

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

FLORANCE T #123E

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
 [DD-Directional Drilling] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Directional Drilling
☐ NSL ☐ NSP ☐ DD ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

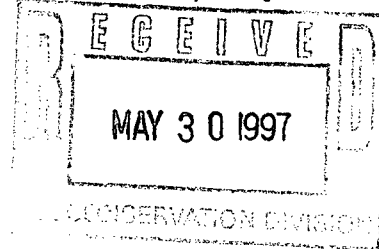
Note: Statement must be completed by an individual with supervisory capacity.

PAMELA W. STALEY
 Print or Type Name

Pamela W. Staley
 Signature

REGULATORY AFFAIRS ENGR.
 Title

5/28/97
 Date





**Amoco Production Company
San Juan Business Unit**

1670 Broadway
Post Office Box 800
Denver, Colorado 80201
303-830-4040

May 28, 1997

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-A- Downhole Commingling
Florance T #123E
Unit M Section 3-T29N-R8W
Basin Dakota and Blanco Mesaverde 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 you have questions regarding this application, do not hesitate to call me at (303) 830-5344.

Sincerely,

Pamela W. Staley
Enclosures

cc: Mark Rothenberg
Pat Archuleta
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

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

APPLICATION FOR DOWNHOLE COMMINGLING

EXISTING WELLBORE
☒ YES ☐ NO

Amoco Production Company		P.O. Box 800 Denver, CO 80201	
Operator FLORANCE T	123E	Address M-3-29N-8W	San Juan
Lease	Well No.	Unit Ltr. - Sec Twp - Rge	County

OGRID NO. 000778 Property Code 000552 API NO. 3004525564 Spacing Unit Lease Types: (check 1 or more)
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 MESAVERDE 72319		BASIN DAKOTA 71599
2. Top and Bottom of Pay Section (Perforations)	4642' - 5333' PROPOSED		7294' - 7516'
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) 595 PSI b. (Original) 1200 PSI	a. b.	a. 700 PSI b. 1600 PSI
6. Oil Gravity (° API) or Gas BTU Content	1150 BTU / 49 DEG API		1100 BTU / 59 DEG API
7. Producing or Shut-In?	NEW		PRODUCING
Production Marginal? (yes or no)	NO		YES
• 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	Date: EST Rates: 305 MCFD 1 BCPD 1 BWPD	Date: Rates:	Date: Rates:
• If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates:	Date: Rates:	4/12-5/12/97 30 MCFD 1 BCPD 1 BWPD
8. Fixed Percentage Allocation Formula -% for each zone	Oil: 50 % Gas 90 %	Oil: % Gas %	Oil: 50 % Gas 10 %

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-078596-A
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 ENGR DATE 5/27/97
TYPE OR PRINT NAME PAMELA W. STALEY TELEPHONE NO. (303) 830-5344

OFFSET OPERATORS
Florance T #123E

Burlington Resources Oil and Gas Co.
P.O. Box 4289
Farmington, NM 87499

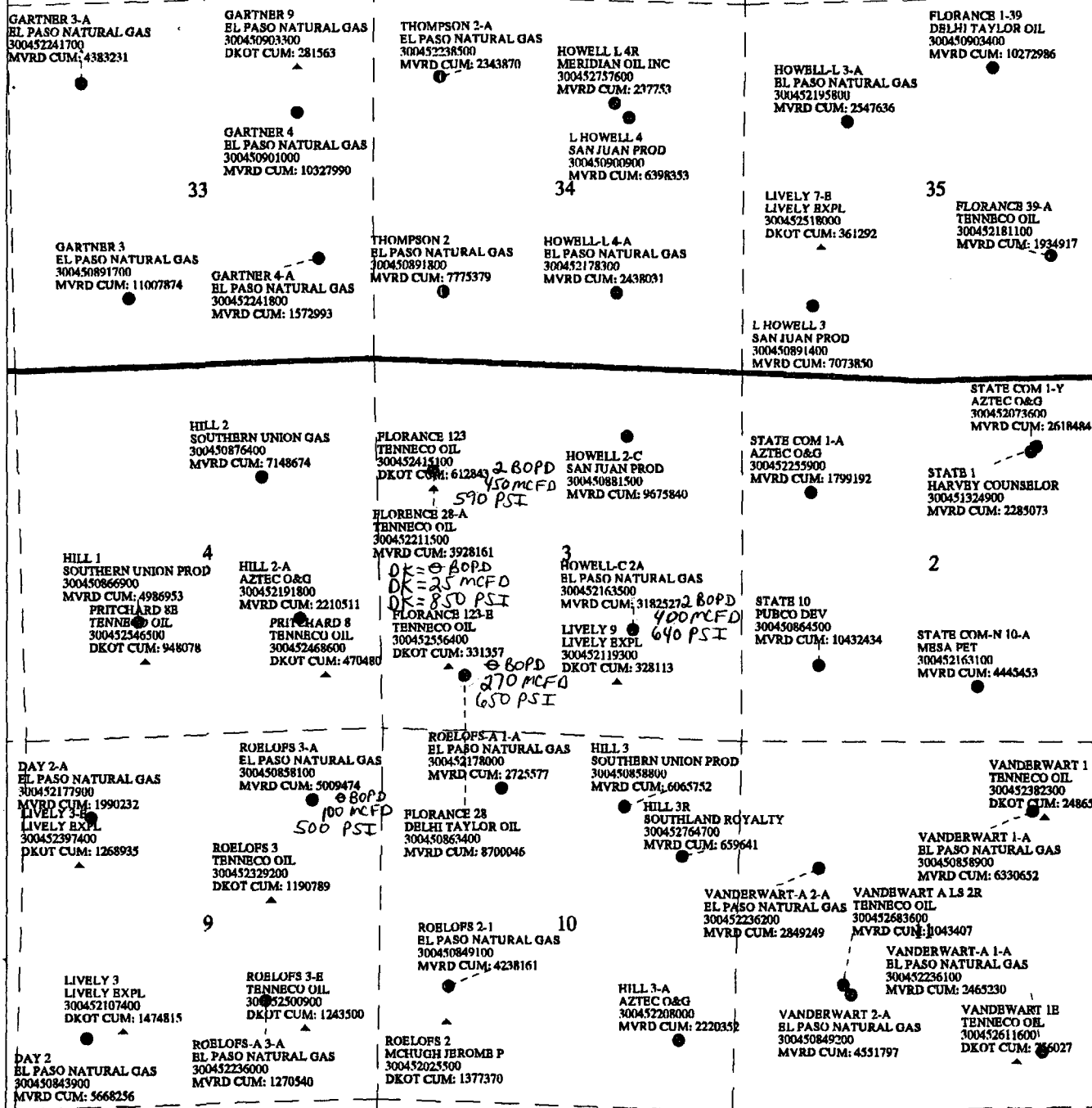
Lively Exploration Co.
1300 Post Oak #1900
Houston, Texas 77056

Production Allocation Recommendation
Florance T #123E

Production is proposed to be allocated based on a percentage allocation. The production for the Mesaverde is based on the attached analysis of offset production as well as reservoir simulation (curve attached)

