

DHC 1296

6/3/96

Southern

Rockies

Business

Unit

May 7, 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
Sullivan Frame A #1E Well
Unit A Section 30-T29N-R10W
Otero Chacra, Blanco Mesaverde, 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

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 SULLIVAN FRAME A	Address A-30-29N-10W
Lease	County San Juan
Well No. 1E	Unit Ltr. - Sec Twp - Rge

Spacing Unit Lease Types: (check 1 or more)

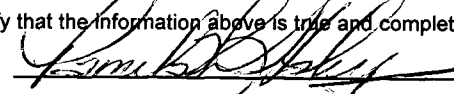
OGRID NO. 000778 Property Code 001144 API NO. 3004524432 Federal State (and/or) Fee

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	BASIN DAKOTA 71599
2. Top and Bottom of Pay Section (Perforations)	2721' - 2828'	3462' - 4367'	6115' - 6301'
3. Type of production (Oil or Gas)	GAS	GAS	GAS
4. Method of Production (Flowing or Artificial Lift)	FLOWING COMMINGLED WITH MESAVERDE	FLOWING COMMINGLED WITH CHACRA	FLOWING
5. Bottomhole Pressure <small>Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated or Measured Original</small>	a. (Current) (EST) 378 PSI	a. (EST) 412 PSI	a. (EST) 476 PSI
	b. (Original) 1200 PSI	b. 1433 PSI	b. 2458 PSI
6. Oil Gravity (° API) or Gas BTU Content	1150 BTU / 49.1 API	1190 BTU / 49.1 API	1126 BTU / 59.2 API
7. Producing or Shut-In?	PRODUCING	PRODUCING	PRODUCING
Production Marginal? (yes or no)	YES	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: 32 MCFD 0.01 BCPD 0 BWPD	Date: Rates: COMMINGLED WITH CHACRA SEE CHACRA FOR PRODUCTION	Date: Rates: 20 MCFD 0.3 BCPD 0 BWPD
8. Fixed Percentage Allocation Formula -% for each zone	Oil: Gas % %	Oil: Gas % %	Oil: Gas % %

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
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. SEE ATTACHED
 - * 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 5/7/96

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

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

Operator TENNECO OIL COMPANY			Lease SULLIVAN FRAME GAS UNIT "A"			Well No. 1-E
Unit Letter A	Section 30	Township 29N	Range 10W	County San Juan		

Actual Footage Location of Well:
990 feet from the **North** line and **790** feet from the **East** line

