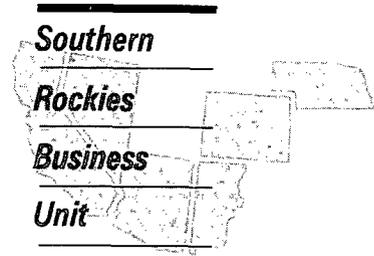




OIL CONSERVATION DIVISION  
RECEIVED

1996 APR 8 AM 8 52

DHC 4-29-96



DHC-1266

April 5, 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 #146-36 Well  
Unit A Section 4-T25N-R5W  
Blanco Mesaverde and Otero Chacra Pools  
Rio Arriba County, New Mexico**

Enclosed please find an administrative application form (C-107-A) and attachments for downhole commingling for the captioned well. This well was a dual completion with a leaking bradenhead. When we went in to repair the bradenhead, we found that the production packer was also leaking. Since we have a rig repairing this well at this time, Amoco requests your permission to complete the well as a commingled wellbore. Ownership is the same in both formations, and Amoco is the only offset operator in both formations. We hereby request permission to immediately produce this commingled well using the allocation attached unless protest is received.

Please advise if this is acceptable to you at your earliest convenience. 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

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 #146

36

Address  
A-4-25N-R5W

Rio Arriba

Lease Well No. Unit Ltr. - Sec Twp - Rge

Courty

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 000778 Property Code 000738 API NO. 3003922486 Federal  State  (and/or) Fee

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	OTERO CHACRA 82329		BLANCO MESAVERDE 72319
2. Top and Bottom of Pay Section (Perforations)	3786' - 3904'		5096' - 5280'
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) 993 PSI (EST) **	a.	a. 956 PSI (EST)**
	b. (Original) 1025 PSI	b.	b. 1402 PSI
6. Oil Gravity (° API) or Gas BTU Content	1225 BTU / 47.4 DEG API		1322 BTU
7. Producing or Shut-In?	PRODUCING		PRODUCING
Production Marginal? (yes or no)	YES		NO
• 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: 2/96 52 MCFD 2.7 BCPD 0.17 BWPD	Date: Rates:	Date: Rates: 2/96 128 MCFD 2.5 BCPD 1.14 BWPD
8. Fixed Percentage Allocation Formula -% for each zone	Oil: 52 % Gas 29 %	Oil: % Gas %	Oil: 48 % Gas 71 %

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 146

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. \*\*Pressures estimated from Jicarilla Contract 146-34 (B-3-25N-5W) Pkr Leakage test
- \* 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 10-1-78

