

BURLINGTON RESOURCES

SAN JUAN DIVISION

February 20, 1997

SENT FEDERAL EXPRESS

Mr. William LeMay
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Re: Kelly B #1A
1125'FNL, 1500'FWL Section 8, T-30-N, R-10-W, San Juan County, NM
API #30-045-23156

Dear Mr. LeMay:

This is a request for administrative approval for downhole commingling the Blanco Pictured Cliffs and Blanco Mesa Verde in the subject well. This well was originally drilled as a Pictured Cliffs/Mesa Verde dual; it is intended to commingle.

To comply with the New Mexico Oil Conservation Division rules, Burlington Resources Oil & Gas is submitting the following for your approval of this commingling:

1. Form C107A - Application for Downhole Commingling;
2. C-102 plat for each zone showing its spacing unit and acreage dedication;
3. Production curve for Pictured Cliffs and Mesa Verde for at least one year;
4. Notification list of offset operators;
5. Shut in wellhead pressure and calculated down hole pressure;
6. Nine-section plats for the Mesa Verde and Pictured Cliffs

We will consult with the Supervisor of the Aztec District Office of the New Mexico Oil Conservation Division to establish an allocation formula.

Please let me know if you require additional data.

Sincerely,



Peggy Bradfield
Regulatory/Compliance Administrator
encs.

xc: Bureau of Land Management

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980
DISTRICT II
811 South First St., Artesia, NM 88210-2835
DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410-1693

State of New Mexico
Energy, Minerals and Natural Resources Department
OIL CONSERVATION DIVISION
2040 S. Pacheco
Santa Fe, New Mexico 87505-6429

Form C-107-A
New 3-12-96

APPROVAL PROCESS :
 Administrative Hearing
EXISTING WELLBORE
 YES NO

APPLICATION FOR DOWNHOLE COMMINGLING

Burlington Resources Oil & Gas Company

PO Box 4289, Farmington, NM 87499

Operator **Kelly B** Address **1A C 8-30-10 San Juan**
Lease Well No. Unit Ltr. - Sec - Twp - Rge County
Spacing Unit Lease Types: (check 1 or more)
OGRID NO. 14538 Property Code 7220 API NO. 30-045-23156 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	Blanco Pictured Cliffs - 72359		Blanco Mesaverde - 72319
2. Top and Bottom of Pay Section (Perforations)	2940-3054'		4998-5564'
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 or Measured Original	(Current) a. 361 psi (see attachment)	a.	a. 414 psi (see attachment)
	(Original) b. 999 psi (see attachment)	b.	b. 885 psi (see attachment)
6. Oil Gravity (^o API) or Gas BTU Content	BTU 1146		BTU 1195
7. Producing or Shut-In?	producing		producing
Production Marginal? (yes or no)	yes		no
* If Shut-In 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	Date: n/a Rates:	Date: Rates:	Date: n/a Rates:
* If Producing, give data and oil/gas/water of recent test (within 60 days)	Date: 12-96 Rates: 67 mcf/d; 0 bopd	Date: Rates:	Date: 12-96 Rates: 173 mcf/d; 1.2 bopd
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	Oil: % Gas: % will be supplied upon completion	Oil: % Gas: %	Oil: % Gas: % will be supplied upon completion

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.
* 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 Mary Ellen Lutey TITLE Production Engineer DATE 2/17/97
TYPE OR PRINT NAME Mary Ellen Lutey TELEPHONE NO. (505) 326-9700

NEW MEXICO OIL CONSERVATION COMMISSION
 WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
 Supersedes C-12
 Effective 1-1-65