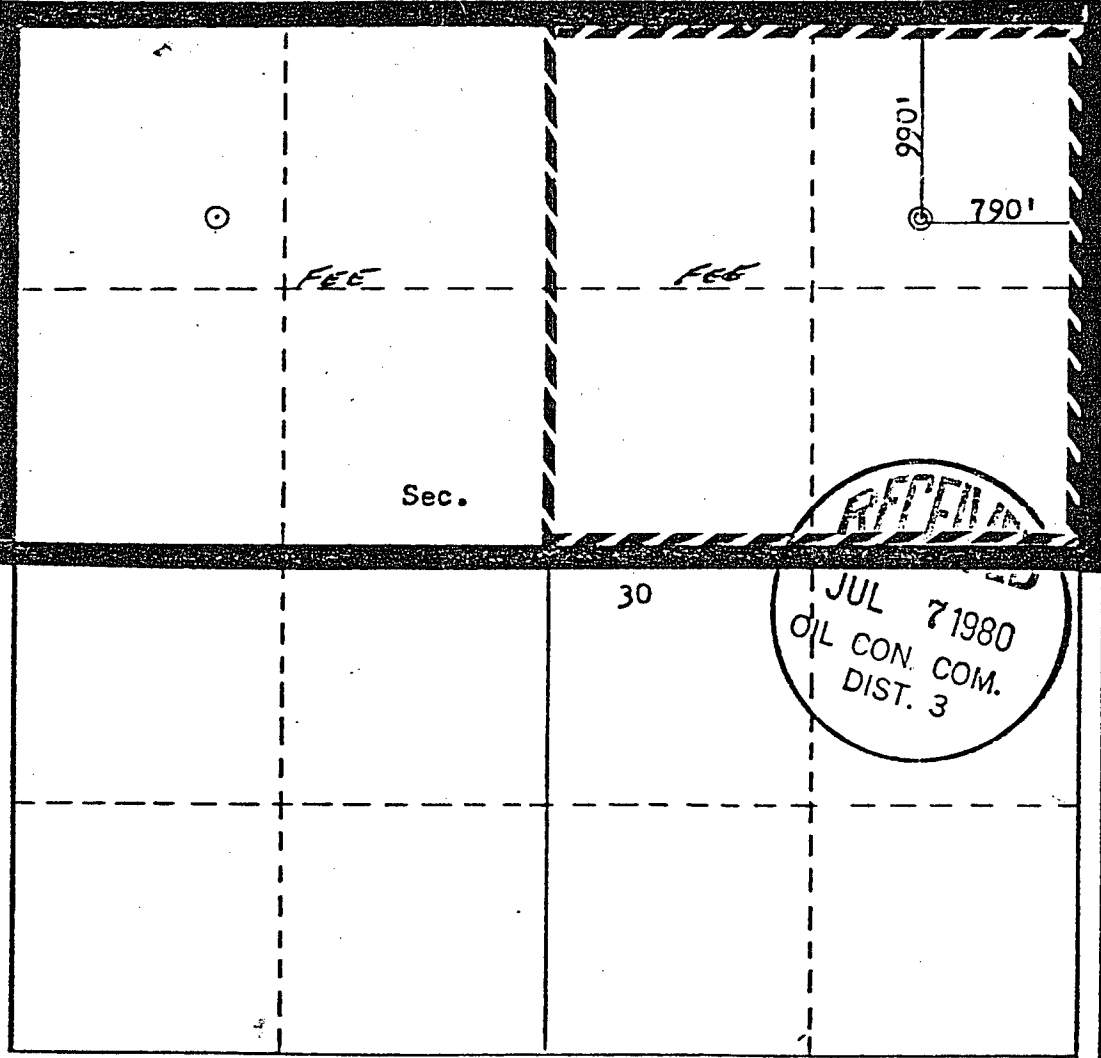
Ground Level Elev. 5502	Producing Formation Dakota / M.V. / Chacra	Pool Basin / Undesignated / Bloomfield Dakota / Mesa Verde / Chacra	Dedicated Acreage: 320/160/160 Acres
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1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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 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.

M. L. Freeman
 Name
M. L. Freeman
 Position
Staff Production Analyst
 Company
Tenneco Oil Company
 Date
July 2, 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
September 3, 1979
 Registered Professional Engineer and/or Land Surveyor
2 3258
Frederic B. Kerst, Jr.
 Certificate No. **3950**

TENNECO OIL
Penthouse
720 South Colorado Boulevard
Denver, Colorado 80222

WELL LOCATION PLAT AND DESCRIPTION

Well Name Sullivan Frame Gas Unit A #1 E

FNL

Location: 990 .790 FEL Section 30, T 29N, R 10W

1/4-1/4-1/4 Section SW NE NE County San Juan State New Mexico

Lease No.: Federal State NM 494, 507, 509, 522 Fee

Spacing Unit Dakota: 320 Acres: 160 Description Dakota, N/2 Chacra NE/4
Chacra: 160

