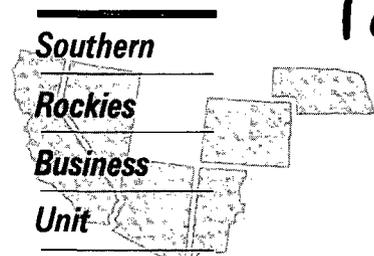




December 22, 1994

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



1-16-95

1083

**Application for Exception to Rule 303-A
Downhole Commingling
Omler A #5 Well
1850' FNL, 1760' FEL, Section 25-T28N-R10W
Blanco Mesaverde, Basin Dakota Pools
San Juan County, New Mexico**

Amoco Production Company hereby requests administrative approval to downhole commingle production from the Blanco Mesaverde and Basin Dakota Pools in the Omler A #5 well referenced above. Based on telephone conversation between Mr. Mike Kutas of Amoco and Mr. Ernie Busch of the NMOCD Aztec District Office, the well is approved for commingling testing period to assist in determining an allocation formula. The ownership (WI, RI ORRI) of these pools is identical in this wellbore. Production methods are limited due to the 4 1/2" casing in the well. Downhole commingling will offer an economical method of production while protecting against reservoir damage, waste of reserve and violation of correlative rights. A copy of this application will be sent to the offset operators and the BLM (Fed. Ls. SF-077085).

Sincerely,

JWHawkins
J. W. Hawkins

Enclosures

cc: Mike Kutas

Frank Chavez, Supervisor
Amoco District III
1000 Rio Brazos Road
Aztec, NM 87410

Duane Spencer
Bureau of Land Management
1235 La Plata Hwy
Farmington, NM 87401

Meridian Oil Inc./
Southland Royalty
P.O. Box 4289
Farmington, NM 87499

Jerry Hoover
Conoco Inc.
10 Desta Dr., Ste. 100W
Midland, TX 79705-4500

Application for Exception to Rule 303: SEGREGATION OF PRODUCTION FROM POOLS

Requirements

- (1) Name and address of the operator:

Amoco Production Company
P.O. Box 800
Denver, CO 80201

- (2) Lease name, well number, well location, name of the pools to be commingled:

Lease Name: Omler A
Well Number: 5
Well Location: 1850' FNL & 1760' FEL
Section 25, T28N-R10W
San Juan County, New Mexico
Pools Commingled: Blanco Mesaverde
Basin Dakota

- (3) A plat of the area showing the acreage dedicated to the well and the ownership of all offsetting leases.

Attached

- (4) A current (within 30 days) 24-hour productivity test on Division Form C-116 showing the amount of oil, gas and water produced from each zone.

The Dakota has produced for over 20 years and is currently averaging about 70 mcf/d. The Mesaverde is completed separately as a dual, but has not been produced.

- (5) A production decline curve for both zones showing that for a period of at least one year a steady rate of decline has been established for each zone which will permit a reasonable allocation of the commingled production to each zone for statistical purposes. (This requirement may be dispensed within the case of a newly completed or recently completed well which has little or no production history. However, a complete resume of the well's completion history including description of treating, testing, etc., of each zone, and a prognostication of future production from each zone shall be permitted.)

Dakota Completion: Historical production curve attached.

Mesaverde Completion: The well was completed in 1965 but never first delivered. The well was completed with a sliding sleeve to accommodate downhole commingling. However when the sleeve was opened recently, the well would not flow.

- (6) Estimated bottomhole pressure for each artificially lifted zone. A current (within 30 days) measured bottom hole pressure for each zone capable of flowing.

	BH Pressure	SI Tubing Press.	Fluid Level
Mesaverde Completion:	642 psi	310 psi	0
Basin Dakota Completion	892 psi	485 psi	0'

- (7) A description of the fluid characteristics of each zone showing that the fluids will not be incompatible in the wellbore.

The fluids have no abnormal components that would prohibit commingling, or promote the creation of emulsions or scale.

- (8) A computation showing that the value of the commingled production will not be less than the sum of the values of the individual streams:

Since the BTU content of the produced fluids are very similar, we would expect the commingled production to have the same value as the sum of the individual streams.

- (9) A formula for the allocation of production to each of the commingled zones and a description of the factors or data used in determining such formula:

The well is undergoing additional testing to aid in determination of the allocation factor. We propose a fixed percentage allocation using the recent average Dakota rate as a percentage of the commingled rate.