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

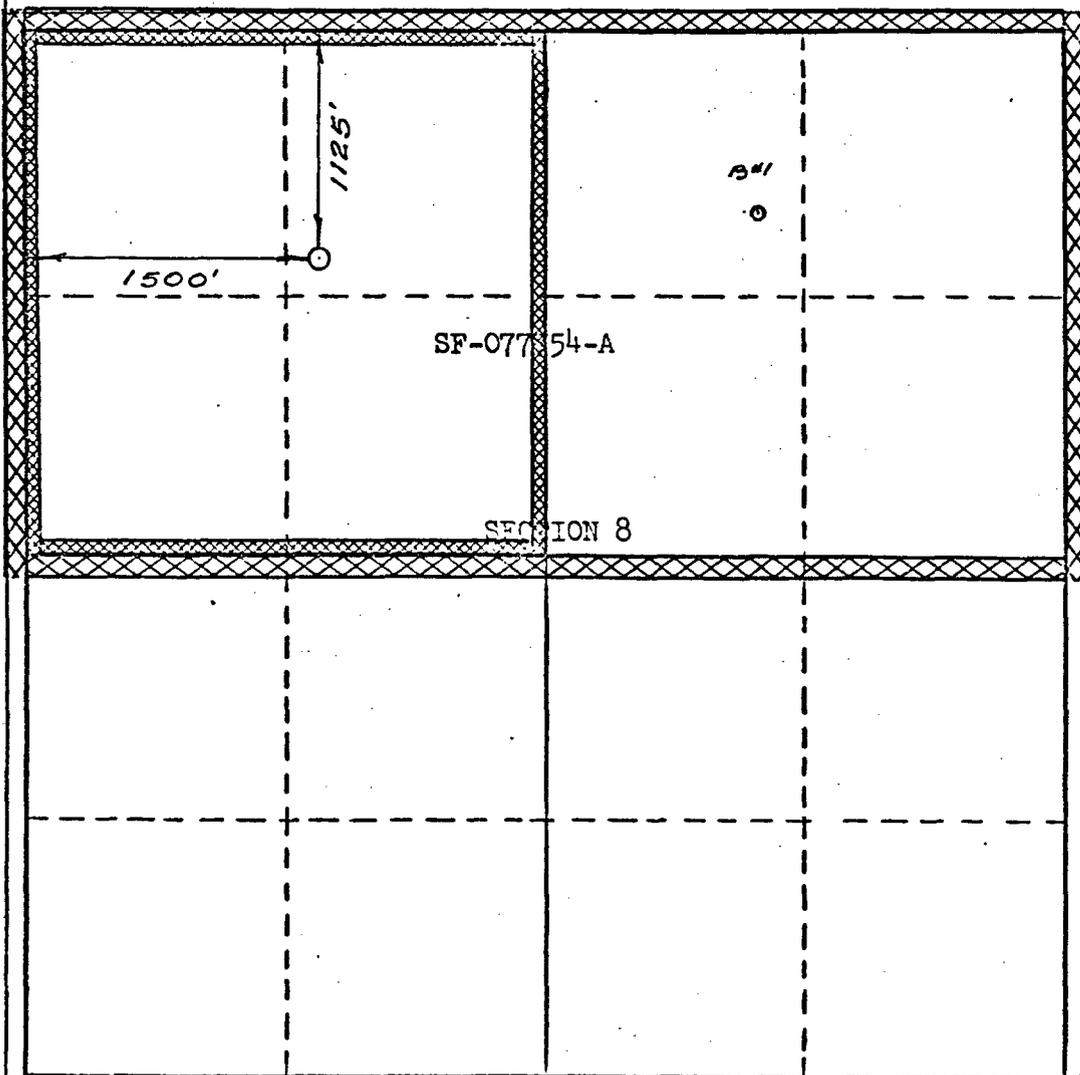
Operator EL PASO NATURAL GAS COMPANY		Lease KELLY B (SF-077754-A)		Well No. 1A
Unit Letter C	Section 8	Township 30-N	Range 10-W	County SAN JUAN
Actual Footage Location of Well: 1125 feet from the NORTH line and 1500 feet from the WEST line				
Ground Level Elev. 6313	Producing Formation MESA VERDE PICTURED CLIFFS	Pool BLANCO MESA VERDE BLANCO PICTURED CLIFFS EXT.	Dedicated Acreage: 160.00 & 320.00 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.

