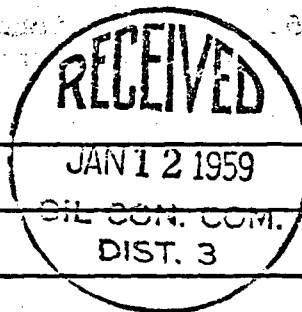
Operator **Northwest Production Corp.** Lease **"N"**
Well No. **3-8** Unit Letter **M** Section **8** Township **26N** Range **4W** NMPM
Located **1190** Feet From **South** Line, **790** Feet From **West** Line
County **Rio Arriba** G. L. Elevation **6954.75 ungr** Dedicated Acreage **320** Acres
Name of Producing Formation **Nakota** Pool **Wildcat**

1. Is the Operator the only owner* in the dedicated acreage outlined on the plat below?
Yes ☒ No ☐
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes ☐ No ☐. If answer is "yes," Type of Consolidation _____
3. If the answer to question two is "no," list all the owners and their respective interests below:

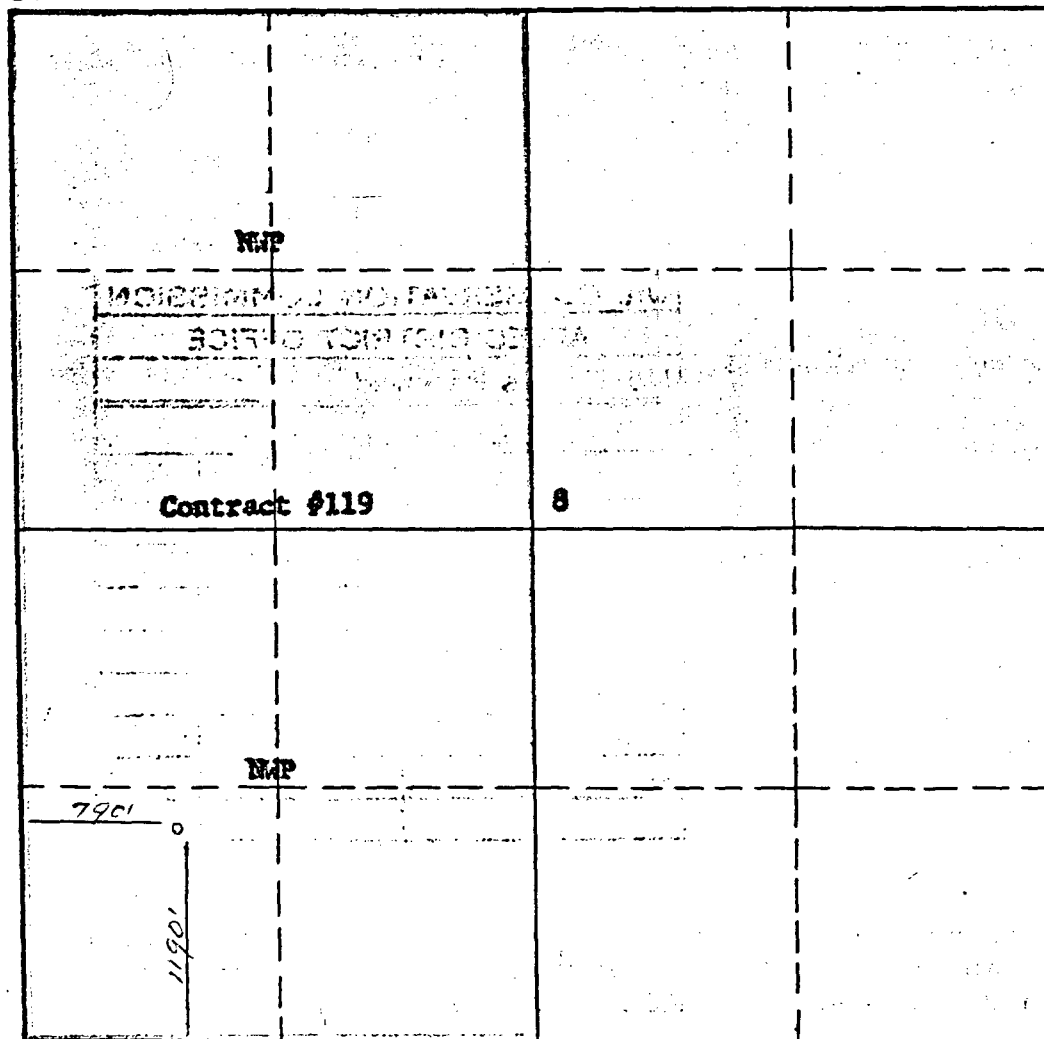
Owner

Land Description

Revised under Order No. R-1287



Section B



This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

Northwest Production Corp.

(Operator)
M. B. Jones **M. B. JONES**
Asst Mgr, Prod Operations

(Representative)
520 Simas Building
Albuquerque, New Mexico

Address

This is to certify that the well location shown on the plat in Section B 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.

Date Surveyed **January 18, 1959**

/s/ James P. Leese

Registered Professional
Engineer and/or Land Surveyor.