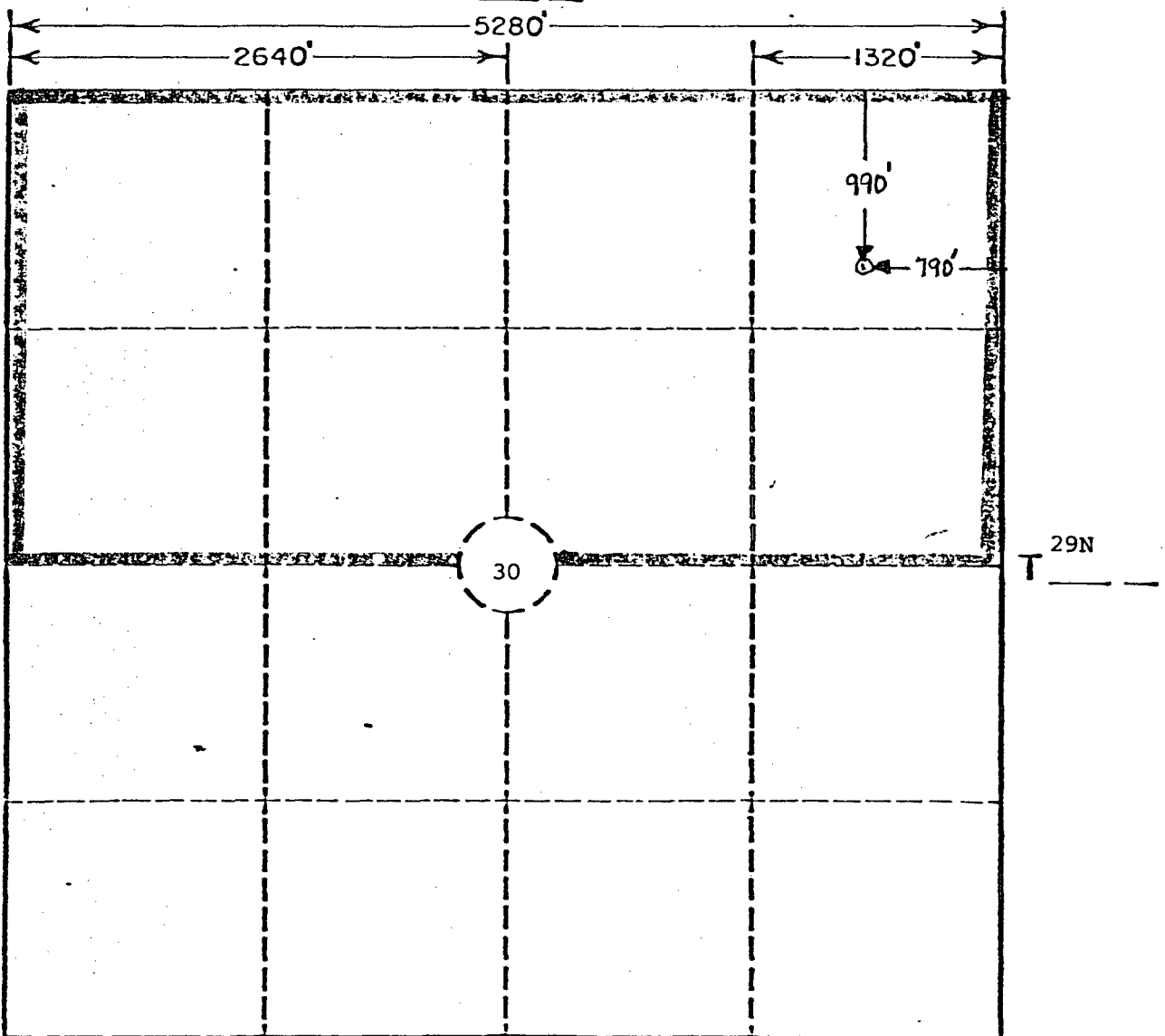
MV: 160

Location meets State rules Yes Field Rules Yes

Deepest Objective Dakota Est. TD 6400 Est. G.L. Elev. 5490

Plat Scale: 1" = 1000 ft.

R 10W



Preferred direction for relocation within legal boundaries shown W

If relocation of more than 0 feet is necessary, please contact Carol Peavey

in the G. E. Section.

