Texaco Exploration and Production Inc   3300 N Butler
Farmington NM 87401

September 8, 1993

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
PO BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504

Attention: Michael E. Stogner
Chief Hearing Officer/Engineer

RE: **Application for exception to NMOCD Rule 303-A: Downhole Commingle
State of New Mexico Keys Unit No. 1: 1120' FSL & 1680' FWL, Unit N,
Sec. 32-T29N-R10W, NMPM, San Juan County, New Mexico**

Dear Mr. Stogner:

Please find attached, updated pressure information presented in support of our December 3, 1992
request to downhole commingle the Armenta Gallup Oil Pool with the Basin Dakota Gas Pool
in the referenced well. A bottom hole pressure of 502 psi was submitted for the Dakota based
on a seven day shut-in pressure measured at surface. The initial Gallup pressure was recorded
at 1225 psi after a seven day shut-in using a bottom hole pressure recording device. Since the
bottom hole pressure in Gallup exceeded the bottom hole pressure in the Dakota zone by greater
than 50% our application was not approved at that time.

We have continued to produce the Gallup with the Dakota temporarily abandoned (packer set
between zones) to reduce its bottom hole pressure. We are pleased to report that following a
seven day shut-in period of the Gallup completion (6/11/93 - 6/18/93), the following pressure
data was recorded:

<div align="center">Casing 686 psi   Tubing 479 psi   Fluid Level 5585'</div>

As you can see, the bottom hole pressure of the Gallup completion has been sufficiently lowered
to meet your requirements for administrative approval. Please include this information with our
original request for administrative approval to downhole commingle the referenced well. If you
have any questions please contact Mr. Mark Reinhold at (505) 325-4397 ext 19. Your attention
to this matter is greatly appreciated.

Sincerely,

Ted A. Tipton
Area Manager
MRR/s

Attachments
NMOCD - Aztec
file

ACOUSTIC WELL SOUNDING DATA

LEASE _RKY COM #1_ WELL NO. _1_

PRODUCING FORMATION _ARMENTA GALLUP_

SEATING NIPPLE DEPTH _5704_ NO. OF JOINTS _175_ AVERAGE LGTH. _32.5257_

CASING PERFS.(TOP) _5440_ (BOTTOM) _5705_ LINER _____ TUBING ANCHOR _____

STROKES PER·MINUTE _____ LENGTH OF STROKE _____ MUD ANCHOR LENGTH _____

DATE	JOINTS TO FLUID	FEET TO FLUID	TOTAL FEET OF FLUID	PRESS. CASING HEAD	TBG PRESS	REMARKS
4-21-93	121	3936	1769	568	28	
6-18-93	171	5585	120	686	479	

W N E
S

T	C		
520	705	Keys com	E
460	655	Keys com	

Blanco →

Bloomfield

← Farmington 14.6

East 64

River

Mae Gate 1-E

gate

gate

Dunco 1-E

Rd 4997

House

Gary Refinery 2.4

Rd 256

Sullivan Rd
Rd 4990

Highway 44

LDS Farm

House
T

TO BLANCO WASH

Keys Com 1-E

Mexico Fed D-1

Keys com 1-1
shop

New Mexico D-1

3

New Mexico A-2

New Mexico A-1

Mexico Fed K-1

Mexico Fed Fed K-1

BIA Division 3

Mexico Fed.

Mexico Fed G

hi

.5

Mexico Fed S-1