

DHC

6/10/96

Southern
Rockies
Business
Unit

May 8, 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
Schwerdtfeger A #5 Well
Unit O Section 6-T27N-R8W
Blanco Mesaverde, 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: Mark Rothenberg
Patty Haefele
Wellfile
Proration File
Frank Chavez, Supervisor
NMOCD District III
1000 Rio Brazos Road
Aztec, NM 87410

Duane Spencer
Bureau of Land Management
1235 La Plata Hwy.
Farmington, NM 87401

NEED DATA ON SUPPORTING OFFSETTERS.

7.17.96

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 Address
Schwerdtfeger A 5 O-6-27N-8W San Juan
Lease Well No. Unit Ltr. - Sec Twp - Rge County

Spacing Unit Lease Types: (check 1 or more)
OGRID NO. 000778 Property Code 001031 API NO. 3004511888 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)	3868' - 3895'	4920' - 5526'	7303' - 7493'
3. Type of production (Oil or Gas)	GAS	GAS	GAS
4. Method of Production (Flowing or Artificial Lift)	FLOWING	FLOWING	FLOWING
5. Bottomhole Pressure	a. (Current) 520 PSI (EST)	a. 595 PSI (EST)	a. 467 PSI
Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current	b. (Original) 1021 PSI (EST)	b. 1226 PSI (EST)	b. 2503 PSI
All Gas Zones: Estimated or Measured Original			
6. Oil Gravity (° API) or Gas BTU Content	1150 BTU	1190 BTU / 49 DEG API	1186 BTU / 59 DEG 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	Date: Rates:	Date: Rates:	Date: Rates:
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)	Date: Rates: (EST) 22 MCFD 0 BCPD 0 BWPD	Date: Rates: (EST) 52 MCFD 0.5 BCPD 0 BWPD	Date: Rates: 4/96 70 MCFD 2.0 BCPD 0 BWPD
8. Fixed Percentage Allocation Formula -% for each zone	Oil: 0 % Gas 15 %	Oil: 20 % Gas 36 %	Oil: 80 % Gas 49 %

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 SF-079319

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 5/7/96
TYPE OR PRINT NAME PAMELA W. STALEY TELEPHONE NO. (303) 830-5344

District I
 PO Box 10, Hobbs, NM 88241-1980
 District II
 811 South First, Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals & Natural Resources Department

Form C-102
 Revised October 18, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

RECEIVED
 MAIL ROOM
 95 FEB 20 PM 1:18

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 APT Number 3004511888		2 Pool Code 82329		3 Pool Name Otero Chacra	
4 Property Code 1031		5 Property Name Schwerdtfeger A			6 Well Number 5
7 OGRID No. 000778		8 Operator Name Amoco Production Company			9 Elevation 6760'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	6	27N	8W		1190	South	1530	East	San Juan

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 160	13 Joint or Infill	14 Consolidation Code	15 Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief		
	Signature <i>Patty Haefele</i> Patty Haefele		
	Printed Name Staff Assistant		
	Title Date 2/8/96		
1190'	18 SURVEYOR CERTIFICATION 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 belief.		
	Date of Survey 12-3-65		
	Signature and Seal of Professional Surveyor: on file		
	Certificate Number 2463		

District I
PO Box 1980, Hobbs, NM 88241-1980

District II
811 South First, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

RECEIVED
MAIL ROOM

Form C-102
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

96 FEB 20 PM 1:18

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 3004511888		Pool Code 72319	Pool Name Blanco Mesaverde
Property Code 1031	Property Name Schwerdtfeger A		Well Number 5
GRID No. 000778	Operator Name Amoco Production Company		Elevation 6760'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	6	27N	8W		1190	South	1530	East	San Juan

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 320.08	13 Joint or Infill	14 Consolidation Code	15 Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16				<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Patty Haeefe</i> Signature Patty Haeefe</p> <p>Staff Assistant Printed Name</p> <p>2/8/96 Date</p>

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION AT

Form O-111
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

Operator TENNECO OIL COMPANY		Lease SCHWERDTFEGER "A"		Well No. 5
Unit Letter X 0	Section 6	Township 27 North	Range 8 West	County San Juan

Actual Footage Location of Well:
1190 feet from the **South** line and **1530** feet from the **East** line

