



DHC 4.29.96

RC'D 4.8.96

1254

Southern
Rockies
Business
Unit

March 28, 1996

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

**Application for Exception to Rule 303-C
Downhole Commingling
Jicarilla Contract #155-31 Well
Unit H Section 29-T26N-R5W
Otero Chacra (Pool IDN 82329) and South Blanco Pictured Cliffs (Pool IDN 72439) Pools
Rio Arriba, New Mexico**

Enclosed please find an administrative application form (C-107-A) and attachments for downhole commingling for the captioned well.

Should you have questions concerning this matter, please contact me at (303) 830-5344.

Sincerely,

Pamela W. Staley

Enclosures

cc: Steve Smethie
Patty Haefele
Wellfile
Proration file

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

Robert Kent
Bureau of Land Management
435 Montano NE
Albuquerque, NM 87107

DISTRICT I
P.O. Box 1980, Hobbs NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-A
New 3-12-96

OIL CONSERVATION DIVISION

APPROVAL PROCESS:

DISTRICT II
811 South First St., Artesia, NM 88210-2835

2040 S. Pacheco
Santa Fe, New Mexico 87505-6429

Administrative Hearing

DISTRICT III
1000 Rio Brazos Rd. Aztec, NM 87410-1693

APPLICATION FOR DOWNHOLE COMMINGLING

EXISTING WELLBORE
 YES NO

Amoco Production Company		P.O. Box 800 Denver, CO 80201	
Operator Jicarilla Contract #155		Address Unit H Section 29-T26N-R5W Rio Arriba	
Lease		County	
Well No. 31		Unit Ltr. - Sec Twp - Rge	
Spacing Unit Lease Types: (check 1 or more)			
OGRID NO. 000778	Property Code 000741	API NO. 3003922569	Federal <input checked="" type="checkbox"/> State <input type="checkbox"/> (and/or) Fee <input type="checkbox"/>

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	SOUTH BLANCO PICTURED CLIFFS 72439		OTERO CHACRA 82329
2. Top and Bottom of Pay Section (Perforations)	2836' - 2874'		3710' - 3824'
3. Type of production (Oil or Gas)	GAS		GAS
4. Method of Production (Flowing or Artificial Lift)	FLOWING		FLOWING
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated or Measured Original	a. (Current) 762 PSI	a.	a. 724 PSI
	b. (Original) 1131 PSI	b.	b. 1156 PSI
6. Oil Gravity (° API) or Gas BTU Content	1020 BTU / 47.9 DEG API		1235 BTU / 49.8 DEG API
7. Producing or Shut-In?	PRODUCING		PRODUCING
Production Marginal? (yes or no)	YES		YES
• If Shut-In, give data and oil/gas/water rates of last production <small>Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data</small>	Date: Rates:	Date: Rates:	Date: Rates:
• If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates: 60 MCFD 0 BCPD 0.58 BWPD	Date: Rates:	Date: Rates: 30 MCFD 0.01 BCPD 0.59 BWPD
8. Fixed Percentage Allocation Formula -% for each zone	Oil: 0 % Gas 67 %	Oil: % Gas %	Oil: 100 % Gas 33 %

9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.

10. Are all working, overriding, and royalty interests identical in all commingled zones? Yes No
If not, have all working, overriding, and royalty interests been notified by certified mail? Yes No
Have all offset operators been given written notice of the proposed downhole commingling? Yes No

11. Will cross-flow occur? Yes No If yes, are fluids compatible, will the formations not be damaged, will any cross-flowed production be recovered, and will the allocation formula be reliable. Yes No (If No, attach explanation)

12. Are all produced fluids from all commingled zones compatible with each other? Yes No

13. Will the value of production be decreased by commingling? Yes No (If Yes, attach explanation)

14. If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application. Yes No JICARILLA CONTRACT #155

15. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S) _____

16. ATTACHMENTS:
- * C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
 - * Production curve for each zone for at least one year. (If not available, attach explanation.)
 - * For zones with no production history, estimated production rates and supporting data.
 - * Data to support allocation method or formula.
 - * Notification list of all offset operators.
 - * Notification list of working, overriding, and royalty interests for uncommon interest cases.
 - * Any additional statements, data, or documents required to support commingling.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE *Pamela W. Staley* TITLE REGULATORY AFFAIRS REP DATE 3/25/96

TYPE OR PRINT NAME PAMELA W. STALEY TELEPHONE NO. (303) 830-5344

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-107
Revised 10-1-7

NEW MEXICO
MINERALS DEPARTMENT

All distances must be from the outer boundaries of the Section.