- (10) A statement that all offset operators and, in the case of a well on federal land, the United States Bureau of Land Management, have been notified in writing of the proposed commingling.

All offsetting operators and the BLM will receive a copy of this application by certified mail. The offsetting operators are:

Meridian Oil Inc., P.O. Box 4289, Farmington, NM 87499
Southland Royalty, P.O. Box 4289, Farmington, NM 87499
Conoco Inc., 10 Desta Dr. Ste. 100W, Midland TX 79705

Well Location and Acreage Dedication Plat

Section A.

Date 7-22-65

Operator TENNECO OIL COMPANY Lease Omler "A"
 Well No. Omler A5 Unit Letter G Section 25 Township 28 North Range 10 West NMPM
 Located 1850 Feet From North Line, 1760 Feet From East Line
 County San Juan G. L. Elevation 5873' ungraded Dedicated Acreage 320 Acres
 Name of Producing Formation Dakota Pool Dakota

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 communization 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

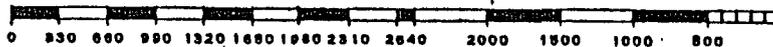
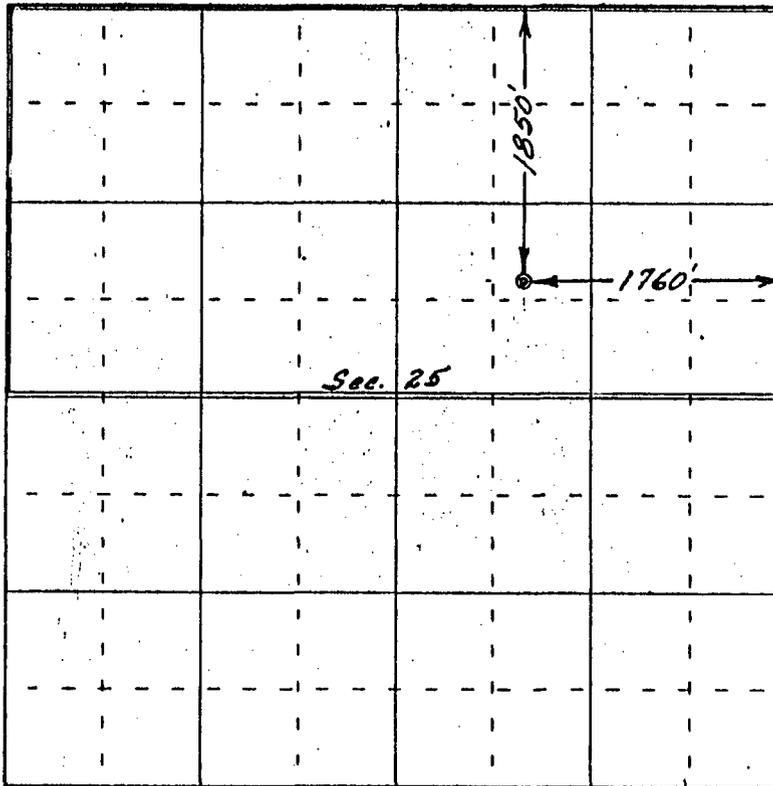
<u>Owner</u>	<u>Land Description</u>

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.

Tenneco Oil Co.
 Original Signed By (Operator)
HAROLD C. NICHOLS
 (Representative)
Box 1714
 (Address)
Durango,
Colorado

Note: All distances must be from outer boundaries of section.



