



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office
1235 La Plata Highway
Farmington, New Mexico 87401

March 27, 1996

IN REPLY REFER TO:

NM-03380
14-08-001-6678 (CA)
3162.7-3 (07327)

Ms. Pamela W. Staley
Amoco Production Company
P.O. Box 800
Denver, CO 80201

RE: Federal Lease SF-078097
CA # 14-08-001-6678 (CRS#NM73545)
Downhole Commingling Application
Aztec Pictured Cliffs & Blanco Mesaverde
Heaton LS #9
990' FNL & 1495' FEL, Section 32-T31N-R11W
San Juan County, New Mexico

Dear Ms. Staley:

The Farmington District Office (FDO) of the Bureau of Land Management (BLM) has received your letter dated March 12, 1996, for downhole commingling of the Blanco Mesaverde and Basin Dakota Pools in the above referenced well.

Your application stated that historical data will be used in determining the allocation percentage for each formation. Presently, the Pictured Cliffs formation is producing 5 MCFD and 0 BCPD and the Mesaverde is producing 59 MCFD and .01 BCPD. Corrected bottom hole pressures are 746 psi for the Mesaverde and 465 psi for the Pictured Cliffs. Using these values, the fixed percentage for allocated production for each formation has been determined as follows:

FORMATION	GAS PRODUCTION	OIL PRODUCTION
Aztec Pictured Cliffs	8%	0%
Blanco Mesaverde	92%	100%

Approval to downhole commingle the Blanco Mesaverde and Basin Dakota formations for the above referenced well is hereby granted.

If you have further questions regarding this matter, please contact Brian W. Davis at (505) 599-6367 or (505) 599-8900.

Sincerely,

/s/ Duane Spencer

Duane W. Spencer
Team Leader, Petroleum Management

bcc:
NMOCD, Santa Fe
Well File (No.9 Heaton LS, 990'FNL & 1495'FEL,Sec.32-T31N-R11W)
CA File NMNM73545
DOMR
Suspense (Brian)
AIRS

07237:BWDavis:03/27/96:x6367:staleyheaton9.ltr