

DHC 5/30/00



RICHARDSON OPERATING COMPANY

1700 Lincoln, Suite 1700
Denver, Colorado 80203 (303) 830-8000
FAX (303) 830-8009

May 5, 2000

REC'D
MAY - 8 2000

Ms. Lori Wrotenberry
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, NM 87504

RE: Downhole Commingle Application
Navajo Federal H #5
660' FWL, 705' FSL 13-29N-14W
San Juan County, NM
Basin Fruitland Coal and W Kutz Pictured
Cliffs

Dear Ms. Wrotenberry:

The Downhole Commingling Application for the captioned well was originally submitted to your office and approved October 12, 1999 as Administrative Order DHC-2478 (copy enclosed). This application listed the two zones to be commingled as the Basin Fruitland Coal (pool 71629) and Twin Mounds Fruitland Sand Pictured Cliffs (pool 86620).

It has come to our attention that any and all references made to the Twin Mounds formation were in error. This formation should have been reflected as the West Kutz Pictured Cliffs (pool 79680). The Basin Fruitland Coal formation remains correct, as does all other information contained in the application. Accordingly, enclosed is an amended C-107-A form for your approval.

Please advise if you require any additional information from this office.

Sincerely,

Chris O'Shea
Lease Analyst

cos
enclosures

District I
1625 N. French Dr., Hobbs, NM 88240
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 and Natural Resources Department
OIL CONSERVATION DIVISION
2040 S. Pacheco
Santa Fe, New Mexico 87505-6429

Form C-107-A
Revised August 1999
AMENDED
APPROVAL PROCESS:
 Administrative Hearing
EXISTING WELLBORE
 YES NO

APPLICATION FOR DOWNHOLE COMMINGLING

Richardson Operating Company 1700 Lincoln, Suite 1700, Denver, CO 80203
Operator Address
Navajo Federal H #5 M 13-29N-14W San Juan
Lease Well No. Unit Ltr. - Sec - Twp - Rge County
Spacing Unit Lease Types: (check 1 or more)
OGRID NO. 019219 Property Code 23871 API NO. 30-045-13101 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	Basin Fruitland Coal 71629		W Kutz Pictured Cliffs 79680
2. Top and Bottom of Pay Section (Perforations)	876' - 882'		890' - 904'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	pumping		pumping
5. Bottomhole Pressure	(Current) a.	a.	a.
Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated or Measured Original	(Original) b. 200	b.	b. 200
6. Oil Gravity (°API) or Gas BTU Content	1000 BTU		1000 BTU
7. Producing or Shut-in?	Shut-in		Shut-in
Production Marginal? (yes or no)	yes		yes
* If Shut-in, give date 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: Rates:	Date: Rates:	Date: Rates:
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates:	Date: Rates:	Date: Rates:
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
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, attached 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 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 Barry Gager TITLE Consulting Geologist DATE 5/5/00
TYPE OR PRINT NAME Barry Gager TELEPHONE NO. 303-830-8000