Scale 4 inches equal 1 mile

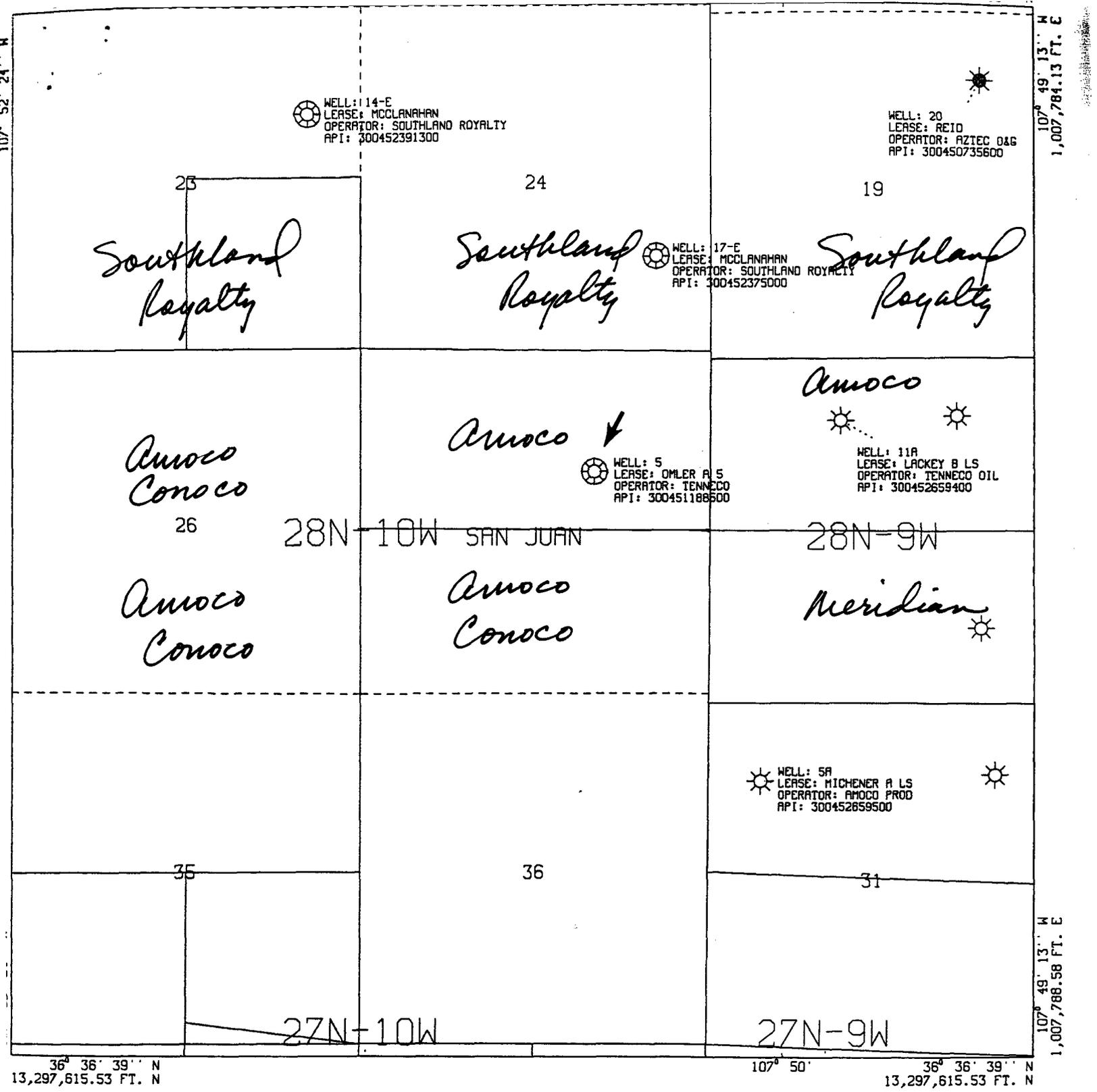
ADMN 55558

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

Date Surveyed 23 April 1965

[Signature]
 Registered Professional Engineer and/or Land Surveyor

(Seal)



107° 49' 13" W
1,007,784.13 FT. E

107° 49' 13" W
1,007,786.58 FT. E

36° 36' 39" N
13,297,615.53 FT. N

107° 50' 36° 36' 39" N
13,297,615.53 FT. N

All geological and geophysical data, including the interpretation thereof, appearing on this map is the private and confidential property of Amoco Production Company. The publication or reproduction thereof without the written permission of said Company is strictly prohibited.