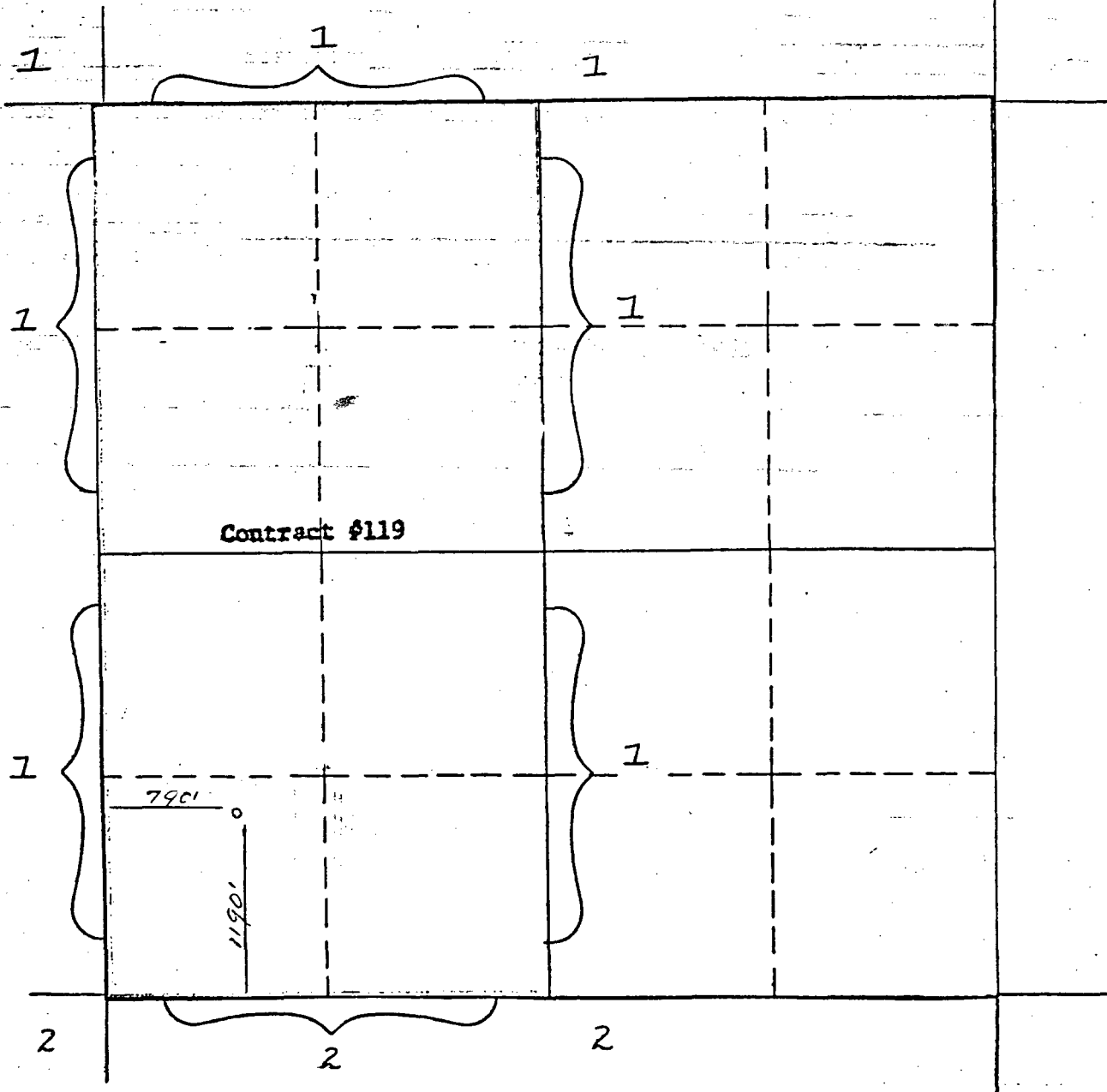
EL PASO NATURAL GAS COMPANY

Well Name Jicarilla 119 N #8

Footage 1190' FSL, 790' FWL

APPLICATION TO COMMINGLE MESAVERDE/DAKOTA

County Rio Arriba State New Mexico Section 8 Township 26N Range 4W



REMARKS:

- (1) El Paso Exploration Company
- (2) Union Texas Petroleum Corporation

**Union Texas
Petroleum**

14001 E Iliff Avenue
Suite 500
Aurora, Colorado 80014
(303) 695-8778

OIL CONSERVATION DIVISION
SEP 10 1984
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September 6, 1984

New Mexico Oil Conservation Division
Post Office Box 1088
Santa Fe, NM 87501

RE: Jicarilla 119 N #8 (MD)
Unit M, Section 8, T26N, R4W
Rio Arriba County, NM

Gentlemen:

At El Paso Exploration Company's request, we have executed the attached waiver of objection for their request to downhole commingle the Jicarilla 119 N #8.

Sincerely,



Donald B. Wells
Division Operations Manager

DBW:bea
Enclosure



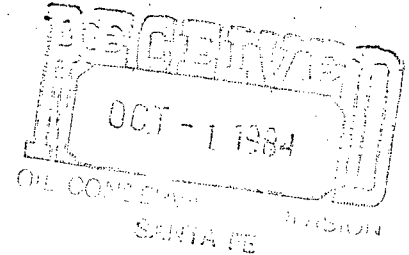
STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE Sept. 26, 1984

RE: Proposed MC _____
Proposed DHC x _____
Proposed NSL _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____



Gentlemen:

I have examined the application dated August 27, 1984
for the El Paso Energy Co. Permilla 119/U #8 M-8-26A-4W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve

Yours truly,

Frank D. Chaz