Gas:	DK	30 MCFD	10%
	MV	305 MCFD	90%

Oil and Water:			
	DK	1 BPD Each product	50%
	MV	1 BPD Each Product	50%

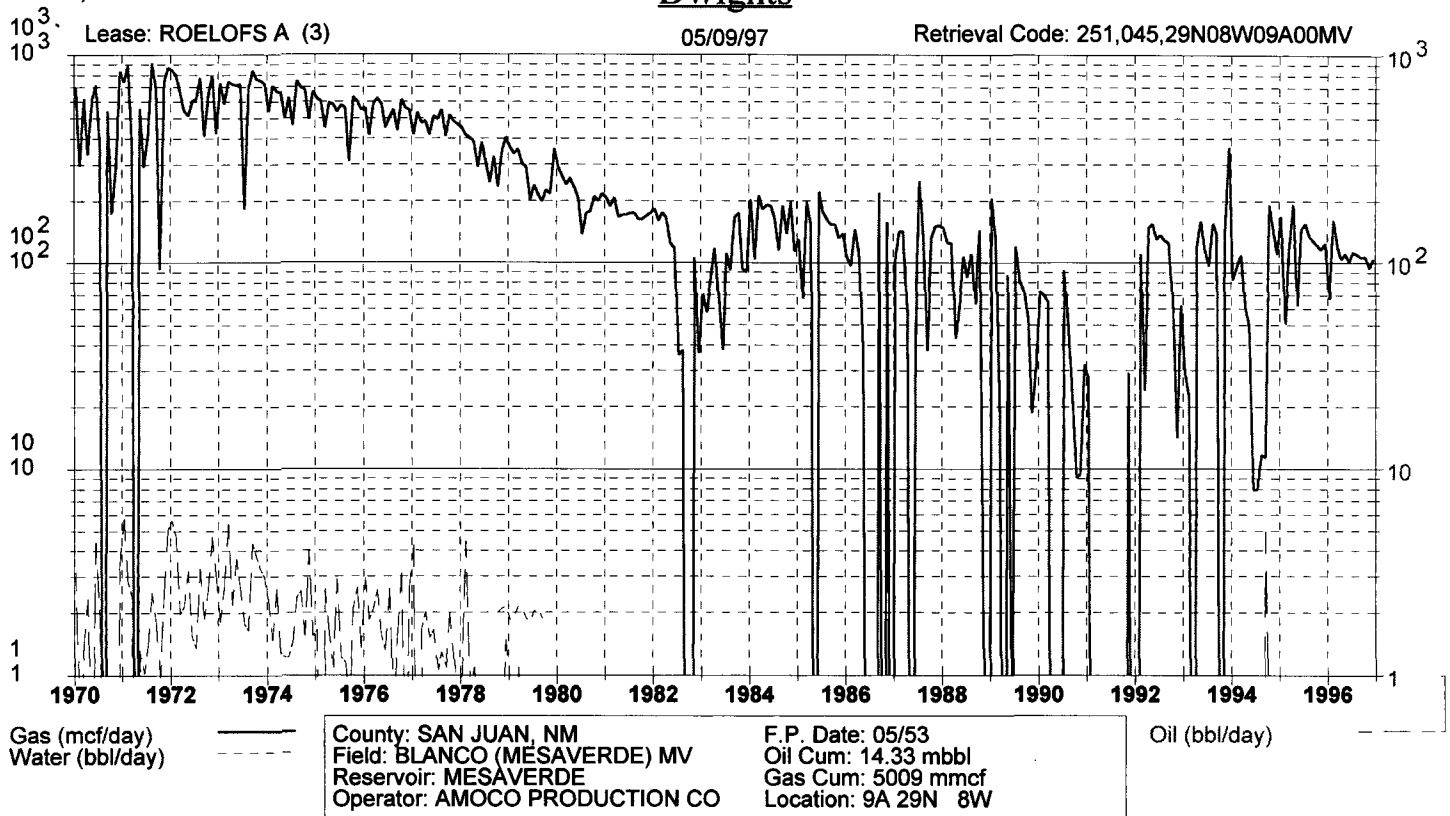


Avg. MV rate=305 mcf/d, R8W 1 bopd (api gravity 49)
Avg. MV pressure=595 psi

AMOCO PRODUCTION COMPANY

Type of Map:	CUM PRODUCTION
Horizon:	Florance T 123E commingling info.
Block(s)/Grid(s):	
Area/Country:	SAN JUAN BASIN, NEW MEXICO License:
Interpreter(s):	Date: April 03, 1987
Scale = 1:27000	Contour Interval:
Remarks:	
HORIZON MAP WITH CUMULATIVE PRODUCTION Debita and Recovery Wells Nine Section Plot Sec. 3-123E-400	
Plot File No.:	Drill by: N.A. Rochester