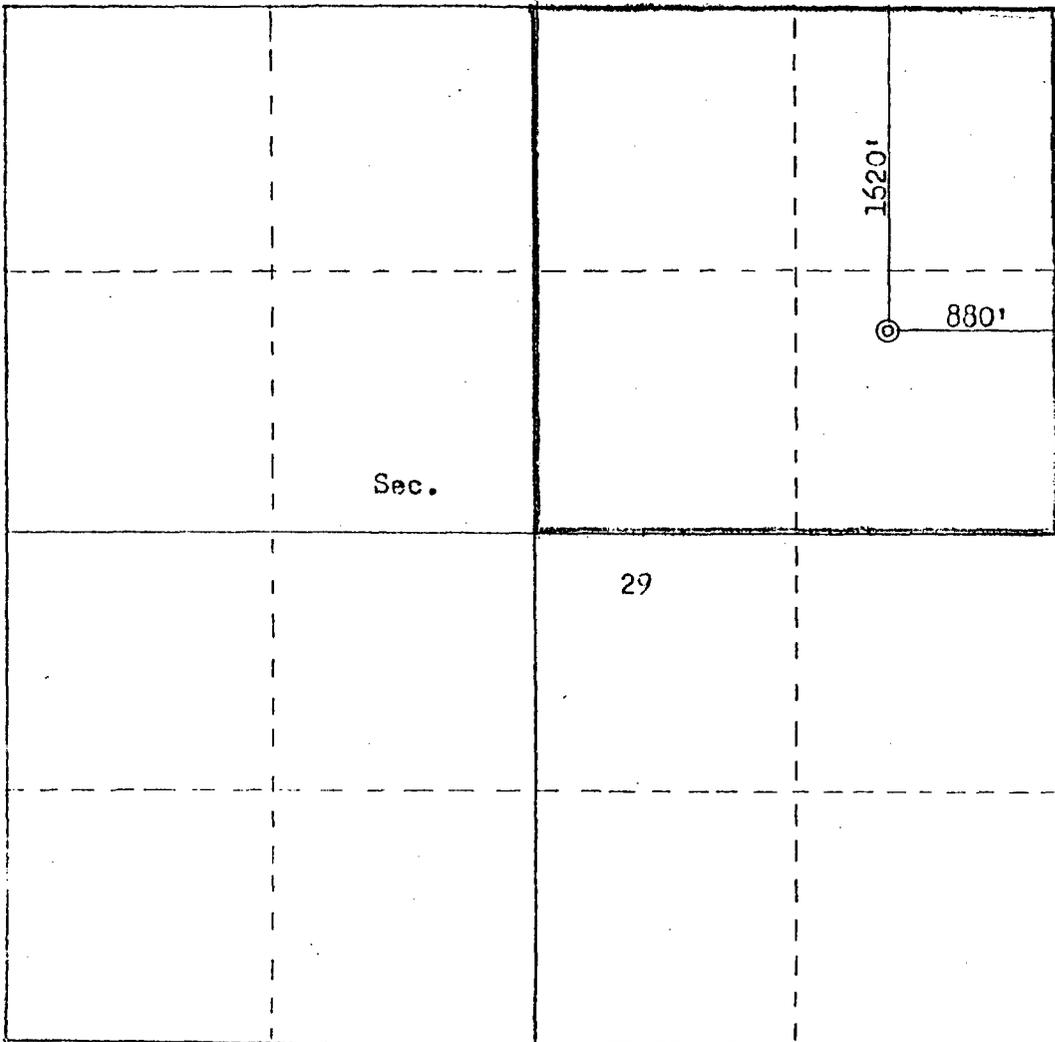
Operator AMOCO PRODUCTION COMPANY		Lease JICARILLA CONTRACT 155		Well No. 31
Unit Letter H	Section 29	Township 26N	Range 5W	County Rio Arriba
Actual Footage Location of Well: 1620 feet from the North line and 880 feet from the East line				
Ground Level Elev. 6459	Producing Formation Pictured Cliffs/Chacra	Pool So. Blanco Pictured Cliffs/ Otero Chacra	Dedicated Acreage: 160 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



Scale: 1"=1000'

CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

R. A. Downey

Name
R. A. DOWNEY

Position
DISTRICT ENGINEER

Company
AMOCO PRODUCTION COMPANY

Date
SEPTEMBER 11, 1980

I hereby certify that the well location shown on this plat 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.