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

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

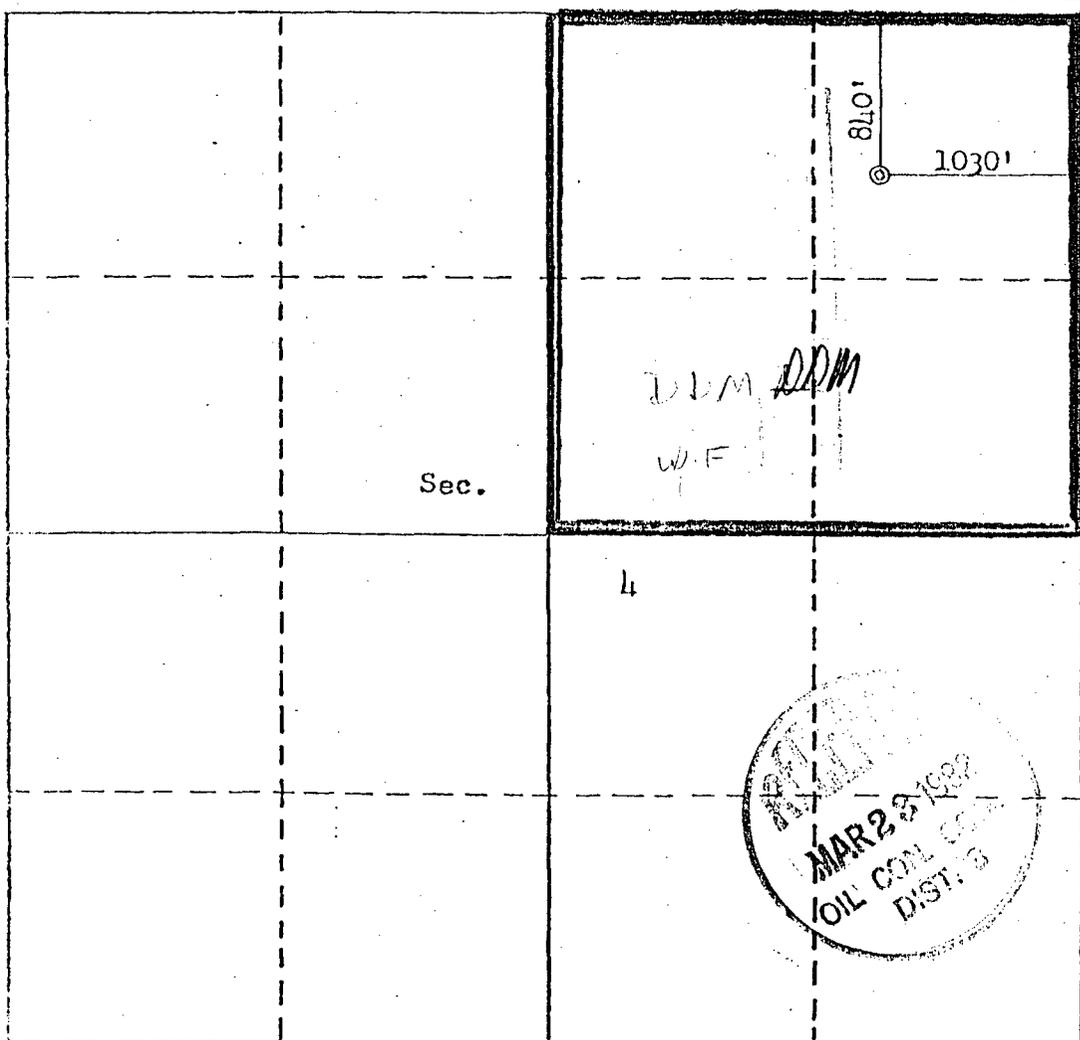
Operator <b>AMOCO PRODUCTION COMPANY</b>		Lease <b>JICARILLA CONTRACT 146</b>		Well No. <b>36</b>
Unit Letter <b>A</b>	Section <b>4</b>	Township <b>25N</b>	Range <b>5W</b>	County <b>Rio Arriba</b>
Actual Footage Location of Well: <b>840</b> feet from the <b>North</b> line end <b>1030</b> feet from the <b>East</b> line				
Ground Level Elev. <b>6315</b>	Producing Formation <b>Chacra/Mesaverde</b>	Pool <b>Otero Chacra / Gonzales Mesaverde</b>	Ext. <b>159.35</b>	Dedicated Acreage <b>159.35</b> Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. 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.