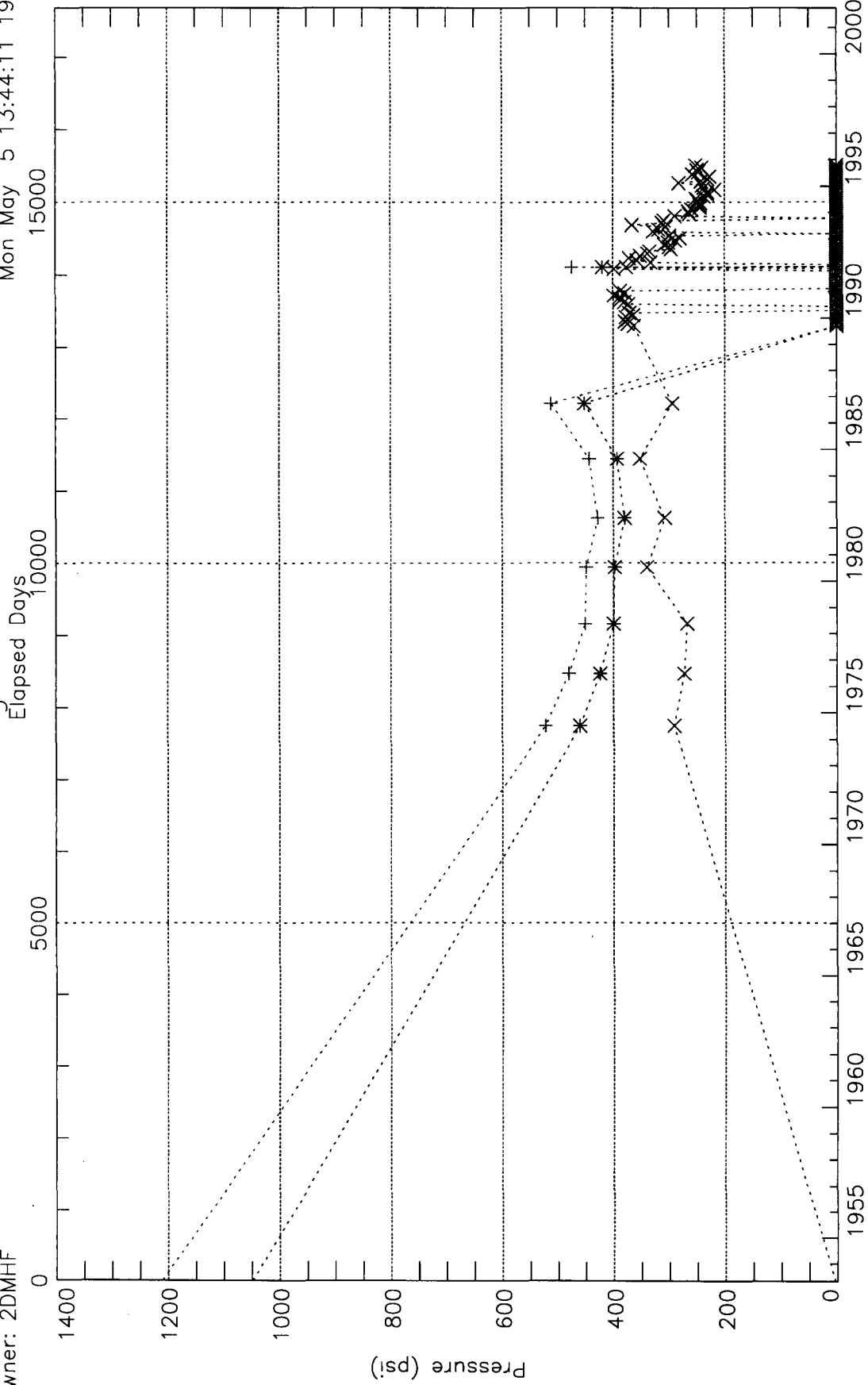
Dwights



User: zr06
Owner: 2DMHF

Single Well Gas3D

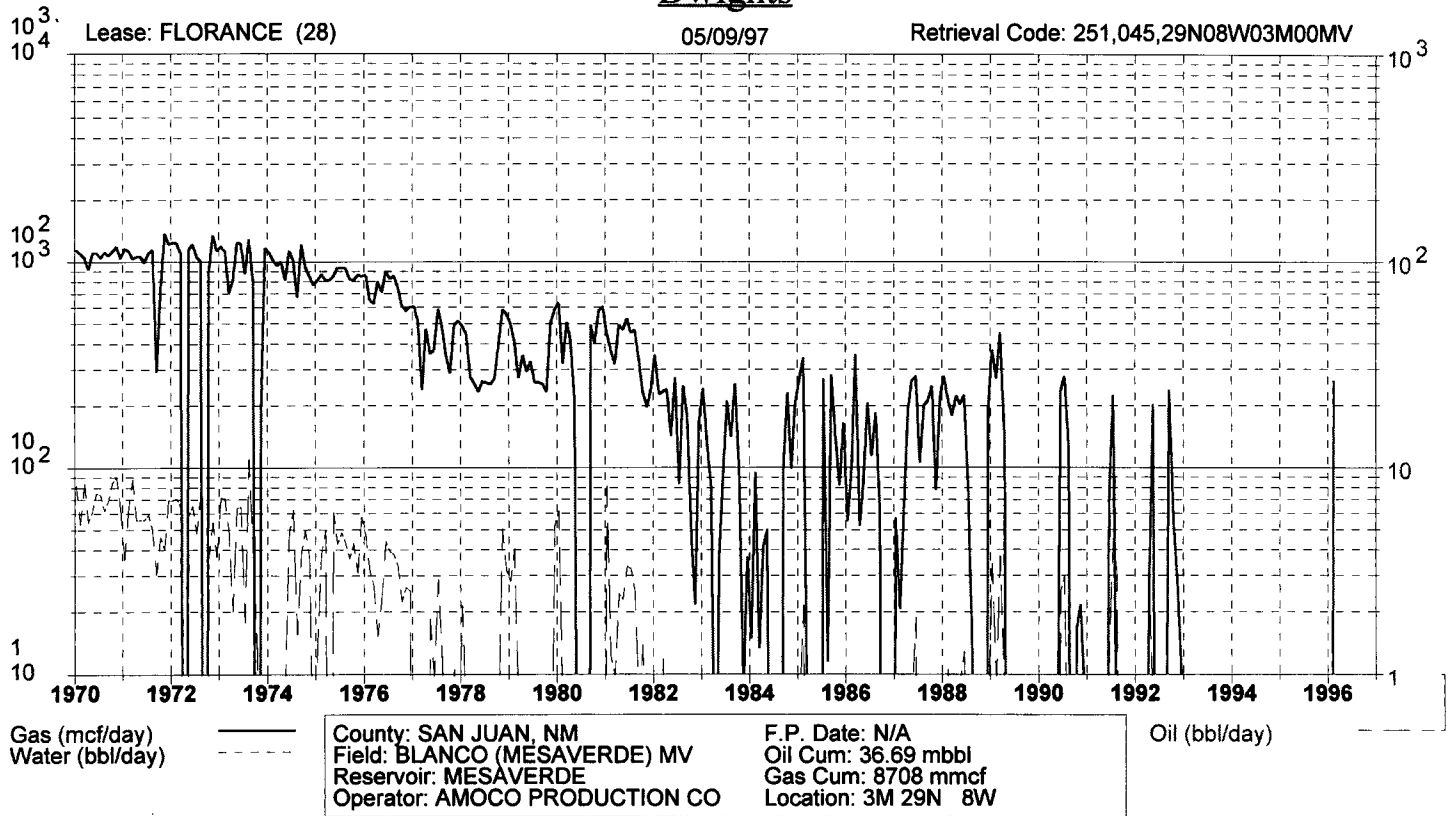
Description 1
Mon May 5 13:44:11 1997



Date (Years)

Well ID: 300450858100 604MVRD
Well Name: ROELOFS /A/ 003A09
Operator: AMOCO PRODUCTION COMPANY