COPY

AMOCO PRODUCTION COMPANY
PLAT MAP

OMLER A 5
WITH MV OFFSETS

SCALE 1 IN. = 2,000 FT. DEC 13, 1994

PCLYCONIC CENTRAL MERIDIAN - 107° 50' 48" W LON
SPHEROID - 6

UW-91317092906

992,215.87 FT. E
107° 52' 24" W

WELL: 17
LEASE: MCCLANAHAN-D
OPERATOR: AZTEC O&G
API: 300450737300

WELL: 14
LEASE: MCCLANAHAN-D
OPERATOR: AZTEC O&G
API: 300451306800

WELL: 14-E
LEASE: MCCLANAHAN
OPERATOR: SOUTHLAND ROYALTY
API: 300452391300

WELL: 20
LEASE: REID
OPERATOR: AZTEC O&G
API: 300450735600

Southland Royalty

WELL: 16
LEASE: MCCLANAHAN-D
OPERATOR: AZTEC O&G
API: 300450729800

24
Southland Royalty

WELL: 21
LEASE: REID-D
OPERATOR: AZTEC O&G
API: 300450730100

Southland Royalty

WELL: 2-E
LEASE: MCCLANAHAN A 2 E
OPERATOR: UNION TEXAS PET
API: 300452588500

Amoco

WELL: 1-E
LEASE: OMLER-A
OPERATOR: TENNECO OIL
API: 300452420700

WELL: 1
LEASE: OMLER-A
OPERATOR: TENNECO OIL
API: 300451190600

WELL: 5
LEASE: OMLER A 5
OPERATOR: TENNECO
API: 300452411000

WELL: 5
LEASE: OMLER A 5
OPERATOR: TENNECO
API: 300451188500

28N-10W SAN JUAN

Amoco

28N-9W

Amoco

Amoco

WELL: 7
LEASE: HANCOCK
OPERATOR: EL PASO NATURAL GAS
API: 300450714000

Meridian

WELL: 4-E
LEASE: OMLER A 4 E
OPERATOR: TENNECO
API: 300452411100

WELL: 3
LEASE: OMLER-A
OPERATOR: TENNECO OIL
API: 300450711200

WELL: NO 3E
LEASE: OMLER A
OPERATOR: TENNECO OIL CO
API: 300452408000

WELL: 4
LEASE: OMLER A
OPERATOR: TENNECO OIL
API: 300451216800

WELL: NO 6 E
LEASE: MICHENER A
OPERATOR: EL PASO NATURAL GAS CO
API: 300452388000

WELL: NO 2E
LEASE: OMLER A
OPERATOR: TENNECO OIL CO
API: 300452411600

WELL: 2
LEASE: OMLER A 2
OPERATOR: TENNECO OIL
API: 300451188000

WELL: 6
LEASE: OMLER A 6
OPERATOR: TENNECO
API: 300451188900

35

36

31

992,211.42 FT. E
107° 52' 24" W

WELL: 1
LEASE: COLE-A
OPERATOR: TENNECO OIL
API: 300451190700

WELL: 1-E
LEASE: COLE-A
OPERATOR: TENNECO OIL
API: 300452411700

WELL: 7-E
LEASE: OMLER-A
OPERATOR: TENNECO OIL
API: 300452411800

WELL: 7
LEASE: OMLER A 7
OPERATOR: TENNECO OIL
API: 300451215500

27N-10W

27N-9W

36° 36' 39" N
13,297,615.53 FT. N

107° 50'
36° 36' 39" N
13,297,615.53 FT. N

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AMOCO PRODUCTION COMPANY
PLAT MAP

POLYCONIC CENTRAL MERIDIAN - 107° 50' 48" W LON
SPHEROID - 6

OMLER A 5
WITH DK OFFSETS
SCALE 1 IN. = 2,000 FT. OCT 21, 1994

JOB-PV466102, ISSCO 0155PLA 10.0

13.34.31 FRI 21 OCT, 1994

DUAL COMPLETION

OMLER "A" NO. 5

LOCATION: 1850 FNL & 1760 FEL, SEC. 25,
T2BN, R 10 W,
SAN JUAN Co., N. M.