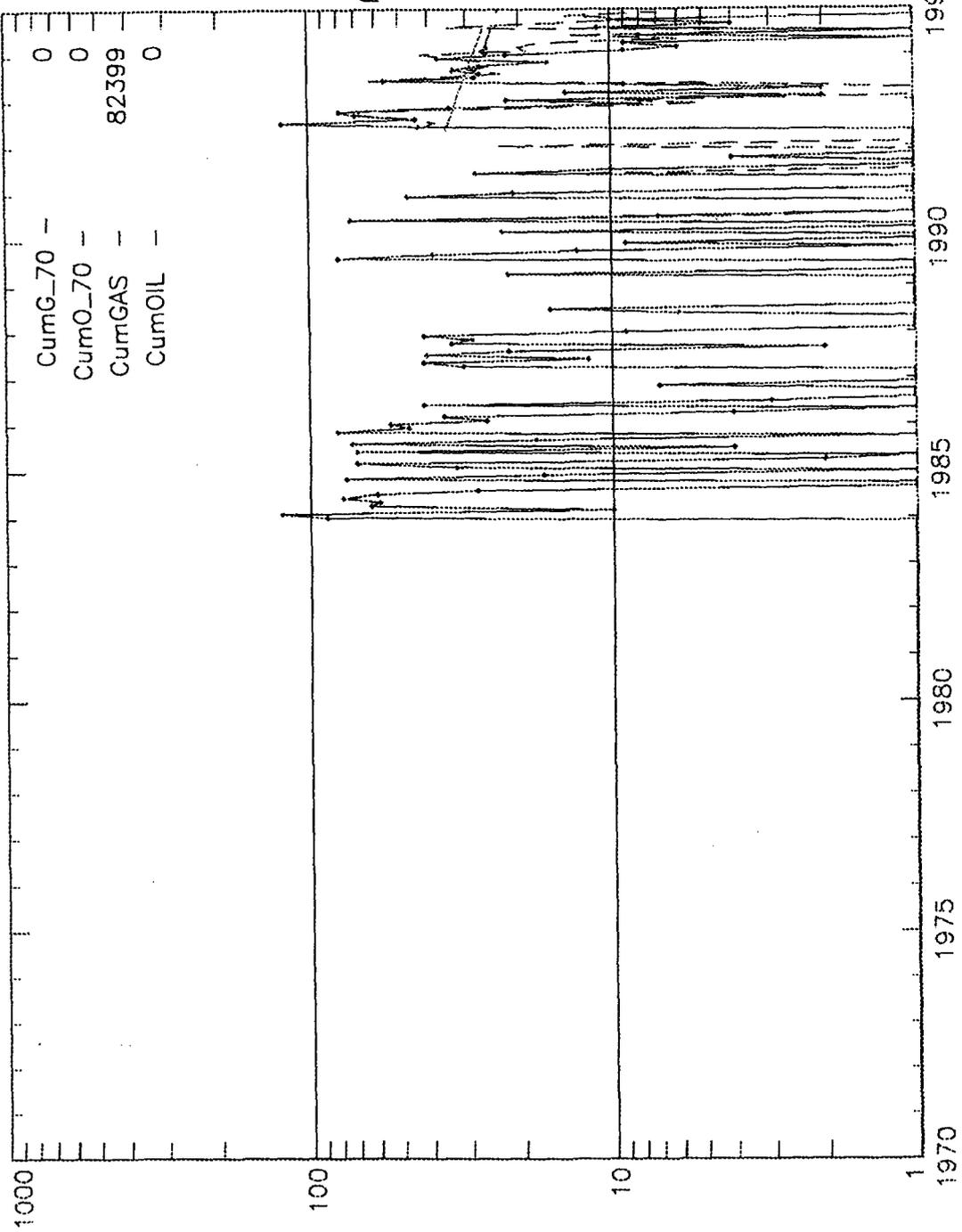
Date Surveyed
July 29, 1980

Registered Professional Engineer and Land Surveyor
Fred B. Kerr Jr.
Fred B. Kerr Jr.

