

DHC 1286 6/24/96

Southern
Rockies
Business
Unit

May 30, 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
Valdez A #1E Well
Unit G Section 24-T29N-R11W
Otero Chacra and Basin Dakota Pools
San Juan County, New Mexico

Enclosed please find an administrative application form (C-107-A) and attachments for downhole commingling for the captioned well. By copy of this application by certified mail, return receipt requested, Amoco is notifying all offset operators in the formations captioned above as well as all affected interest owners if the ownership of those formations is not common. The Division Director may approve the proposed downhole commingling in the absence of a valid objection from any offset operator or any interest owner in those instances where ownership is not common in the zones to be commingled within 20 days after the receipt of the application if, in his opinion, waste will not result thereby, and correlative rights will not be violated.

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

Sincerely,

Pamela W. Staley

Enclosures

cc: Steve Webb
Gail Jefferson
Wellfile
Proration File

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

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

EXISTING WELLBORE
☒ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Amoco Production Company		P.O. Box 800 Denver, CO 80201	
Operator	#1E	Address	San Juan
Valdez A		G-24-29N-11W	
Lease	Well No.	Unit Ltr. - Sec Twp - Rge	County

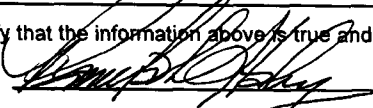
Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 000778 Property Code 001189 API NO. 3004524445 Federal State (and/or) Fee X

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		BASIN DAKOTA 71599
2. Top and Bottom of Pay Section (Perforations)	2732' - 2838'		6154' - 6320'
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: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated or Measured Original	a. (Current) 479 PSI b. (Original) 1200 PSI	a. b.	a. 790 PSI b. 2480 PSI
6. Oil Gravity (° API) or Gas BTU Content	1191 BTU		1283 BTU / 59.4 DEG API
7. Producing or Shut-In?	PRODUCING		PRODUCING
Production Marginal? (yes or no) • If Shut-In, give data and oil/gas/water rates of last production Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data • If Producing, give date and oil/gas/water rates of recent test (within 60 days)	YES Date: Rates: 5/96 20 MCFD 0 BCPD 0 BWPD	 Date: Rates: Date: Rates: 5/96 90 MCFD .11 BCPD 0 BWPD	NO Date: Rates: Date: Rates: 5/96 90 MCFD .11 BCPD 0 BWPD
8. Fixed Percentage Allocation Formula -% for each zone	Oil: 0 % Gas 18 %	Oil: % Gas %	Oil: 100 % Gas 82 %

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
NO STATE OR FEDERAL LANDS
15. NMOC 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  TITLE REGULATORY AFFAIRS REP DATE 5/30/96
TYPE OR PRINT NAME PAMELA W. STALEY TELEPHONE NO. (303) 830-5344

All distances must be from the center boundary of the Sec.

TENNECO OIL COMPANY			Lease VALDEZ #A1E		Well No. 1E
Section 24	Township 29N	Range 11W	County San Juan		

Actual Footage Location of Well:

2390	feet from the North line and	2560	feet from the East line
Land Level Elev. 5474	Producing Formation Dakota, M.V., Chacra	Pool Basin Undesignated Dakota Mesa Verde	Dedicated Acreage Bloomfield Chacra 320/160/160 Acres