CERTIFICATION

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

*Wayne L. Peterson*  
Name

Wayne L. Peterson  
Position

DISTRICT ENGINEER

Company  
AMOCO PRODUCTION COMPANY

Date  
March 22, 1982

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  
May 22, 1980

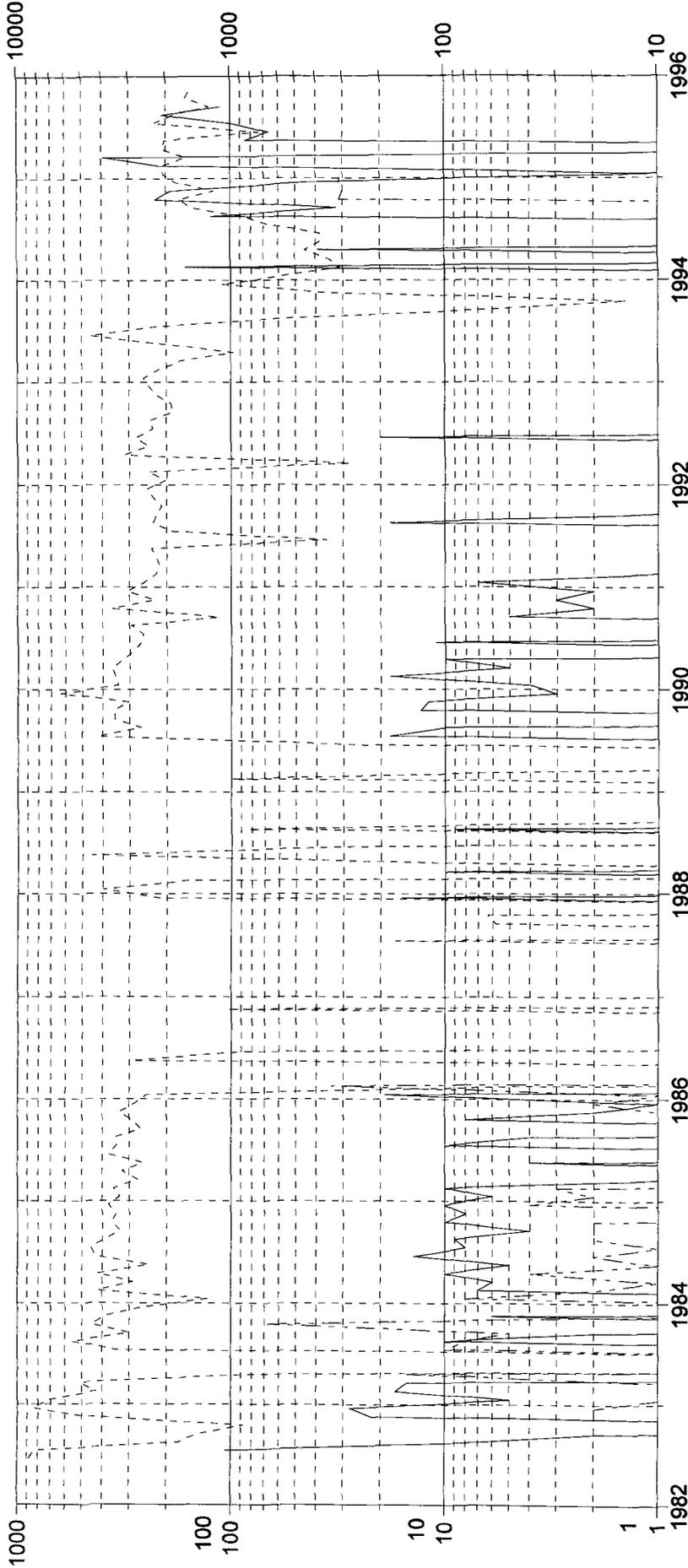
Registered Professional Engineer and/or Land Surveyor

*Fred R. Kerr Jr.*  
Fred R. Kerr Jr.

# Dwights

1000 Lease: JICARILLA CONTRACT 146 000036

Retrieval Code: 251,039,25N05W04A00C



County: RIO ARRIBA

State: NM

F.P. Date: 06/82

Date: 04/05/96

Field: OTERO (CHACRA) CK

Oil Cum: 2567 bbl

Reservoir: CHACRA

Gas Cum: 333584 mcf

Water (bbl/mo)