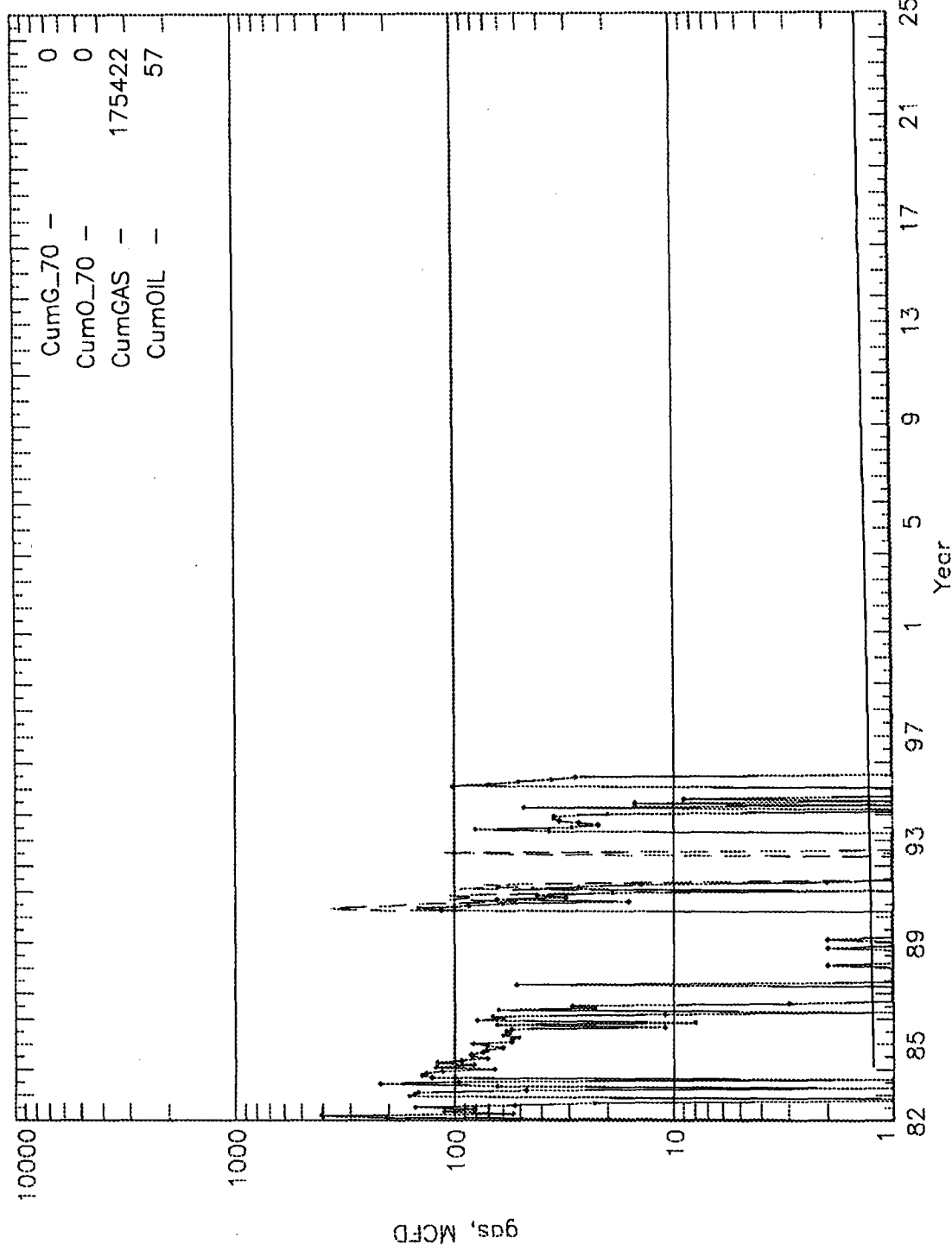
Prepared by Doug Brandon Approved by R. H. CASTLE Date October 16, 1979

Original Signed By:

cc: Well File
Land
Properties
Administrative
Drilling

For: zdws22
Engr: zrar06

SULLIVAN FRAME A 1E Operator- AMOCO PRODUCTION CO
300452443200CK A302910-001ECK APC_WI - 0.66072000



Last Op. Forecast by zrar06 in 07/1995

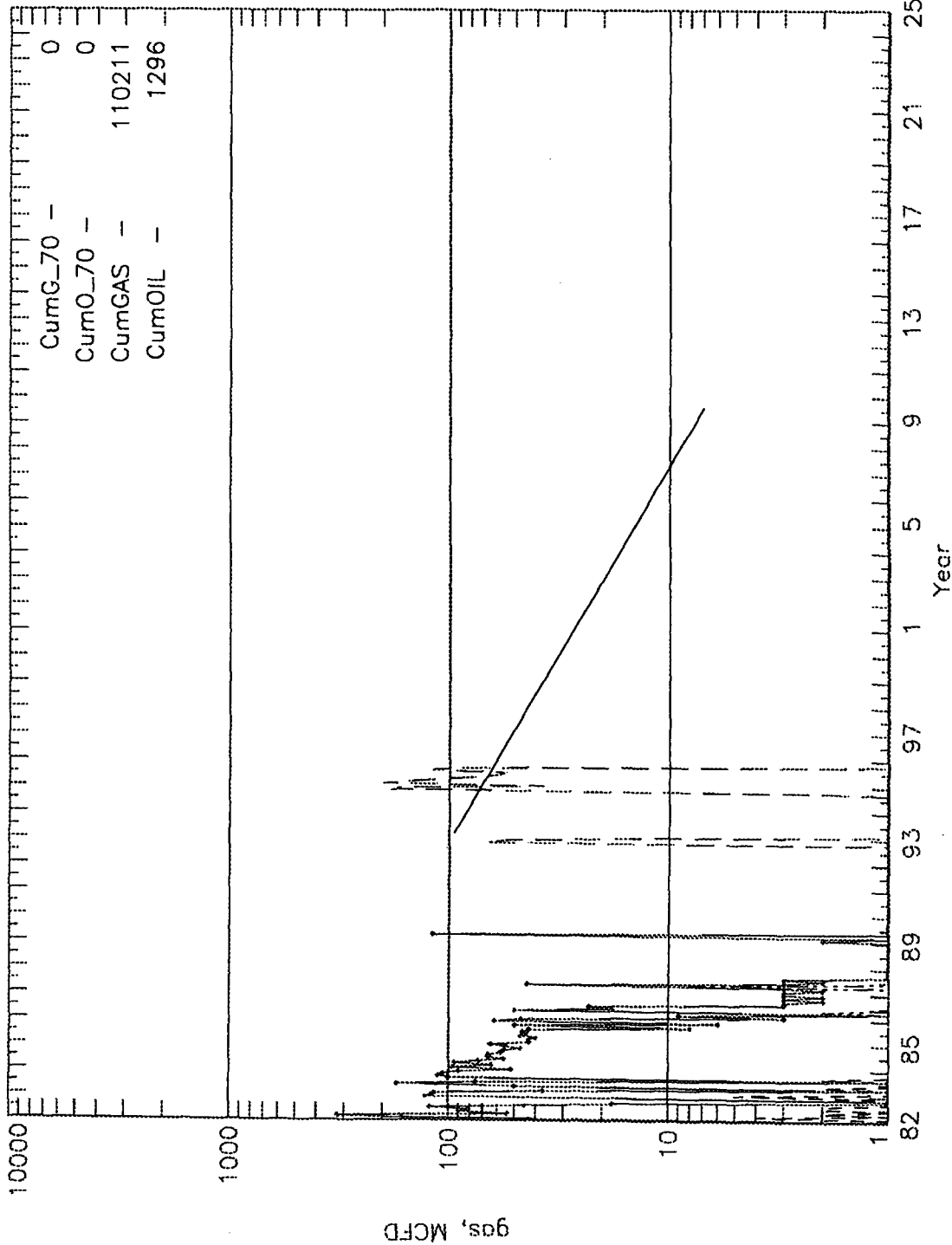
For: zdws22
Engr: zrar06

SULLIVAN FRAME A1E (MV/CHACRA)