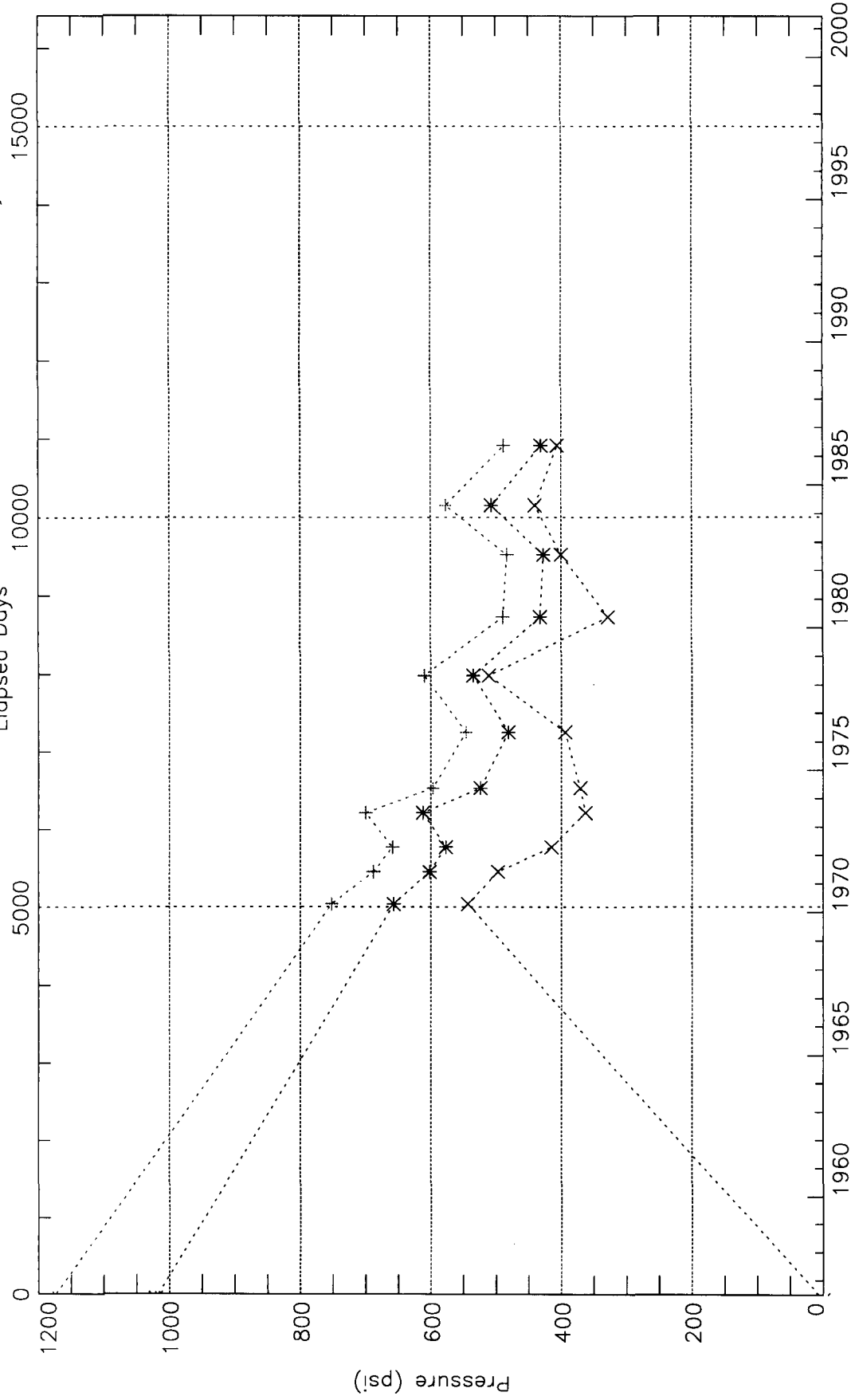
Dwights



User: zrar06
Owner: 2DMHF

Single Well Gas3D

Description 1
Mon May 5 13:39:29 1997

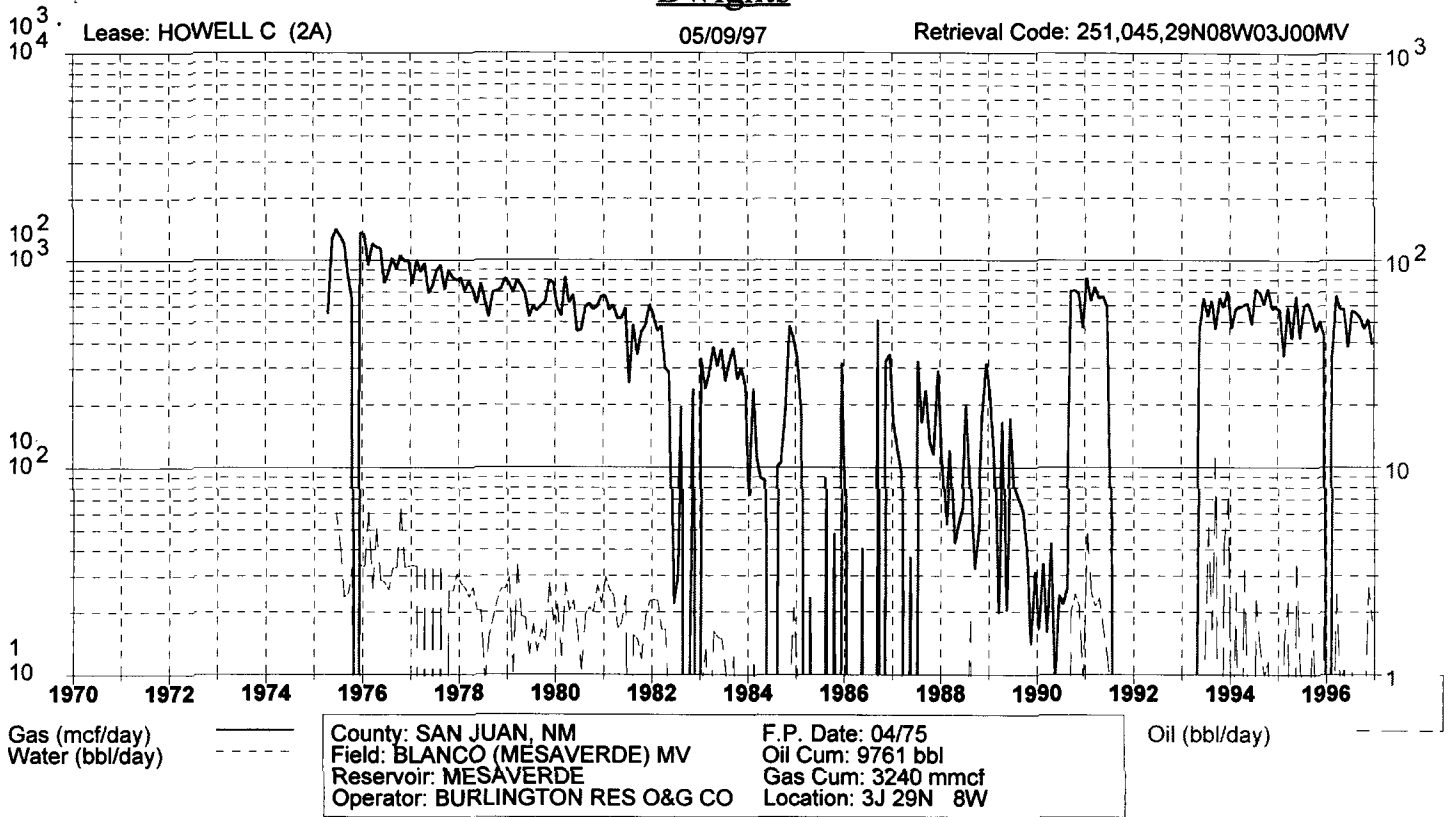


WH_SIP (*)
BHP (+)
WH_FTP (x)

Date (Years)

Well ID: 300450863400 604MVRD
Well Name: FLORANCE 28&28A 028M03
Operator: AMOCO PRODUCTION COMPANY