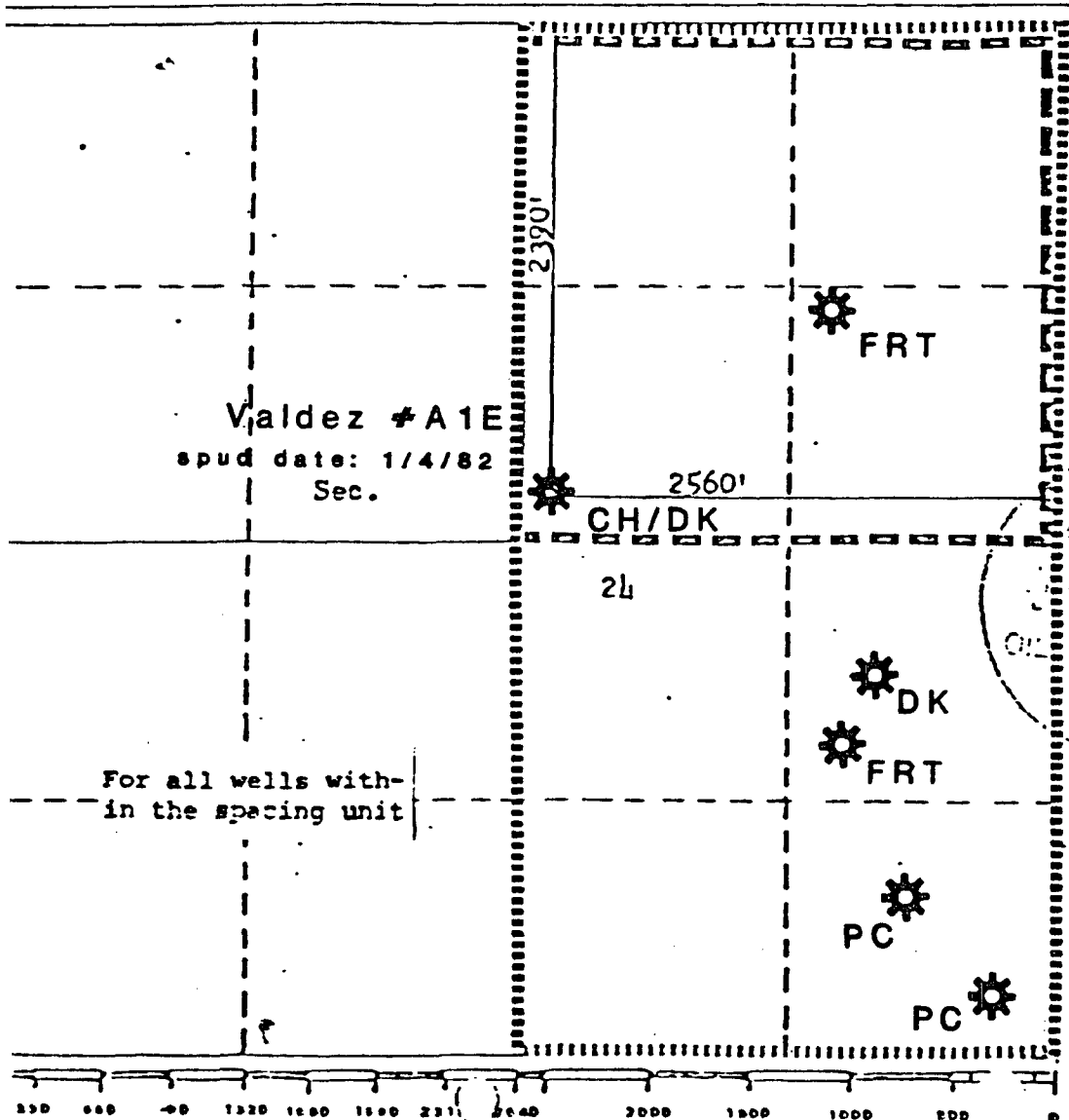
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is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

Communitization in progress

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.

Name

M. L. Freeman

Position

Staff Production Analyst

Company

Tenneco Oil Company

Date

July 8, 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

June 13, 1980

Registered Professional Engineer
and/or Land Surveyor

Fred B. Kerr Jr.

Certificate No. 3688, M.