Operator-- AMOCO PRODUCTION CO

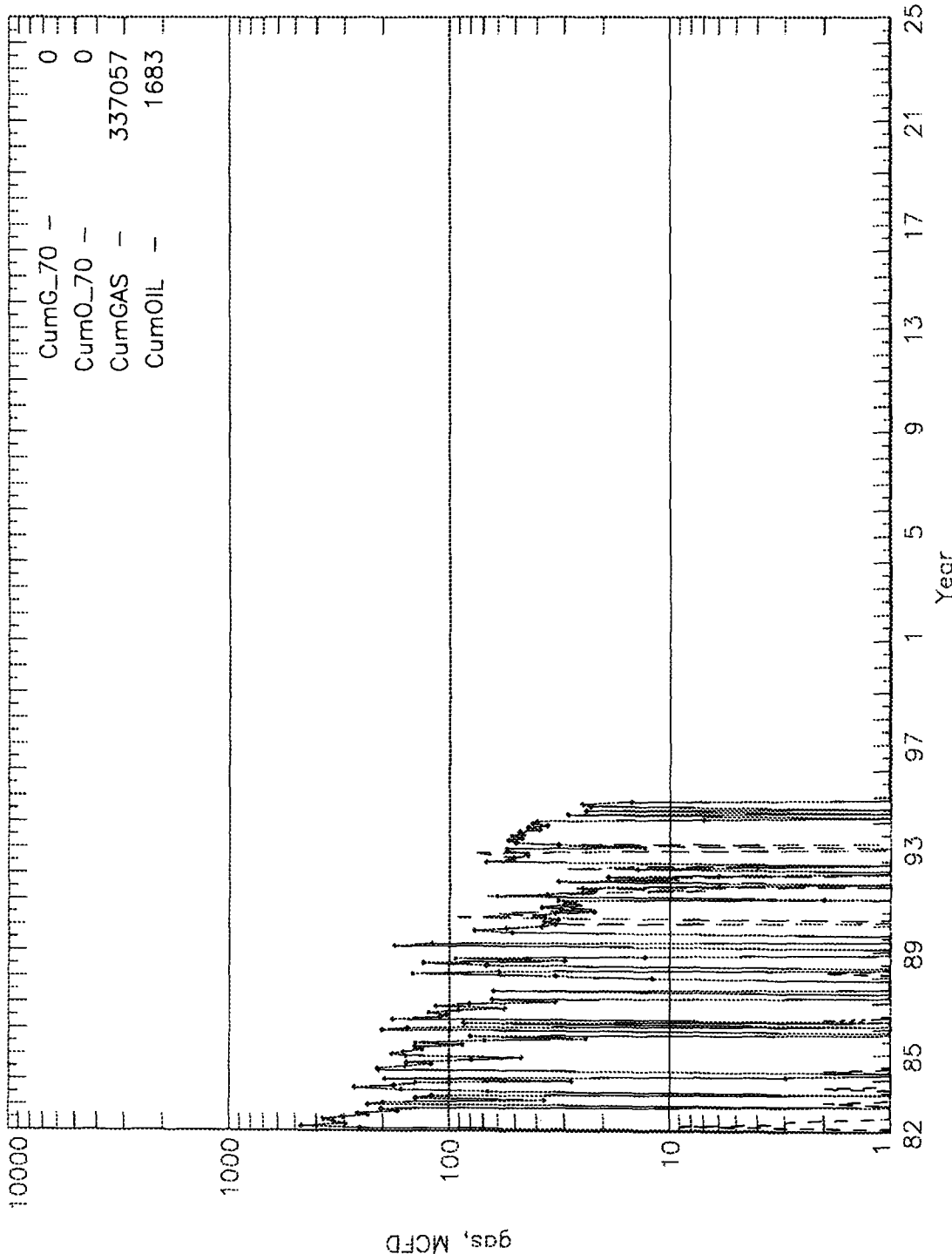
300452443200CM A302910-001ECM

APC_WI -- 0.66072000



For: zdws22
Engr: zdws22

SULLIVAN FRAME A 1E
300452443200DK A302910-001EDK
Operator- AMOCO PRODUCTION CO
APC_WI - 0.45536000



Last Op. Forecast by None in None

OFFSET OPERATORS
Sullivan Frame A #1E

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

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

ALLOCATION METHOD

This well has a marginal Dakota side which is in need of a workover. We plan to test the Dakota after that workover and propose allocations based on that work. The Chacra and Mesaverde are already downhole commingled and allocated as follows:

	OIL	GAS
Mesaverde	50%	50%
Chacra	50%	50%

29085400 00001 617000 00 AMOCO PRODUCTION COMPANY P O BOX 591 TULSA	ZJAM63 OK 74102-0591	29085400 00001 755749 00 RICHARD ALAN BOYD CMR 420 BOX 916 APO AE 999 09063	ZJAM63
29085400 00001 454278 00 ELDEN R BEACH 4838 S QUEEN ST LITTLETON	ZJAM63 CO 80127-1237	29085400 00001 129935 00 LUCILLE BUNCE 5102 CINDY WAY LAS VEGAS	ZJAM63 NV 89102-7066
29085400 00001 454277 00 MERLE L BEACH C/O SCOTTS BLUFF NATIONAL BANK & TRUST ACCT NO. 1365412 P O BOX 1708 SCOTTS BLUFF	ZJAM63 NE 69363-1708	29085400 00001 166621 00 VERA R CHAPMAN 4085 NORTH LOMITA KINGMAN	ZJAM63 AZ 86401-2519
29085400 00001 129941 00 DORIS D BLACK 1447 CANYON COVE GLEN ND 36 OGDEN	ZJAM63 UT 84401	29085400 00001 603416 25 CONOCO INC P O BOX 951063 DALLAS	ZJAM63 TX 75395-1063
29085400 00001 129940 00 HUGH BLACK 2491 NORTH HIGHWAY 89 #513 OGDEN	ZJAM63 UT 84404-7830	29085400 00001 924700 00 EARL B DARROW JR 913 HERMOSA SE ALBUQUERQUE	ZJAM63 NM 87108-4310
29085400 00001 129938 00 MICHAEL DWAYNE BLACK 5483 NORTH VIA DEL ARBOLITA TUCSON	ZJAM63 AZ 85715-7013	29085400 00001 686522 00 MARY DOWNING P O BOX 774 BLOOMFIELD	ZJAM63 NM 87413-0774
29085400 00001 129936 00 MICHELE BLACK P O BOX 20 TALMAGE	ZJAM63 UT 84073	29085400 00001 925610 00 MARGARET L DURFEE 1153 N 34TH ST PHOENIX	ZJAM63 AZ 85008-5203
29085400 00001 129939 00 REX BLACK 145 WEST 200 NORTH APT #23 SALT LAKE CITY	ZJAM63 UT 84103-4726	29085400 00001 166619 00 LAWRENCE W EAGAR P O BOX 41282 PHOENIX	ZJAM63 AZ 85080-1282

29085400 00001 750737 00 EL PAMCO INC P O BDX 14738 ALBUQUERQUE	ZJAM63 NM 87191-4738	29085400 00001 289364 00 JAN KERR 103 TEJON CANYON RD PLACITAS	ZJAM63 NM 87043
29085400 00001 289363 00 DINAH KERR ELLIOTT 3512 78TH DRIVE LUBBOCK	ZJAM63 TX 79423-1220	29085400 00001 671098 00 ALVIS JANK MCBEE 2302 WHITNEY DRIVE MONROE	ZJAM63 LA 71201-2955
29085400 00001 682456 00 MARGUERITE SULLIVAN FRAME ESTATE PAULA JAKUBANIS CONSERVATOR C/O SANDY ELLIOT HUTCHISON, HUGINS AND FREDERICK P O BOX 2250 DURANGO	ZJAM63 CO 81302-2250	29085400 00001 671099 00 HOWARD M MCBEE BOX 486 FRFDERICK	ZJAM63 OK 73542-0486
29085400 00001 166617 00 CLEO GREEN C60 BOX 3490 DELTA JUNCTION	ZJAM63 AK 99737	29085400 00001 442436 00 SUSANNA B MCBEE 5190 WATSON ST NW WASHINGTON	ZJAM63 DC 20016-5329
29085400 00001 925559 00 MARY HALLFORD 11833 NORTH 40TH DRIVE PHOENIX	ZJAM63 AZ 85029-3009	29085400 00001 671097 00 WILLIAM D MCBEE JR ESTATE HOWARD M AND ALVIS J MCBEE COPERS REP 720 NORTH 17TH FREDERICK	ZJAM63 OK 73542-3816
29085400 00001 922637 00 IRIS H HEWITT 1921 S E NEHALEM PORTLAND	ZJAM63 OR 97202-6737	29085400 00001 949260 00 H A MCDANIEL P O BOX 121 BLOOMFIELD	ZJAM63 NM 87413-0121
29085400 00001 129942 00 MARY ELIZABETH HOLT P O BOX 5821 AUSTIN	ZJAM63 TX 78763-5821	29085400 00001 454280 00 RHONDA BEACH MCELHINEY 101 29 3/4 ROAD GRAND JUNCTION	ZJAM63 CO 81503
29085400 00001 933513 00 CHRISTINE S KEARN 232 EAST 500 NORTH TOOELE	ZJAM63 UT 84074	29085400 00001 923626 00 ELMYRA K AND MCKAY HORACE F MCKAY JR P O BOX 14738 ALBUQUERQUE	ZJAM63 NM 87191-4738