M. G. Lucas

Name
 Drilling Clerk
 Position
 El Paso Natural Gas Co
 Company
 July 21, 1978
 Date

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
 JANUARY 4, 1977

Registered Professional Engineer
 and/or Land Surveyor

Certificate No. 1760

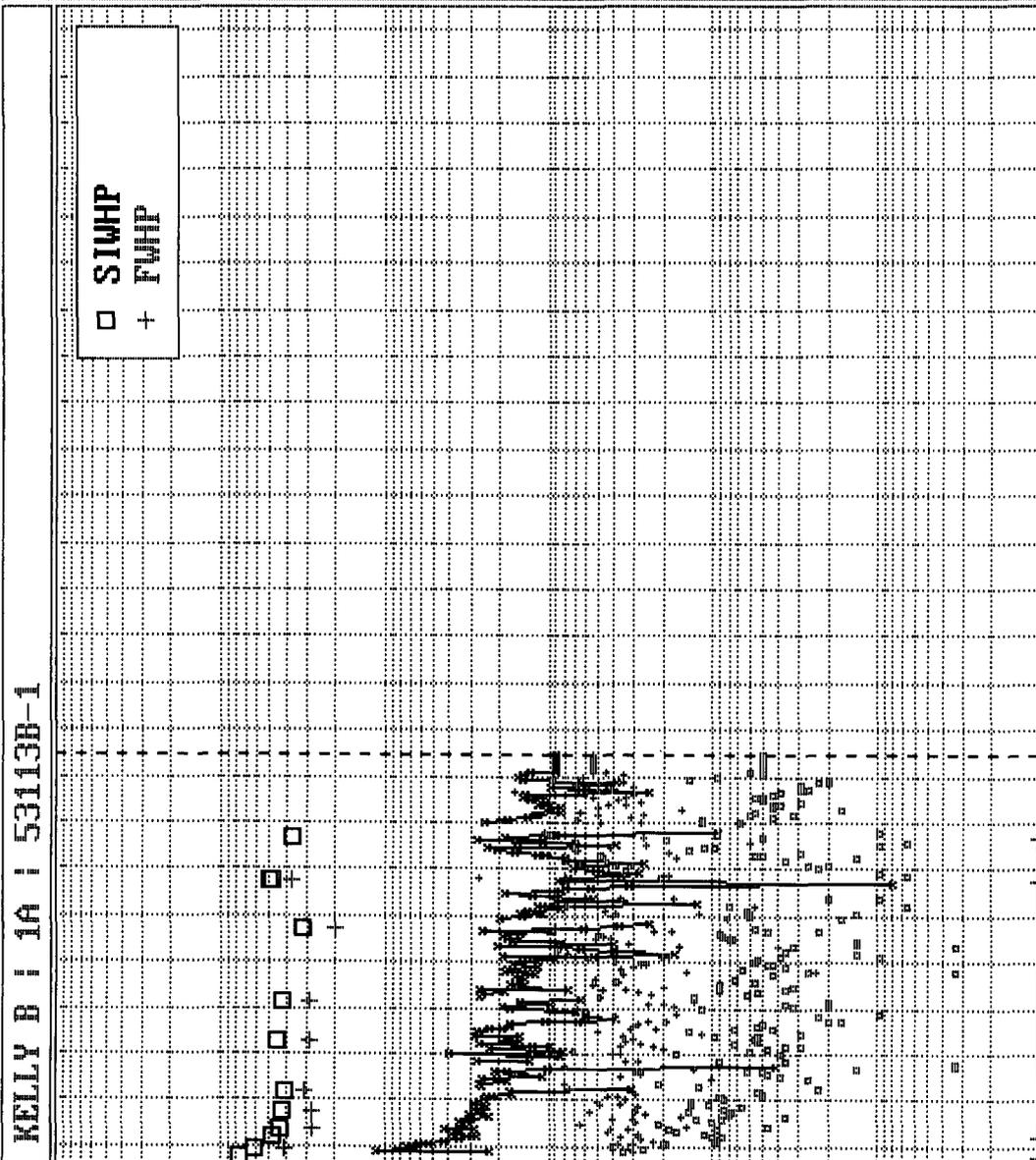


MV

Prop 3200 *

- GAS Mcf/d
- OIL Bbl/d
- OIL/GAS
- WATER Bbls/d

RateTime
 Semi Log



10000 • WATER
 1000 • OIL/GAS
 1000 • OIL
 1000 • GAS
 10000
 1000
 100
 10
 1