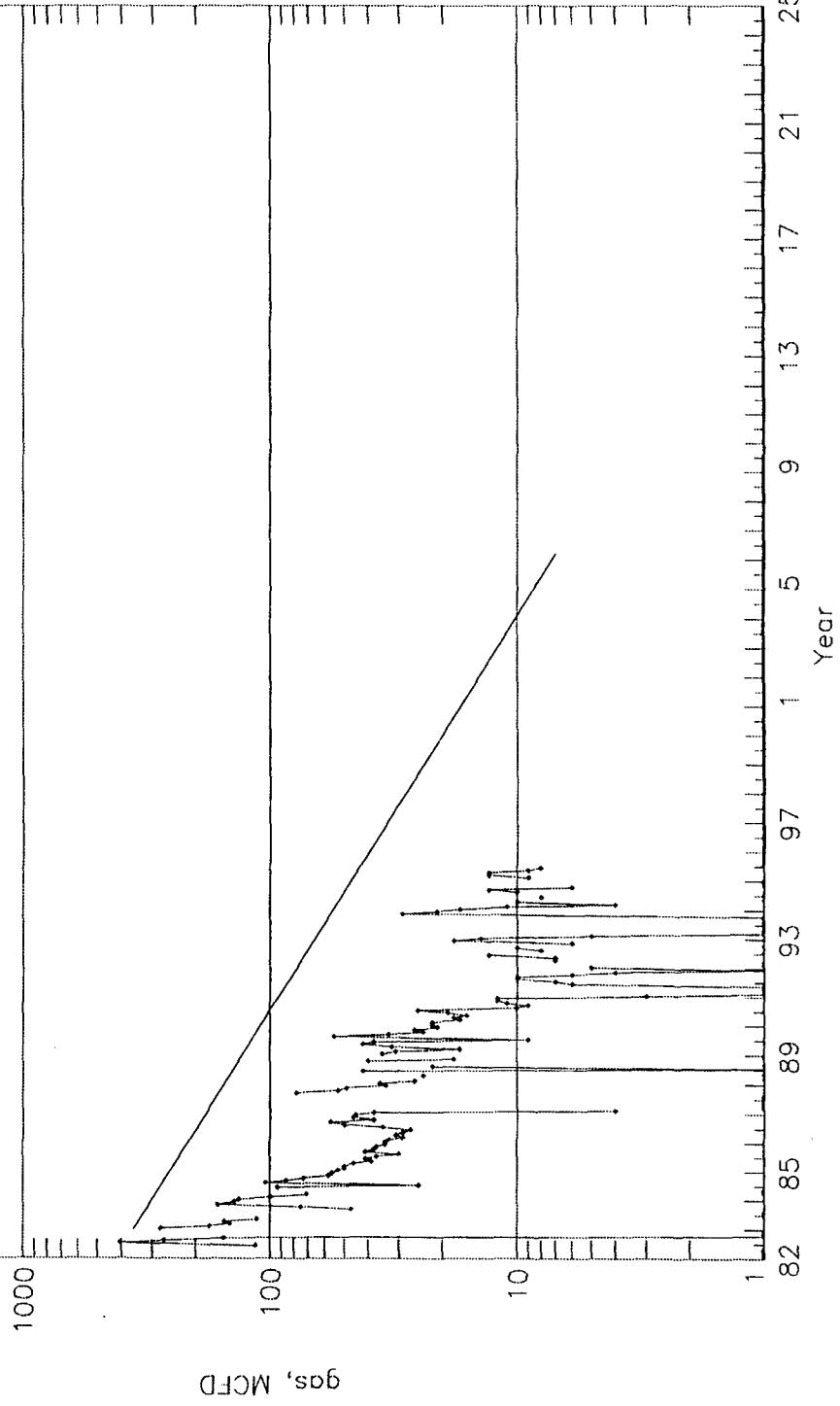
3950

For: zalc14
Engr: zrar06

VALDEZ A 1E
Operator— AMOCO PRODUCTION CO

300452444500CK G242911—001ECK APC_WI — 0.50000000

10000
1000
100
10
1
gas, MCFD
Year
CumG_70 — 0
CumO_70 — 0
CumGAS — 162097
CumOIL — 0



Last Op. Forecast by zrar06 in 07/1995

For: zalc14
Engr: zr06

VALDEZ A 1E Operator- AMOCO PRODUCTION CO

30045244500DK G242911-001EDK APC_WI - 0.52083000

CumG_70 -	0
CumO_70 -	0
CumGAS -	366221
CumOIL -	2065

gas, MCFD

Reserves

DCLN
CurrQ
RemRes
EUR
Fit_date

Year

Last Op. Forecast by zr06 in 07/1995

69827100 00006
617000 00
AMOCO PRODUCTION COMPANY
P O BOX 591
TULSA

ZJAM63

OK 74102-0591

69827100 00006
258067 00
ALICE HICKMAN
321 CHURCH ST
AZTEC

ZJAM63

NM 87410-1921

69827100 00006
924823 00
KATHLEEN BROWN
3 MARIN VIEW DRIVE
NOVATO

ZJAM63

CA 94949-6705

69827100 00006
686510 00
CELIA A JUDKINS
1709 NORTH WAGON WHEELS PLACE
TUCSON

ZJAM63

AZ 85745-1859

69827100 00006
142140 00
COWAN FAMILY TRUST
JOAN AND TROY SULLIVAN TRUSTEES
5219 FAIRFAX DR NW
ALBUQUERQUE

ZJAM63

NM 87114-4661

69827100 00006
110863 00
ADELE ELNORA VAUGHT KILLGORE
P O BOX 2142
PAYSON

ZJAM63

AZ 85547-2144

69827100 00006
932651 00
GRACE GOSS DEES
TRUSTEE UTA APRIL 4, 1984
1300 3 20TH STREET
FARMINGTON

ZJAM63

NM 87401

69827100 00006
110862 00
ERMA LAZELLA VAUGHT KILLGORE
117 EAST SYCAMORE AVENUE
BLOOMFIELD

ZJAM63

NM 87413-5344

69827100 00006
750737 00
EL PAMCO INC
P O BOX 14738
ALBUQUERQUE

ZJAM63

NM 87191-4738

69827100 00006
910176 00
MACKIE LAFFERTON TRUST
MACKIE LAFFERTON TRUSTEE
U/A DATED 4-21-87
6128 ALDERMAN DRIVE NW
ALBUQUERQUE