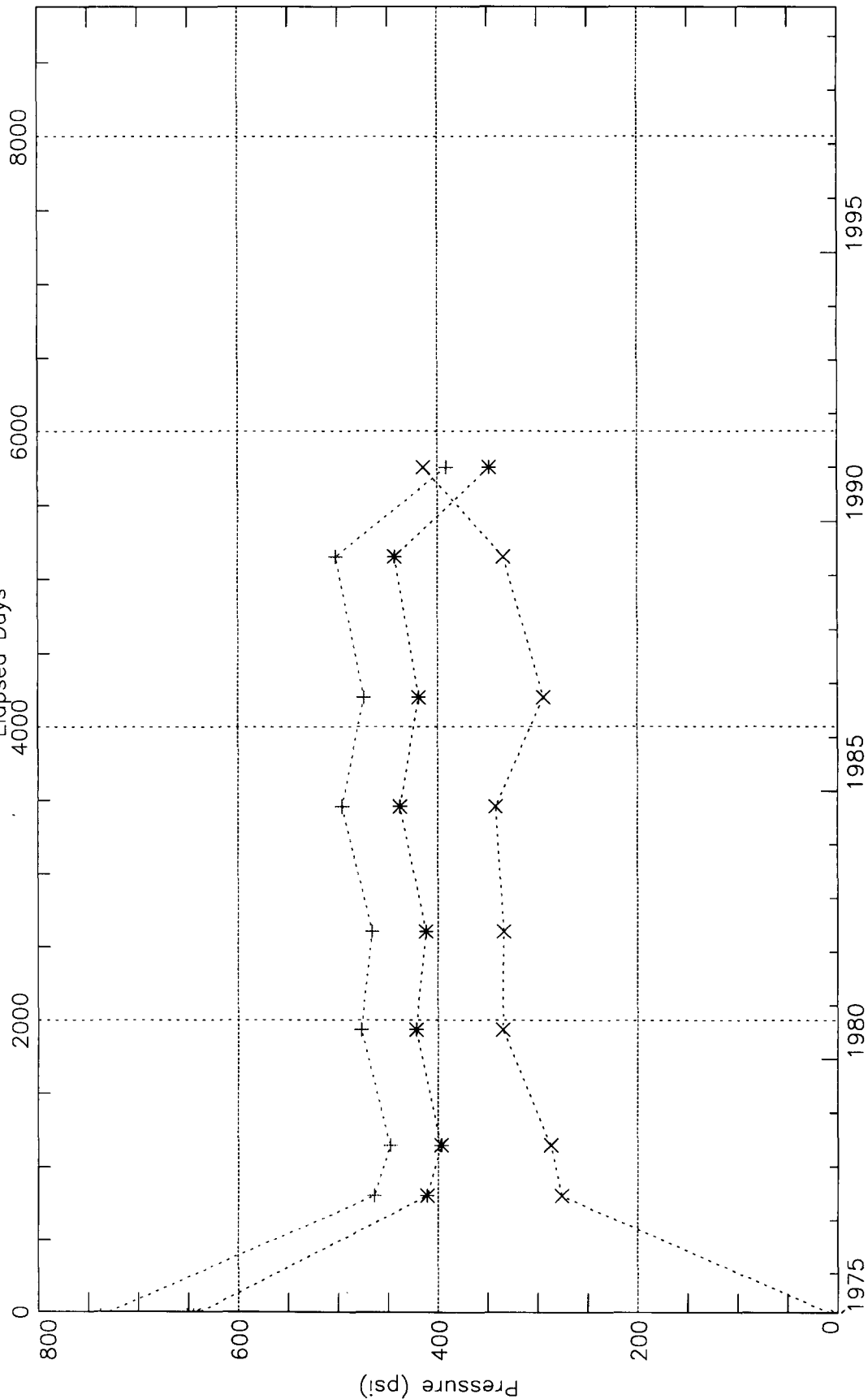
Dwights



User: zrar06
Owner: 2DMHF

Single Well Gas3D

Description 1
Mon May 5 13:39:45 1997



WH_SIP (*)
BHP (+)
WH_FTP (x)

Date (Years)

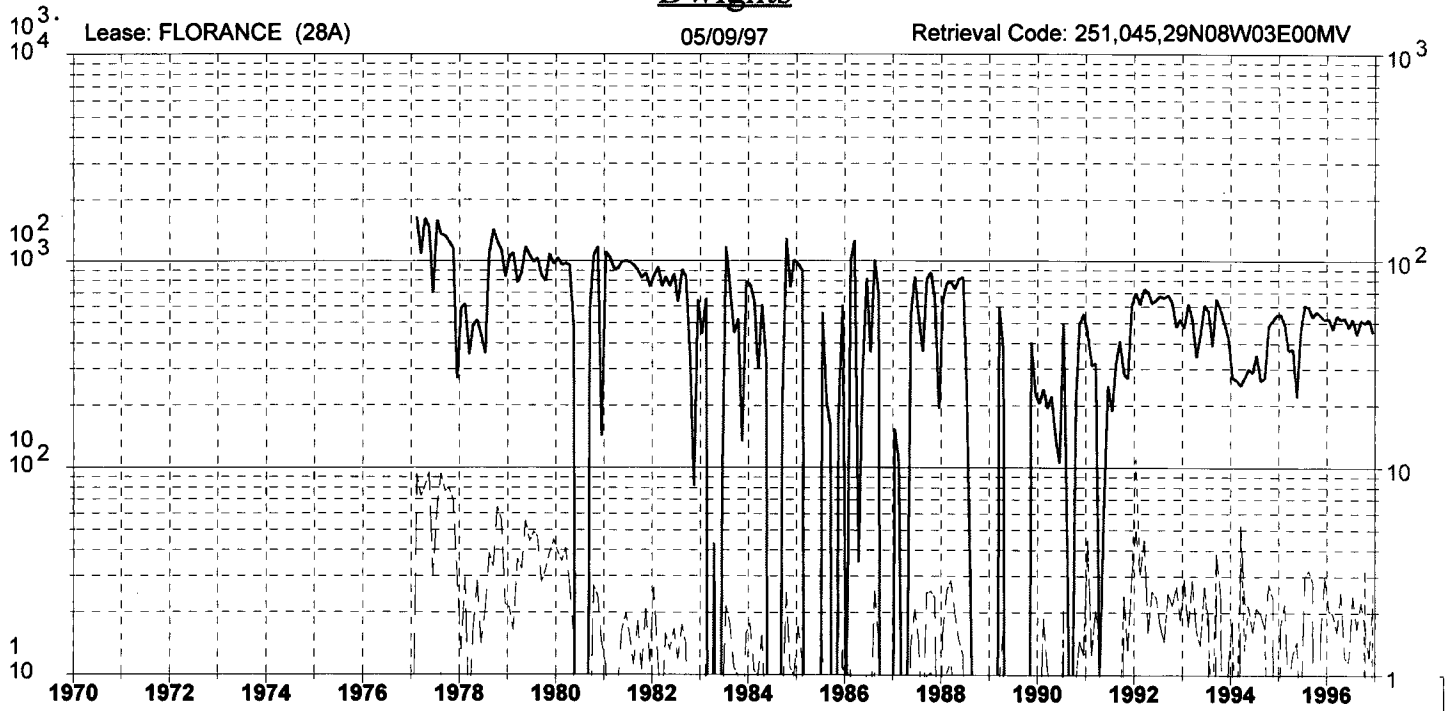
Well ID: 300452163500 604MVRD
Well Name: HOWELL C 2A
Operator: MERIDIAN OIL INCORPORATED

Dwights

Lease: FLORANCE (28A)

05/09/97

Retrieval Code: 251,045,29N08W03E00MV



Gas (mcf/day)
Water (bbl/day)