 0.1
 0.01
 0.001

80 82 84 86 88 90 92 94 96 98 00 02 04 06 08 10 12 14 16 18 20 22 24 26 28

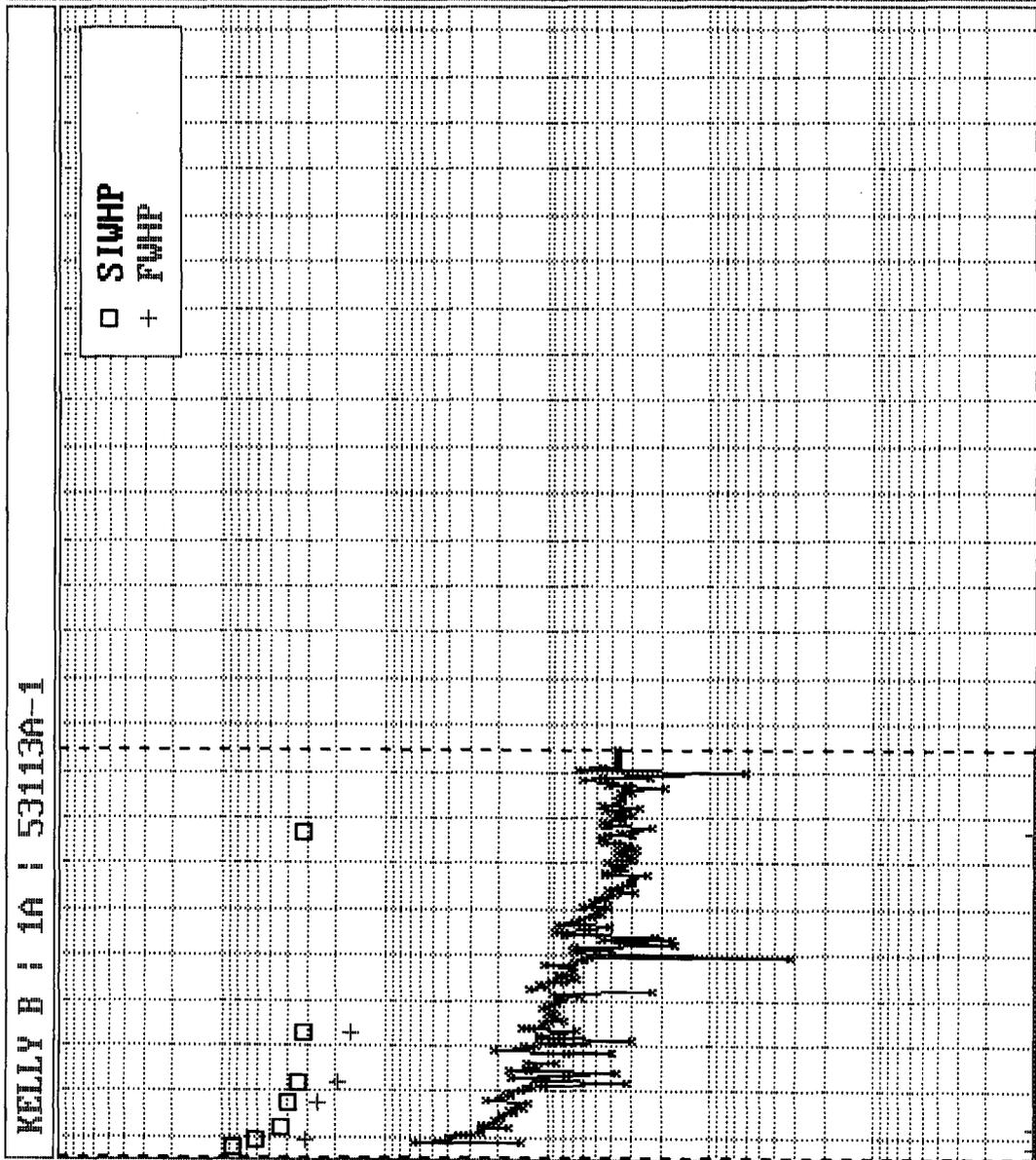
Major = GAS

PC

Prop 6228 *

- *GAS Mcf/d
- *OIL Bbl/d
- *OIL/GAS
- *WATER Bbls/d

Rate Time
Semi Log



10000 * WATER
1000 * OIL/GAS
1000 * OIL
10000 * GAS

Major = GAS

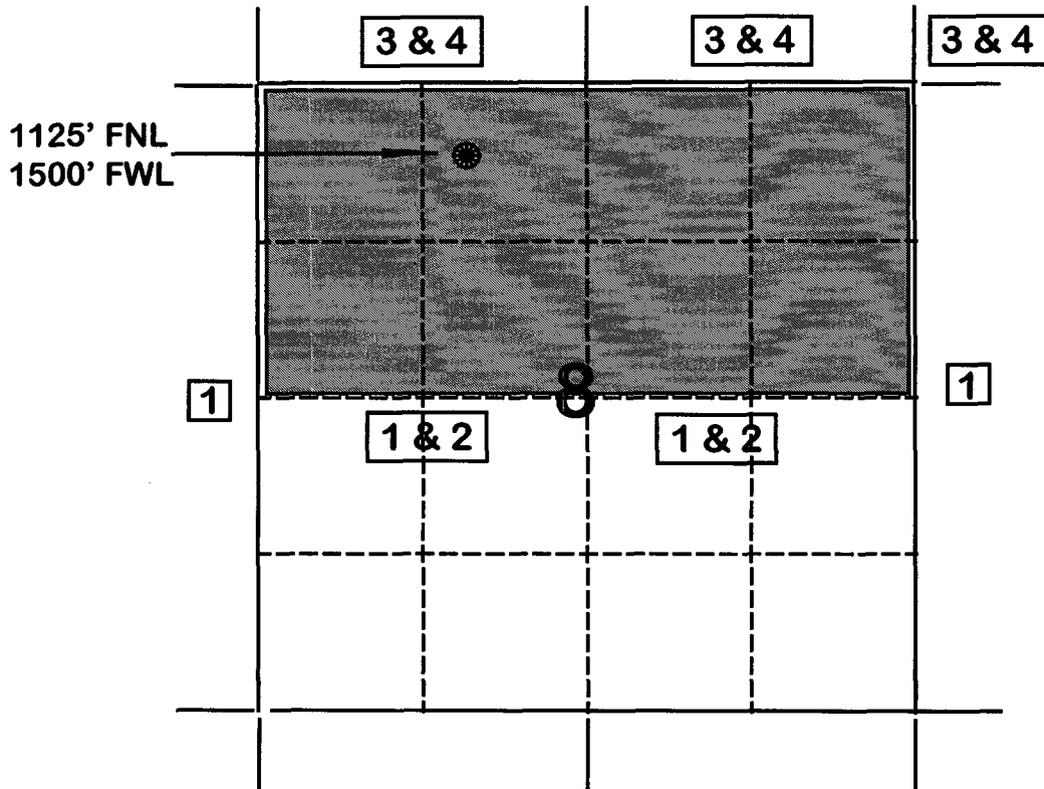
00 02 04 06 08 10 12 14 16 18 20 22 24 26 28

BURLINGTON RESOURCES OIL AND GAS COMPANY

**Kelly B #1A
OFFSET OPERATOR \ OWNER PLAT**

Mesaverde (N/2)/ Pictured Cliffs (NW/4) Formations Commingle Well

Township 30 North, Range 10 West



- 1) Burlington Resources Oil and Gas Company Successor to Meridian Oil Inc.
- 2) Laurence C. Kelly Trust
Robert L. Kelly, Trustee
Lincoln Center, Suite G-218
6560 Scottsdale Road
Scottsdale, AZ 85253
- 3) Amoco Production Company
Attn: Bruce Zimney
P.O. Box 800
Denver, CO 80201
- 4) SG Interest
811 Dallas Ste. 1605
Houston, TX 77002