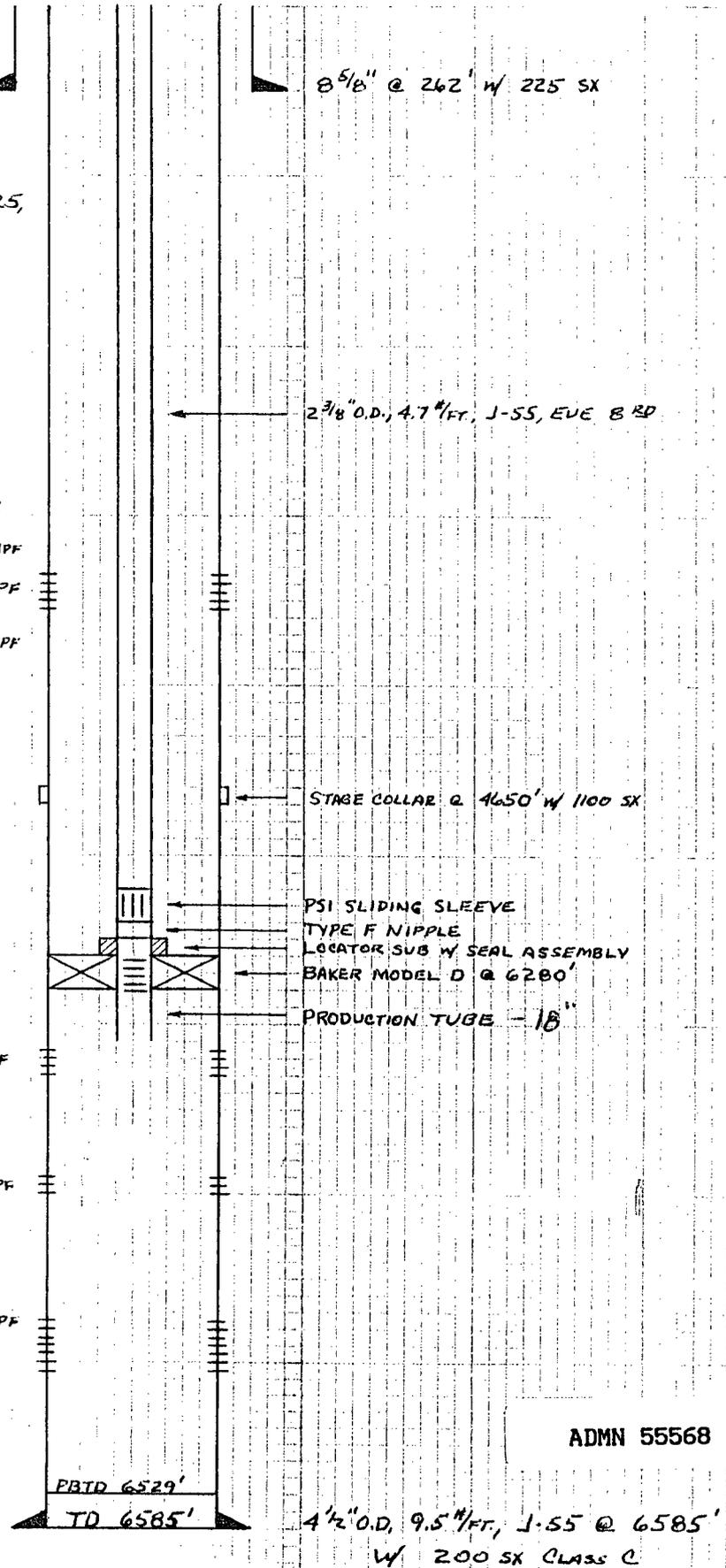
ELEVATION: ~~5878~~
5868 G.L.
5878 D.F.

MESA VERDE PERFS

4284-88	2 HPF
4295-97	2 HPF
4306-08	1 HPF
4310-16	
4328-32	2 HPF
4334-36	

DAKOTA PERFS

6348-49	1 HPF
6361-62	
6363-64	
6364-65	
6413-15	2 HPF
6418-24	2 HPF
6426-30	
6451-59	2 HPF
6474-78	
6487-89	
6497-99	
6514-16	
6518-22	