ZJAM63

NM 87120-5400

69827100 00006
153326 00
MARILYN B ELLIOTT
7124 TICONDEROGA NE
ALBUQUERQUE

ZJAM63

NM 87109-5042

69827100 00006
311152 00
MAGEE TRANSPORTATION LTD
BOX 627
BLOOMFIELD

ZJAM63

NM 87413-0624

69827100 00006
926464 00
BETTY M HARTMAN QUALIFIED TERM TRUST
EDWARD M HARTMAN TRUSTEE
1002 TRAMWAY LANE NE
ALBUQUERQUE

ZJAM63

NM 87122-1317

69827100 00006
599039 01
MANANA GAS INC
2520 TRAMWAY TERRACE CT NE
ALBUQUERQUE

ZJAM63

NM 87122-2317

69827100 00006
922562 00
EDWARD M HARTMAN
1002 TRAMWAY LANE NE
ALBUQUERQUE

ZJAM63

NM 87122-1317

69827100 00006
903560 00
HORACE F MCKAY JR AND
ELMYRA K TRUST
U/T/A DATED 12/19/88
HORACE F JR AND ELMYRA K MCKAY TRUSTEE
P O BOX 14738
ALBUQUERQUE

ZJAM63

NM 87191-4738

69827100 00006 679493 01 RIGGS OIL AND GAS CORPORATION PO BOX 711 FARMINGTON	ZJAM63 NM 87499-0711	69827100 00006 110860 00 DONALD LEE VAUGHT 1017 WEST WASHINGTON MERIDIAN	ZJAM63 ID 83642
69827100 00006 924451 00 JOSEPH T AND MARIAN S SALMON LIVING TRUST UTA DTD SEPTEMBER 18, 1987 JOSEPH T AND MARIAN S SALMON TRUSTEES 2516 N BLANCO BLVD BLOOMFIELD	ZJAM63 NM 87413-9515	69827100 00006 110861 00 FRANKLIN DELAND VAUGHT 90 CANYON CIRCLE PAGOSA SPRINGS	ZJAM63 CO 81147-9402
69827100 00006 258063 00 BRUCE L AND DURAL D SULLIVAN P O BOX 55 BLOOMFIELD	ZJAM63 NM 87413-0055	69827100 00006 110835 00 LEONIDAS BENTON VAUGHT 500 WEST SYCAMORE BLOOMFIELD	ZJAM63 NM 87413-5542
69827100 00006 345101 00 H DANIEL AND DOROTHY C SULLIVAN LIVING TRUST DOROTHY SULLIVAN TRUSTEE P O BOX 392 BLOOMFIELD	ZJAM63 NM 87413-0392	69827100 00006 110859 00 RONALD RAY VAUGHT 9122 EAST ALDER AVENUE MESA	ZJAM63 AZ 85208-1653
69827100 00006 682455 00 R BRUCE SULLIVAN MARY HELENE SULLIVAN SIKES ATTY-IN-FACT P O BOX 400 BLOOMFIELD	ZJAM63 NM 87413-0400	69827100 00006 153324 00 A R WEBB C/O FIRST NATIONAL BANK OF BLOOMFIELD ACCOUNT NO 004-09-4652 1200 WEST BROADWAY BLOOMFIELD	ZJAM63 NM 87413-6790
69827100 00006 320230 00 VAIO LIMITED PARTNERSHIP EL PAMCO INC GENERAL PARTNER PO BOX 14738 ALBUQUERQUE	ZJAM63 NM 87191-4738		
69827100 00006 917900 00 JOHN VANDERWERKER 17701 AVALON SP #45 CARSON	ZJAM63 CA 90746		

OFFSET OPERATORS

Valdez A #1E

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

Dugan Production Corporation
P.O. Box 420
Farmington, New Mexico 87499

Texaco E&P Inc.
P.O. Box 2100
Denver, Colorado 80201

Manana Gas, Inc.
2520 Tramway Terrace Crt. NE
Albuquerque, NM 87122