County: SAN JUAN, NM
Field: BLANCO (MESAVERDE) MV
Reservoir: MESAVERDE
Operator: AMOCO PRODUCTION CO

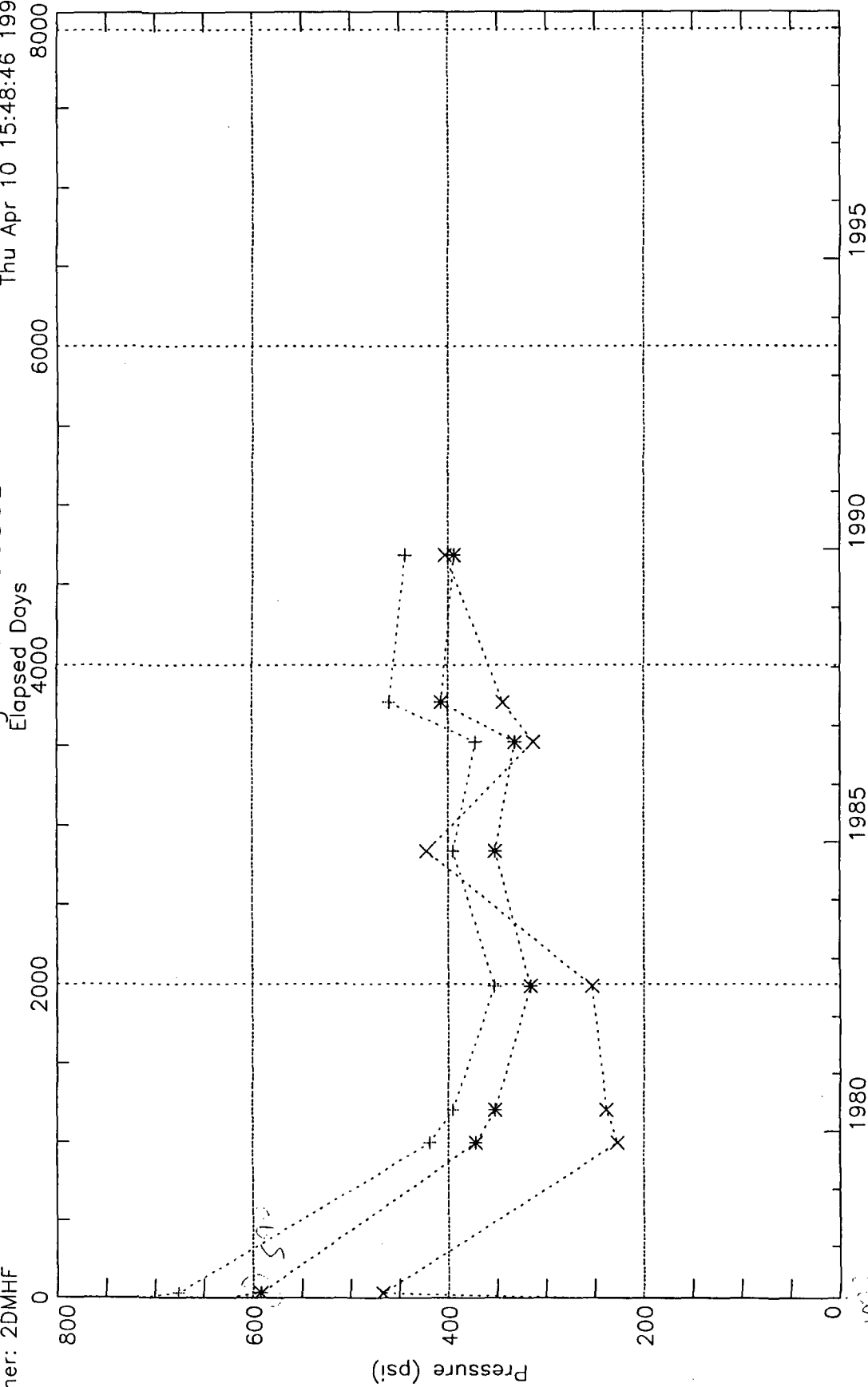
F.P. Date: 01/77
Oil Cum: 12.99 mbbl
Gas Cum: 3928 mmcf
Location: 3E 29N 8W

Oil (bbl/day)

User: zrar06
Owner: 2DMHF

Single Well Gas3D

Description 1
Thu Apr 10 15:48:46 1997



WH_SIP (*)
BHP (+)
WH_FTP (x)

Date (Years)

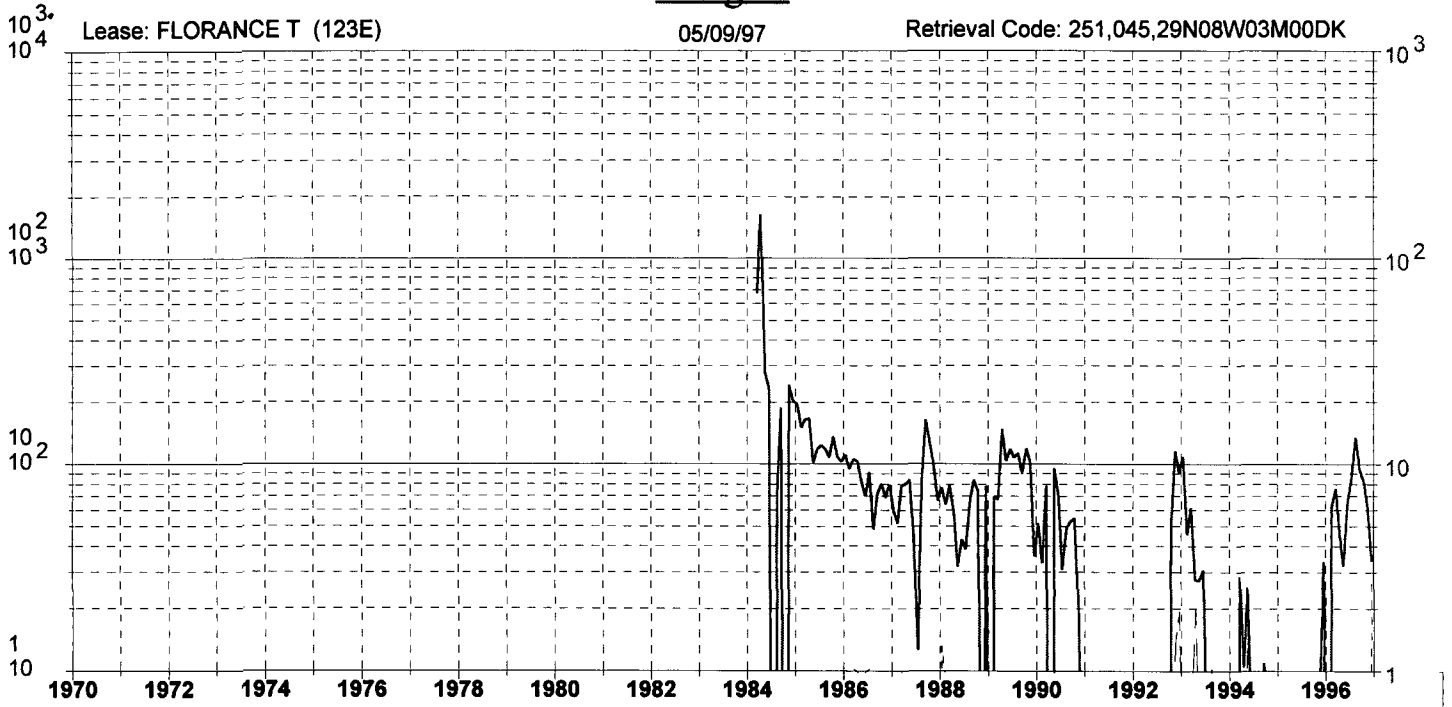
Well ID: 300452211500 604MVRD
Well Name: FLORANCE 28&28A A028E03
Operator: AMOCO PRODUCTION COMPANY