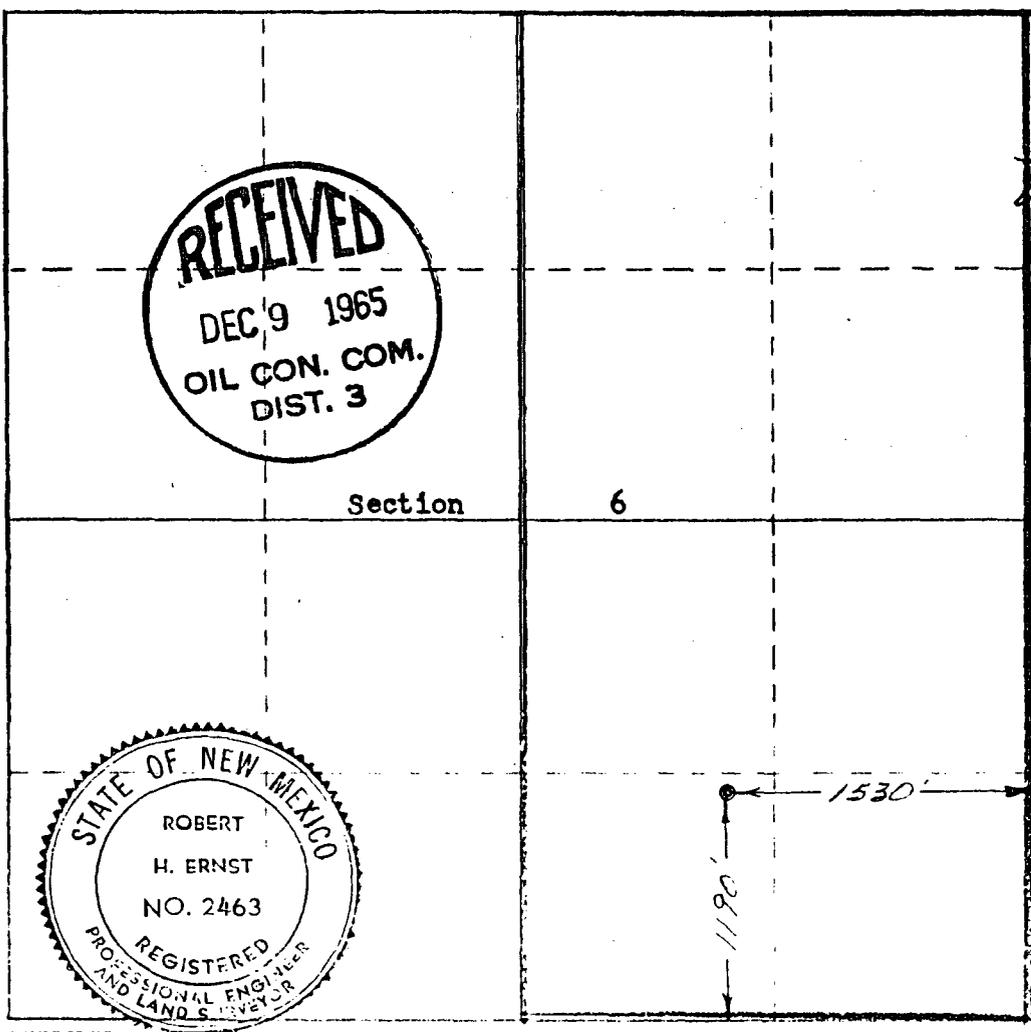
Ground Level Elev. 6760 ungraded	Producing Formation Basin Dakota	Pool Basin Dakota	Dedicated Acreage: 3/8 E/2 Acres
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1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. **320.94**
2. If more than 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.

Harold C. Nichols

Name	Harold C. Nichols
Position	Sr. Production Clerk
Company	Tenneco Oil Company
Date	December 6, 1965

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.