**FLOWING AND STATIC BHP
CULLENDER AND SMITH METHOD**

VERSION 10/3/13/94

GAS GRAVITY	<u>0.68</u>
COND. OR MISC. (C/M)	<u>C</u>
%N2	<u>0.23</u>
%CO2	<u>0.86</u>
%H2S	<u>0</u>
DIAMETER (IN)	<u>2.4</u>
DEPTH (FT)	<u>5599</u>
SURFACE TEMPERATURE (DEG F)	<u>60</u>
BOTTOMHOLE TEMPERATURE (DEG F)	<u>150</u>
FLOWRATE (MCFPD)	<u>0</u>
SURFACE PRESSURE (PSIA)	<u>362</u>
BOTTOMHOLE PRESSURE (PSIA)	<u>414.1</u>

KELLY B #1A MESAVERDE - (CURRENT)

**FLOWING AND STATIC BHP
CULLENDER AND SMITH METHOD**

VERSION 10.3/13/94

GAS GRAVITY	<u>0.68</u>
COND. OR MISC. (C/M)	<u>C</u>
%N2	<u>0.23</u>
%CO2	<u>0.86</u>
%H2S	<u>0</u>
DIAMETER (IN)	<u>2.4</u>
DEPTH (FT)	<u>5599</u>
SURFACE TEMPERATURE (DEG F)	<u>60</u>
BOTTOMHOLE TEMPERATURE (DEG F)	<u>150</u>
FLOWRATE (MCFPD)	<u>0</u>
SURFACE PRESSURE (PSIA)	<u>766</u>
BOTTOMHOLE PRESSURE (PSIA)	<u>884.6</u>

KELLY B #1A MESAVERDE - (ORIGINAL)

MW

Organize Data ScreenGraph Economics Report Plot Utility Quit
Browsing: KELLY B | 1A | 53113B-1 Property No.: 3200
Table(T): TEST/M,P,H,E,T,Z,C,A,O,D,N,1,2,3,B,U,S Rec: 1/13/103224
Item: 2/3/33 Name: DATE Type: Date Len: 8/27/203

<u>--DATE--</u>	<u>---CUM GAS--</u>	<u>M SIWHP</u>
	Mcf	Psi
07/22/79	0	766.0
07/30/79	0	767.0
11/01/79	61224	624.0
06/16/80	160864	490.0
09/18/80	193483	442.0
07/02/81	287400	419.0
05/10/82	360480	411.0
07/10/84	479975	456.0
04/02/86	573712	417.0
06/25/89	736060	314.0
06/17/91	796382	487.0
07/12/91	798778	499.0
04/20/93	866458	362.0

F1=Help F3=PrvPro F5=PrvTbl F7=Calcu F9=Utils Alt+TableLtr=Change Table
F2=Jump F4=NxtPro F6=NxtTbl F8=Print F10=Exit Shift+<- ->=Fast Tbl R & L

Organize Data ScreenGraph Economics Report Plot Utility Quit
Browsing: KELLY B | 1A | 53113A-1 Property No.: 6228
Table(T): TEST/M,P,H,E,T,Z,C,A,O,D,N,1,2,3,B,U,S Rec: 1/7/103224
Item: 2/3/33 Name: DATE Type: Date Len: 8/27/203

<u>--DATE--</u>	<u>---CUM GAS--</u>	<u>M SIWHP</u>
	Mcf	Psi
07/30/79	0	863.0
11/01/79	36913	620.0
06/16/80	98186	438.0
07/02/81	168718	397.0
05/10/82	213972	348.0
07/10/84	289699	314.0
04/20/93	483971	316.0

F1=Help F3=PrvPro F5=PrvTbl F7=Calcu F9=Utils Alt+TableLtr=Change Table
F2=Jump F4=NxtPro F6=NxtTbl F8=Print F10=Exit Shift+<- ->=Fast Tbl R & L

**FLOWING AND STATIC BHP
CULLENDER AND SMITH METHOD**

VERSION 10.3/13/94

GAS GRAVITY	<u>0.65</u>
COND. OR MISC. (C/M)	<u>C</u>
%N2	<u>0.28</u>
%CO2	<u>0.45</u>
%H2S	<u>0</u>
DIAMETER (IN)	<u>1.25</u>
DEPTH (FT)	<u>5599</u>
SURFACE TEMPERATURE (DEG F)	<u>60</u>
BOTTOMHOLE TEMPERATURE (DEG F)	<u>110</u>
FLOWRATE (MCFPD)	<u>0</u>
SURFACE PRESSURE (PSIA)	<u>316</u>
BOTTOMHOLE PRESSURE (PSIA)	<u>360.7</u>