29085400 00001 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	29085400 00001 686183 00 WALTER L NORTON 208 STATE STREET NEWBURGH	ZJAM63 IN 47630-1230
29085400 00001 917790 00 DAVID G MCLANE P O BOX 214430 DALLAS	ZJAM63 TX 75221-4430	29085400 00001 913381 00 TERENCE A ROBERTSON 6704 HADLEY OVERLAND PARK	ZJAM63 KS 66204-1229
29085400 00001 221685 00 ZELDA M MCWILLIAMS TRUST 2105 W AZTEC BLVD AZTEC	ZJAM63 NM 87410-1814	29085400 00001 757649 00 CHARLA KATHLEEN ROCHE 841 MESA VIEW STREET UPLAND	ZJAM63 CA 91786-8011
29085400 00001 339961 00 JAMES H MILAM PO BOX 1499 LUBBOCK	ZJAM63 TX 79408-1499	29085400 00001 684932 00 BETTY TEAGUE ROGERS 110 N 4TH ST LOVINGTON	ZJAM63 NM 88260-4106
29085400 00001 289365 00 GINGAH KERR MILNES ROUTE 5 BOX 775G BIG PINE KEY	ZJAM63 FL 33043-9805	15524100 00001 687022 00 RICHARD SHIERSHKE 505 VAQUERO ROAD ARCADIA	ZJAM63 CA 91007-6045
29085400 00001 142587 00 SAM R MITCHELL RT 2 BOX 2742 ROOSEVELT	ZJAM63 UT 84066-9549	29085400 00001 910307 00 THELMA SIBLEY 14544 5TH AVE NE SEATTLE	ZJAM63 WA 98155-6902
29085400 00001 553196 00 GAIL L NORTON 4603 29TH STREET LUBBOCK	ZJAM63 TX 79410-1717	29085400 00001 682455 00 R BRUCE SULLIVAN MARY HELENE SULLIVAN SIKES ATTY-N-FACT P O BOX 400 BLOOMFIELD	ZJAM63 NM 87413-0400
29085400 00001 686182 00 SHERMAN H NORTON JR 5211 BROWNFIELD HWY SUITE 230 LUBBOCK	ZJAM63 TX 79407-3501	29085400 00001 687191 00 FENNER TUBBS 32220 23RD LUBBOCK	ZJAM63 TX 79410

29085400 00001
910328 00
HARRY TUCKER
4118 WEST ACOMA
PHOENIX

ZJAM63

AZ 85023-5310

15524100 00001
933512 00
MARLENE S ARMOUR
1757 LAHAR DRIVE
SALT LAKE CITY

ZJAM63

UT 84106-3338

29085400 00001
925599 00
JAMES J TUCKER
17948 SENCILLO LANE
SAN DIEGO

ZJAM63

CA 92128-1326

MRS ENID M N PRICE
623 DEWBERRY
LEWISVILLE TX 75067-4440

29085400 00001
166620 00
PATSY J TUCKER
2234 EAST DECATER
MESA

ZJAM63

AZ 85213-6736

MILTON F LECHNER & DOROTHY
LECHNER TRUSTEES UNDER THE
AGREEMENT DTD 10-26-83
PO BOX 34
BLOOMFIELD NM 87413-0034

29085400 00001
910321 00
DOROTHY UNDIANO
9403 W FILLMORE
TOLLESON

ZJAM63

AZ 85353-2210

29085400 00001
913509 00
LEONARD AND ROBERTA VALENTINE
JOINT TENANTS
224 PONCHA AVE
ALAMOSA

ZJAM63

CO 81101-2129

29085400 00001
289362 00
KAREN KERR WIENKE
5721 83RD STREET
LUBBOCK

ZJAM63

TX 79424-4618

29085400 00001
166618 00
BETTY J WILKINS
P O BOX 644
SPRINGERVILLE

ZJAM63

AZ 85938-0644

29085400 00001
757650 00
MARTHA JO WILSON
10901 S LONGWOOD 2ND FL
CHICAGO

ZJAM63

IL 60643-3319