Dwights

Lease: FLORANCE T (123E)

05/09/97

Retrieval Code: 251,045,29N08W03M00DK



Gas (mcf/day)
Water (bbl/day)

County: SAN JUAN, NM
Field: BASIN (DAKOTA) DK
Reservoir: DAKOTA
Operator: AMOCO PRODUCTION CO

F.P. Date: 03/84
Oil Cum: 747 bbl
Gas Cum: 331.4 mmcf
Location: 3M 29N 8W

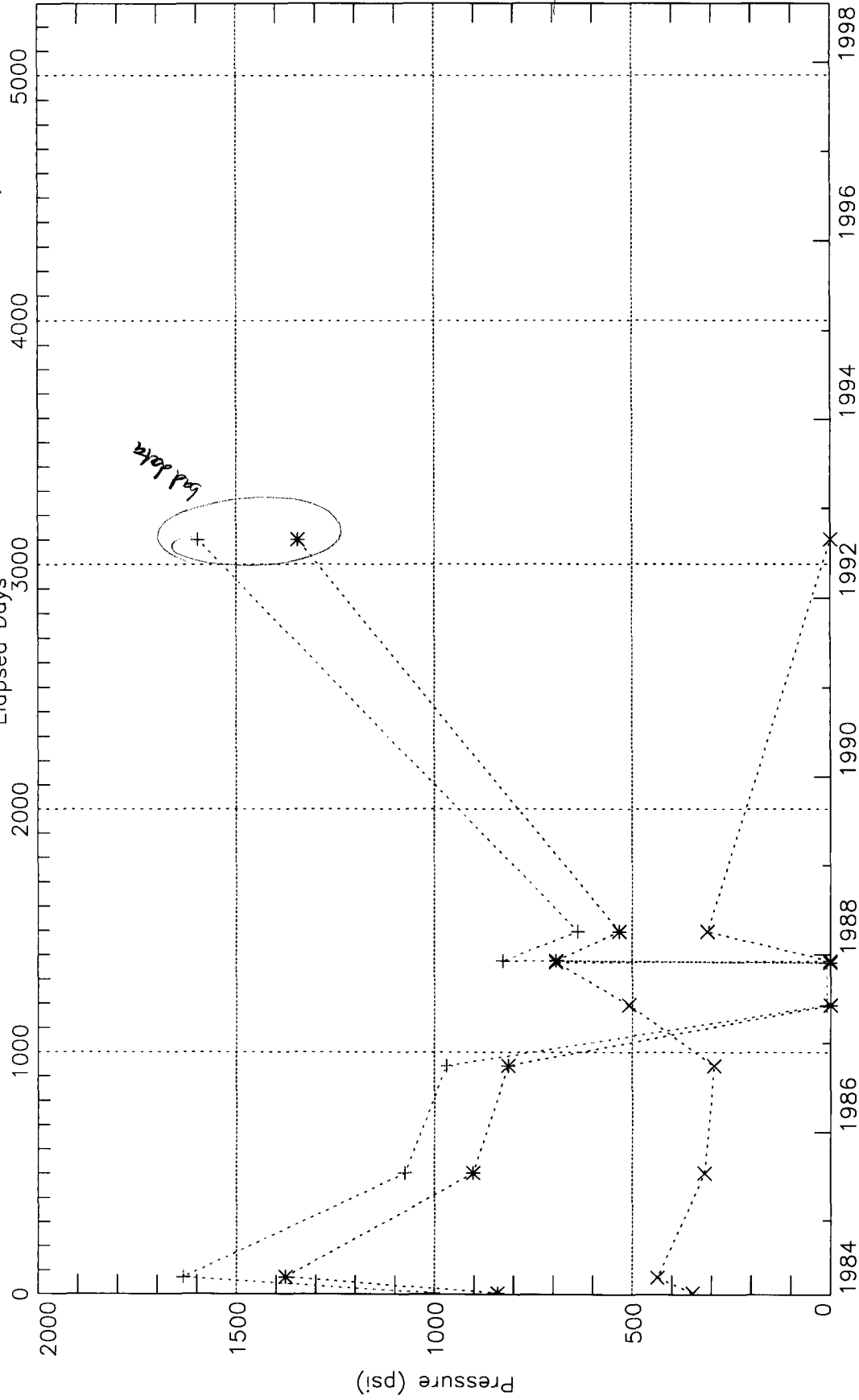
Oil (bbl/day)

User: zrar06
Owner: 2DMHF

Description 1
Mon May 5 13:44:52 1997

Single Well Gas3D

Elapsed Days



Date (Years)

Well ID: 300452556400 602DKOT
Well Name: FLORANCE /T/ E123M03
Operator: AMOCO PRODUCTION COMPANY

Well Production Summary Report

Well: FLORANCE T 123E-DK
Flac: 97981501 **Foreman:** EL PASO CONVENTIONAL
Meter: 94862 **Pumper:** GTRUNK A
PipeLine: 604605
Kind: GAS WELLS EXCEPT CO2