Operator: AMOCO PRODUCTION CO

Location: 4A 25N 5W

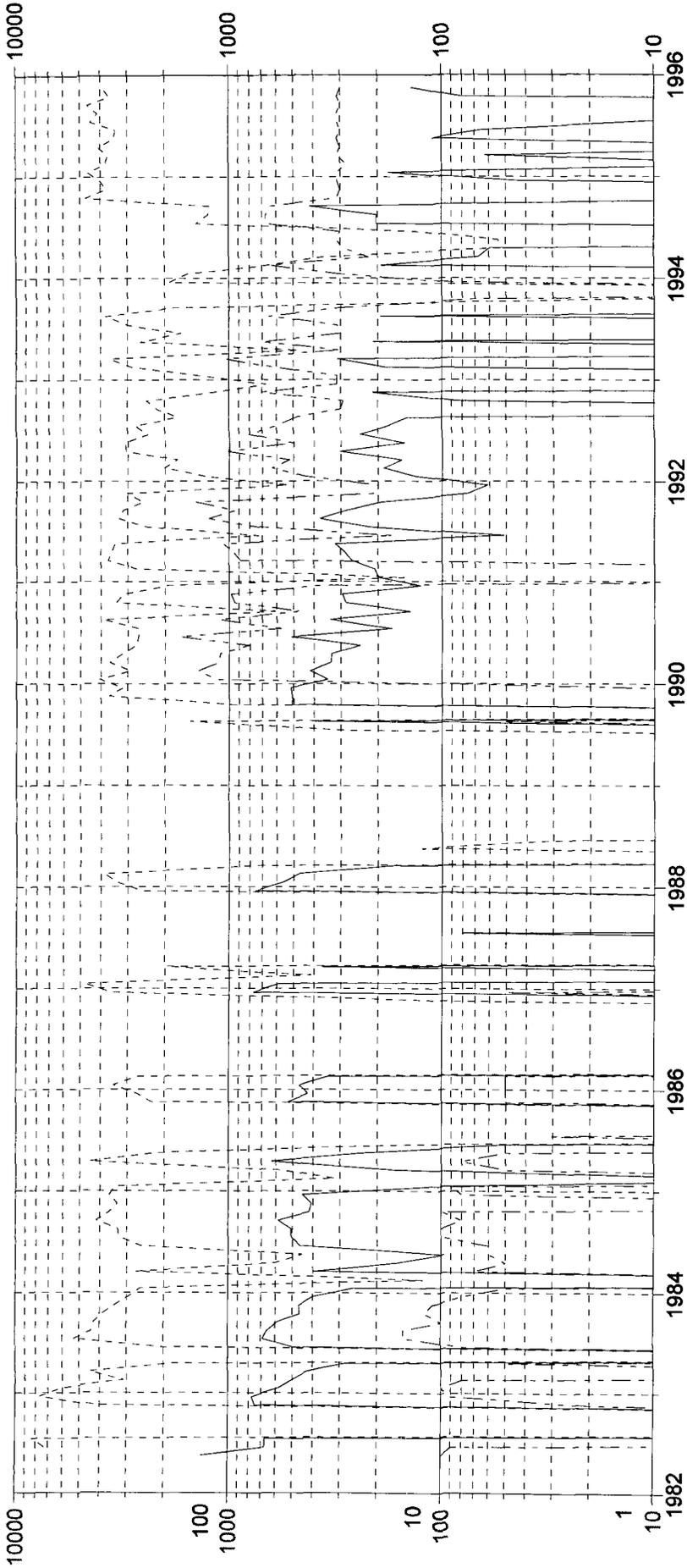
Oil (bbl/mo)

Gas (mcf/mo)

# Dwights

1000 Lease: JICARILLA CONTRACT 146 000036

Retrieval Code: 251,039,25N05W04A00M



County: RIO ARRIBA

State: NM

F.P. Date: 05/82

Date: 04/05/96

Field: BLANCO (MESAVERDE) MV

Oil Cum: 33215 bbl

Reservoir: MESAVERDE

Gas Cum: 326928 mcf

Water (bbbl/mo)

Operator: AMOCO PRODUCTION CO

Location: 4A 25N 5W

Oil (bbbl/mo)

Gas (mcf/mo)

Chart1

Well: JICARILLA CONT 146 036-C (84233701)

