

DHC - 1366



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Farmington District Office  
1235 La Plata Highway  
Farmington, New Mexico 87401

September 9, 1996

IN REPLY REFER TO:  
NM-10755 (WF)  
3162.7-3 (07327)

Mr. Gary W. Brink  
Petroleum Engineer  
~~Dugan Petroleum Company~~  
P.O. Box 420  
Farmington, NM 87499-0420

RE: ~~No. 2 Harvey~~  
1640' FNL and 1850' FWL  
SENW Section 20-T24N-R9W  
San Juan County, New Mexico

Dear Mr. Brink:

The Farmington District Office (FDO) of the Bureau of Land Management (BLM) has received your letter dated August 21, 1996, for downhole commingling of the Bisti Lower Gallup and Basin Dakota Pools in the above referenced well.

Your application states that the Dakota formation has an average daily production of 0 BOPD and 6 MCFPD, with an estimated bottom hole pressure of 1050 Psi. Also, the Gallup formation is to be completed and tested for sixty (60) days to establish a stabilized rate prior to determining the allocation formula for each producing horizon.

Approval to downhole commingle is hereby granted, contingent that allocation factors for this well must be submitted in a timely fashion.

If you have further questions regarding this matter, please contact Brian W. Davis at (505) 599-6367 or (505) 599-8900.

Sincerely,

*/s/ Duane Spencer*

Duane W. Spencer  
Team Leader, Petroleum Management

bcc:  
NMOCD, Santa Fe