Report Date: 5/12/97

Date	MCF	Gas Nomin.	Down Time	Tubing Press	Casing Press	Line Press	ADP	Temp	Flow Mtr Prod.	OIDB Date
Apr 12, 97 FLOWING	32	52	0.0			202	2	43		4/14/97 10:00:00
Apr 13, 97 FLOWING	32	52	0.0			198	3	43		4/14/97 10:03:00
Apr 14, 97 FLOWING	34	52	0.0			197	2	46		4/15/97 06:45:00
Apr 15, 97 FLOWING	31	52	0.0			203	2	55		4/18/97 17:52:00
Apr 16, 97 FLOWING	33	52	0.0			202	2	56		4/18/97 17:54:00
Apr 17, 97 FLOWING	33	52	0.0			200	2	57		4/19/97 17:52:00
Apr 18, 97 FLOWING	32	52	0.0			203	2	57		4/20/97 07:59:00
Apr 19, 97 FLOWING	28	52	0.0			202	2	59		4/21/97 10:51:00
Apr 20, 97 FLOWING	30	52	0.0			201	2	59		4/21/97 10:53:00
Apr 21, 97 FLOWING	30	52	0.0			201	1	61		4/22/97 08:12:00
Apr 22, 97 FLOWING	31	52	0.0			211	2	59		4/23/97 07:39:00
Apr 23, 97 FLOWING	32	52	0.0			200	3	46		4/25/97 08:44:00
Apr 24, 97 FLOWING	31	52	0.0			204	2	40		4/25/97 08:48:00
Apr 25, 97 FLOWING	31	52	0.0			207	2	48		4/27/97 07:59:00
Apr 26, 97 FLOWING	32	52	0.0			204	2	54		4/27/97 08:03:00
Apr 27, 97 FLOWING	31	52	0.0			210	2	60		4/28/97 09:25:00
Apr 28, 97 FLOWING	31	52	0.0			206	2	61		4/29/97 06:59:00
Apr 29, 97 FLOWING	30	52	0.0			204	2	56		5/1/97 08:44:00
Apr 30, 97 FLOWING	31	52	0.0			202	2	58		5/1/97 08:48:00
May 01, 97 FLOWING	30	42	0.0			204	2	50		5/3/97 06:57:00
May 02, 97 FLOWING	28	42	0.0			198	2	50		5/4/97 08:04:00
May 03, 97 FLOWING	27	42	0.0			201	2	58		5/4/97 08:07:00
May 04, 97 FLOWING	30	42	0.0			204	2	66		5/7/97 18:06:00
May 05, 97 FLOWING	30	42	0.0			199	2	66		5/7/97 18:09:00
May 06, 97 FLOWING	27	42	0.0			199	1	74		5/7/97 18:10:00
May 07, 97 FLOWING	31	42	0.0			208	2	67		5/9/97 07:59:00
May 08, 97 FLOWING	12	42	0.0			204	3	49		5/11/97 08:10:00
May 09, 97 FLOWING	0	42	0.0			200		64		5/11/97 08:13:00
May 10, 97 FLOWING	65	42	0.0			201	8	63		5/12/97 07:13:00
May 11, 97 FLOWING	34	42	0.0			199	2	70		5/12/97 07:15:00

Total:	909	1,450	0.0			202	2	57	0
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All distances must be from the outer boundaries of the Section.

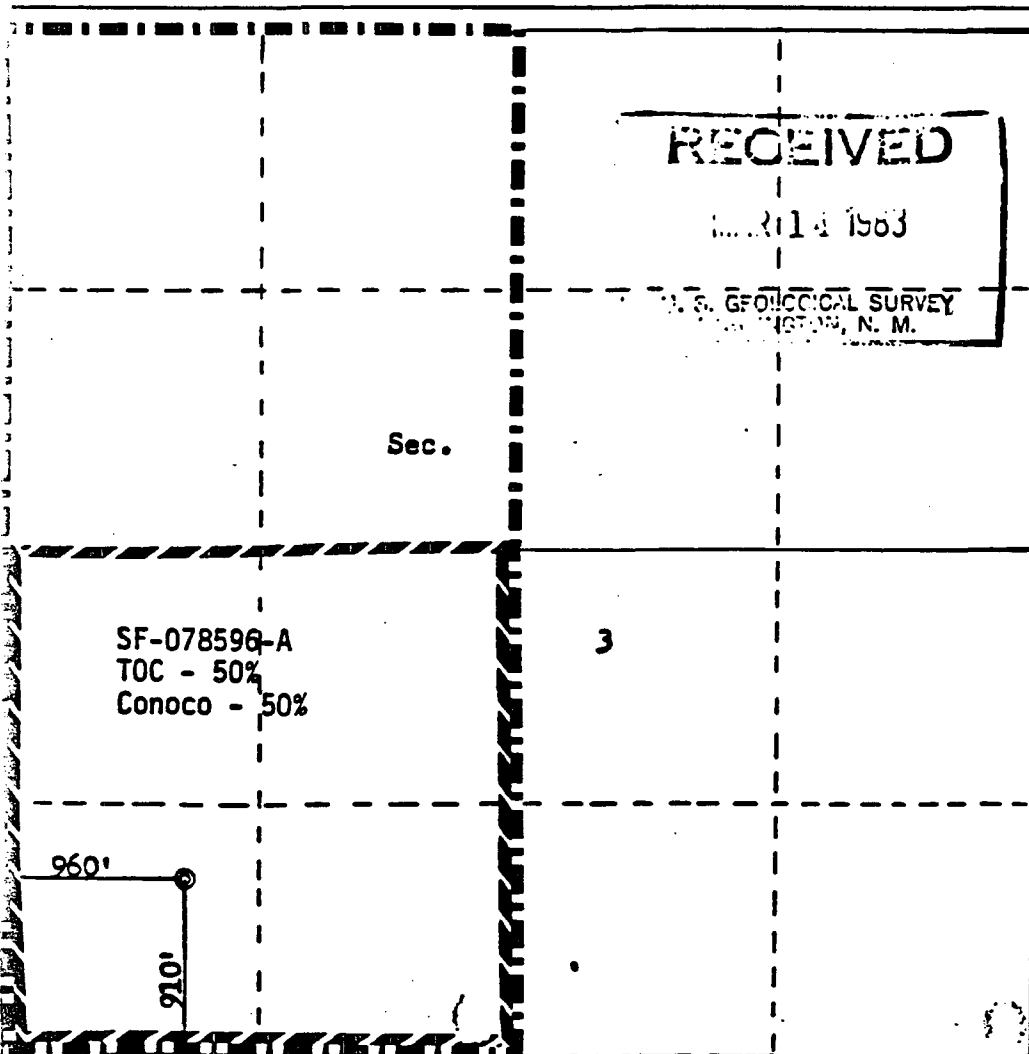
Operator TENNECO OIL COMPANY			Lease Florence		Well No. 123 E
Unit Letter M	Section 3	Township 29N	Range 8W	County San Juan	
Actual Footage Location of Well: 910 feet from the South line and 960 feet from the West line					
Ground Level Elev. 6307	Producing Formation Dakota/Pictured Cliffs		Pool Basin Dakota/Blanco Pict. Cliffs	Dedicated Acreage: 320/160 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.

Denise Wilson

Name
Denise Wilson

Position
Production Analyst

Company
Tenneco Oil Company

Date
March 9, 1983

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 30, 1982

Registered Professional Engineer and Land Surveyor

Fred B. Kerr Jr.
Fred B. Kerr Jr.

Certificate No. **3950**

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

311 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 and Natural Resources Department

OIL CONSERVATION DIVISION

2040 South Pacheco
 Santa Fe, New Mexico 87505

Form C-102

Revised October 18, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 3004525564	Pool Code 72319	Pool Name Blanco Mesaverde
Property Code 000552	Property Name Florance T	Well Number 123E
OGRID No. 000778	Operator Name AMOCO PRODUCTION COMPANY	Elevation 6307

Surface Location

UL or lot no. UNIT M	Section 03	Township 29N	Range 8W	Lot. Idn	Feet from the 910	North/South Line SOUTH	Feet from the 960	East/West Line WEST	County San Juan
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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
Dedicated Acreage: 324.6		Joint or Infill		Consolidation Code		Order No.			

**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**

	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Printed Name Pat Archuleta Position Staff Assistant Date 05/06/1997			
	SURVEY 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 knowledge and belief. 11/15/1982 Date of Survey Signature & Seal of Professional Surveyor Fred B. Kerr, Jr. Certificate No. 3950			