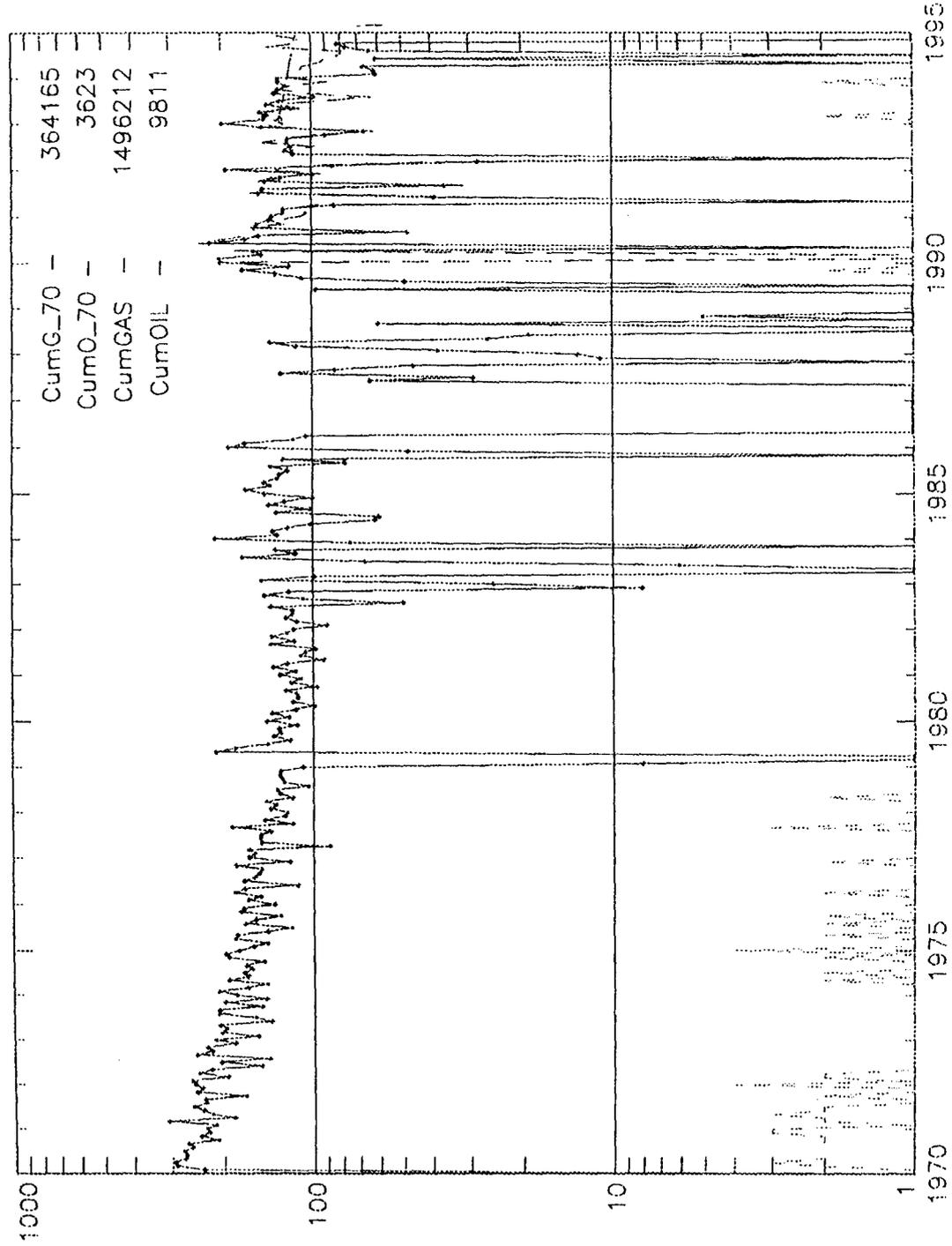
3 December 1965

Robert H. Ernst
ROBERT H. ERNST

Engr: zrar06

SCHWERTFEGER A 5 Operator- AMOCO PRODUCTION CO

300451188800DK 0062708-005 DK APC_WI - 1.0000000



OFFSET WELLS USED TO ESTIMATE PRODUCTION ALLOCATIONS

MESAVERDE OFFSETS

Schwerdtfeger A LS #11	G-6-27-8	37 MCFD	0.5 BOPD
Schwerdtfeger A LS #12	N-6-27-8	67 MCFD	0.5 BOPD

Average		52 MCFD	0.5 BOPD
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CHACRA OFFSETS

Blanco #25	E-12-27-9	34 MCFD	0 BOPD
Schwerdtfeger A LS A1	C-36-28-9	10 MCFD	0 BOPD

Average		22 MCFD	0 BOPD
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OFFSET OPERATORS
Schwerdtfeger A5

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