KELLY B #1A PICTURED CLIFFS - (CURRENT)

**FLOWING AND STATIC BHP
CULLENDER AND SMITH METHOD**

VERSION 10.3/13/94

GAS GRAVITY	<u>0.65</u>
COND. OR MISC. (C/M)	<u>C</u>
%N2	<u>0.28</u>
%CO2	<u>0.45</u>
%H2S	<u>0</u>
DIAMETER (IN)	<u>1.25</u>
DEPTH (FT)	<u>5599</u>
SURFACE TEMPERATURE (DEG F)	<u>60</u>
BOTTOMHOLE TEMPERATURE (DEG F)	<u>110</u>
FLOWRATE (MCFPD)	<u>0</u>
SURFACE PRESSURE (PSIA)	<u>863</u>
BOTTOMHOLE PRESSURE (PSIA)	<u>998.7</u>

KELLY B #1A PICTURED CLIFFS - (ORIGINAL)

FARMINGTON

1996 MONTHLY PRODUCTION FOR 53113A

PHS030M1

KELLY B 1A

BLANCO PICTURED CLIFFS (GAS) FIELD

PICTURED CLIFFS ZONE

MO	T	S	DAYS		OIL		GAS			WATER		PROD	C
			ON	PC	PROD	GRV	PC	PROD	ON	BTU	PRESS	PROD	
1	2	F					01	1998	31	1126	15.025		
2	2	F					01	1439	29	1123	15.025		
3	2	F					01	1286	31	1123	15.025		
4	2	F					01	1052	23	1123	15.025		
5	2	F					01	1217	31	1123	15.025		
6	2	F					01	1073	30	1123	15.025		
7	2	F					01	721	31	1122	15.025		
8	2	F					01	1034	31	1122	15.025		
9	2	F					01	968	23	1122	15.025		
10	2	F					01	1155	31	1122	15.025		
11	2	F					01	3222	30	1122	15.025		
12	2	F					01	2069	31	1122	15.025		

PF6 - RETURNS TO ANNUAL DISPLAY

PF3 - TRANSFER TO UPDATE

PF10 - HELP INFORMATION

PF9 - DISPLAY MONTHLY INJECTION

00/00/00 00:00:00:0

PRS 02/05/97

B MY JOB

NUM LU #27

FARMINGTON

1996 MONTHLY PRODUCTION FOR 53113B

PHS030M1

KELLY B 1A

BLANCO MESAVERDE (PRORATED GAS FIELD)

MESAVERDE ZONE

MO	T	S	DAYS		OIL		GAS			WATER		PROD	C
			ON	PC	PROD	GRV	PC	PROD	ON	BTU	PRESS	PROD	
1	2	F	31	02	15		01	4339	31	1174	15.025		
2	2	F	29	02	18		01	3960	29	1183	15.025		
3	2	F	31	02			01	2470	31	1183	15.025		
4	2	F	28	02	31		01	2572	28	1183	15.025		
5	2	F	31	02	4		01	1383	31	1183	15.025		
6	2	F	30	02	5		01	2329	30	1183	15.025		
7	2	F	31	02	6	61.7	01	1849	31	1218	15.025		
8	2	F	31	02	7		01	2040	31	1220	15.025		
9	2	F	20	02	7		01	1619	20	1218	15.025		
10	2	F	31	02	12		01	2853	31	1218	15.025		
11	2	F	30	02	20		01	4682	30	1218	15.025		
12	2	F	31	02	36		01	5353	31	1179	15.025		

PF6 - RETURNS TO ANNUAL DISPLAY

PF3 - TRANSFER TO UPDATE

PF10 - HELP INFORMATION

PF9 - DISPLAY MONTHLY INJECTION

00/00/00 00:00:00:0

PRS 02/05/97

B MY JOB

NUM LU #27

KELLY B #1A
SECTION 8. T30N. R10W
MESAVERDE - PICTURED CLIFFS