Certificate No.
3950

Engr: zhab0b

JICARILLA CONTRACT 155 31
300392256900CK H292605-031 CK
Operator- AMOCO PRODUCTION CO
APC_WI - 1.0000000



Curr_Fit

New_fit

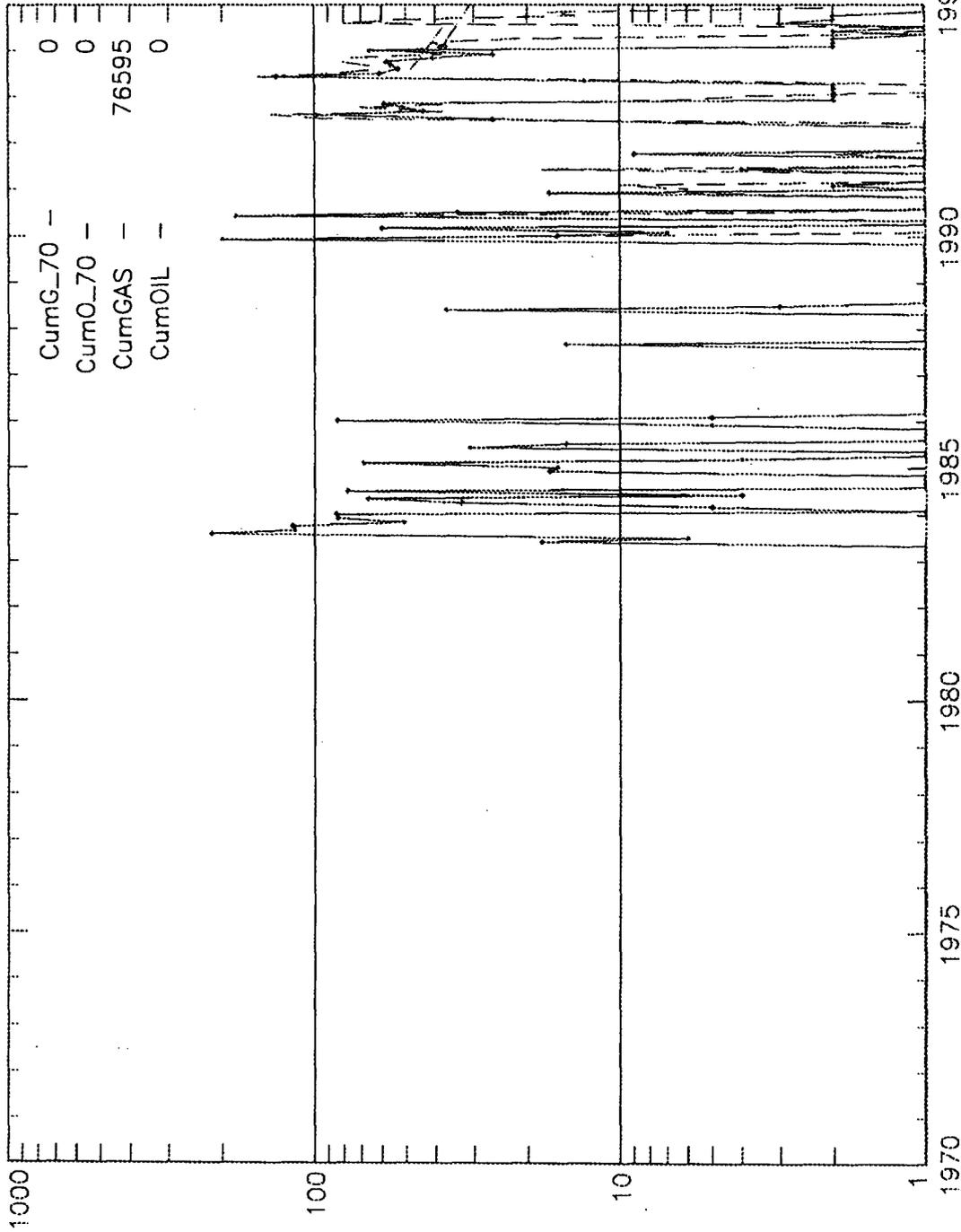
Engr: zhab0b

JICARILLA CONTRACT 155 31

Operator- AMOCO PRODUCTION CO

300392256900PC H292605-031 PC

APC_WI - 1.0000000



LIST OF OFFSET OPERATOR ADDRESSES

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

Marathon Oil Compasny
P.O. Box 552
Midland, Texas 79702