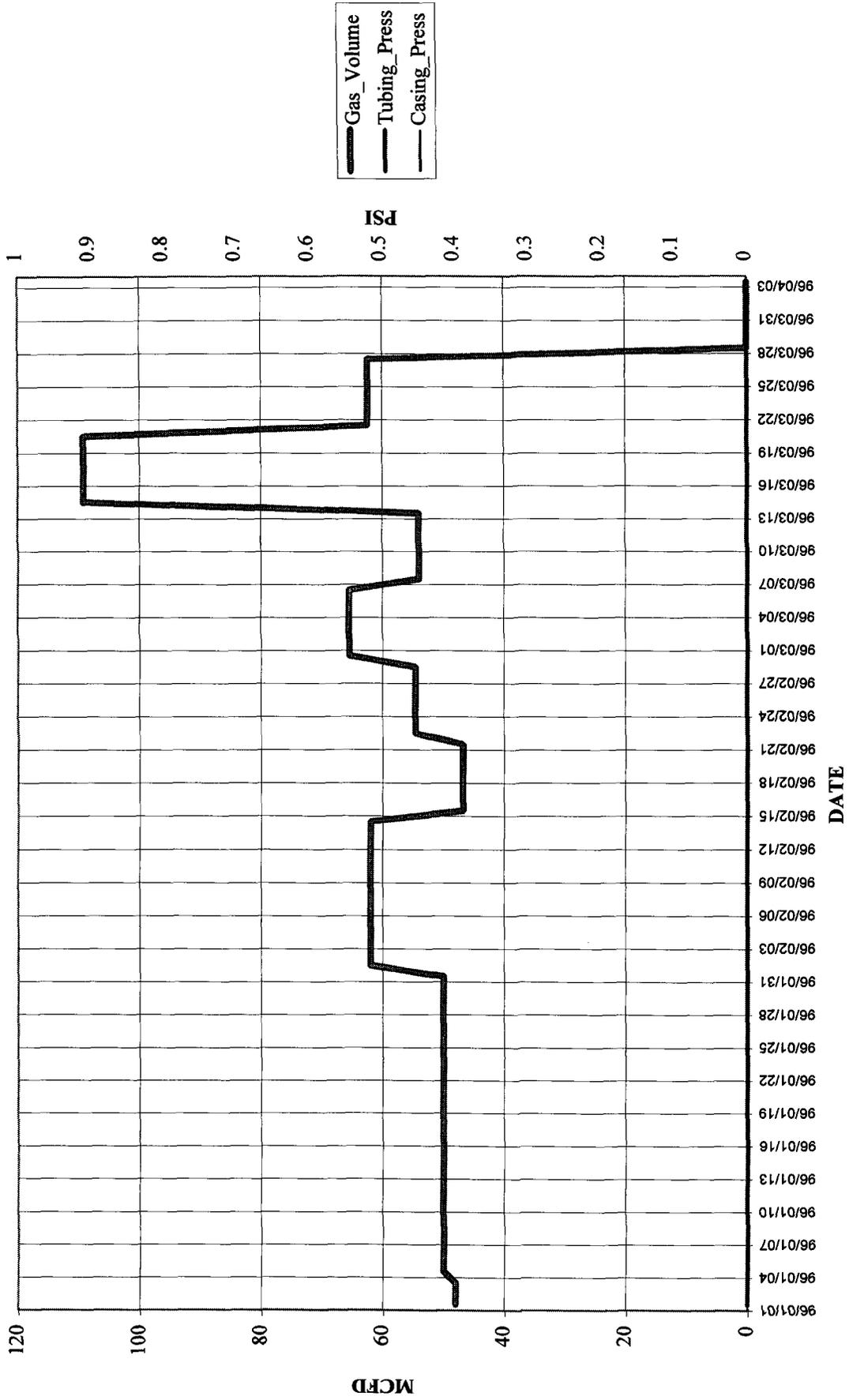


Chart 1

Well: JICARILLA CONT 146 036-M (84233702)