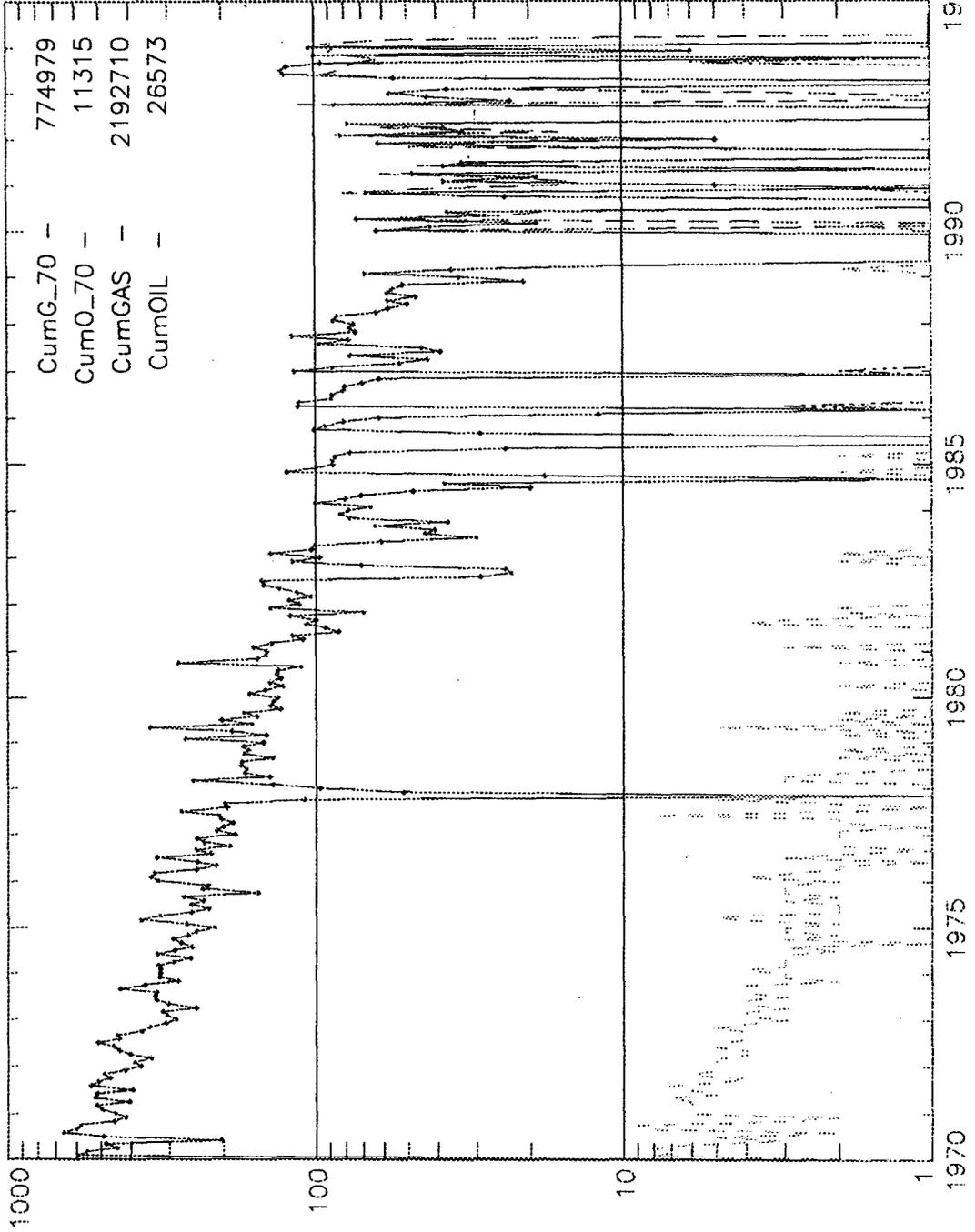


ADMN 55568

DCW
11-10-65

Engr: zror06

OMLER A 5
300451188500DK G252810-005 DK
Operator- AMOCO PRODUCTION CO
APC_WI - 0.50000000



CumG_70 - 774979
CumO_70 - 11315
CumGAS - 2192710
CumOIL - 26573

Curr_Fit
DCLN 0.123
CurrQ 207
RemRes 593495
EUR 2786205
Fit_date 1993 8

New_fit
DCLN
CurrQ
RemRes
EUR
Fit_date



STATE OF NEW MEXICO

ENERGY, MINERALS and NATURAL RESOURCES DIVISION

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

The More
DRUG FREE
It's a kind of Mind

BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

95 JAN 20 AM 8 52

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

Date: _____

DHC-1083

Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

RE: Proposed MC _____	Proposed DHC _____ α
Proposed NSL _____	Proposed SWD _____
Proposed WFX _____	Proposed PMX _____
Proposed NSP _____	Proposed DD _____

Gentlemen:

I have examined the application received on 12/27/94

for the Amoco OPERATOR Order A #5 LEASE & WELL NO.

G-25-28N-10W and my recommendations are as follows:
UL-S-T-R

Approve

Yours truly
[Signature]