



OIL CONSERVATION DIVISION
DENVER, CO

SEP 22 1995 8 52

PC N/R

920

Southern

Rockies

Business

Unit

September 22, 1995

Mr William J. LeMay, Director
New Mexico Oil Conservation Division
2040 S. Pacheco Street
P.O. Box 6429
Santa Fe, NM 87505

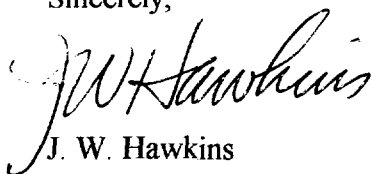
Application for Exception to Rule 303-A - Surface Commingling
Calloway LS Well #2
1840' FNL, 800' FEL, Section 34-T31N-R11W
Blanco Mesaverde Pool, Aztec Pictured Cliffs Pool
San Juan County, New Mexico

Amoco Production Company hereby requests administrative approval to surface commingle production from the Blanco Mesaverde and Aztec Pictured Cliffs Pools in the Calloway LS Well #2 referenced above. This well is currently shut-in. The last production was in January 1995 when the well was producing about 94 mcf/d from the Mesaverde and 28 mcf/d from the Pictured Cliffs formation. Based on this we propose a gas allocation factor of 77% Mesaverde and 23% Pictured Cliffs. Since the Pictured Cliffs produced no liquids, we propose a condensate allocation factor of 100% to the Mesaverde.

The ownership (WI, RI ORRI) of these pools is identical in this wellbore. Surface commingling will offer an economical method of production using a single train of production equipment to reduce operating costs from both zones. The actual commercial value of the commingled production will not be less than the sum of the values of the production from each of the common sources of supply.

Attached to aid in your review are plats showing the location and acreage dedicated to the well, historical production plots, and a schematic of the proposed commingling installation. If you have any questions regarding this matter, please contact me at (303) 830-5072.

Sincerely,


J. W. Hawkins

cc: Pam Staley
Mike Kutas

Frank Chavez, Supervisor
NMOCD District III
1000 Rio Brazos Road
Aztec, NM 87410

Form C-128

Date January 25, 1957

Date Surveyed 4-25-56

Registered Professional Engineer and/or
Land Surveyor

Form C-128

Date January 3, 1957

Lease **Calloway Pool Unit**

Located 1840 Feet From North Line, 800 Feet From East Line,

County, New Mexico.

G. L. Elevation 5660'

Name of Producing Formation	Mesa Verde	Pool	Blanco	Dedicated Acreage	320
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(Note: All distances must be from outer boundaries of Section)

	Fee J.C. Sumruld Delhi	
	Fee So.Un. Gas Co.	Fee Glen Saline (Delhi)
	Fee Gil Turner et ux (Delhi)	Fee Artec O&G

SCALE: 1" = 1000'

1. Is this Well a Dual Comp.? Yes No X
2. If the answer to Question 1 is yes, are there any other dually completed wells within the dedicated acreage? Yes No

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

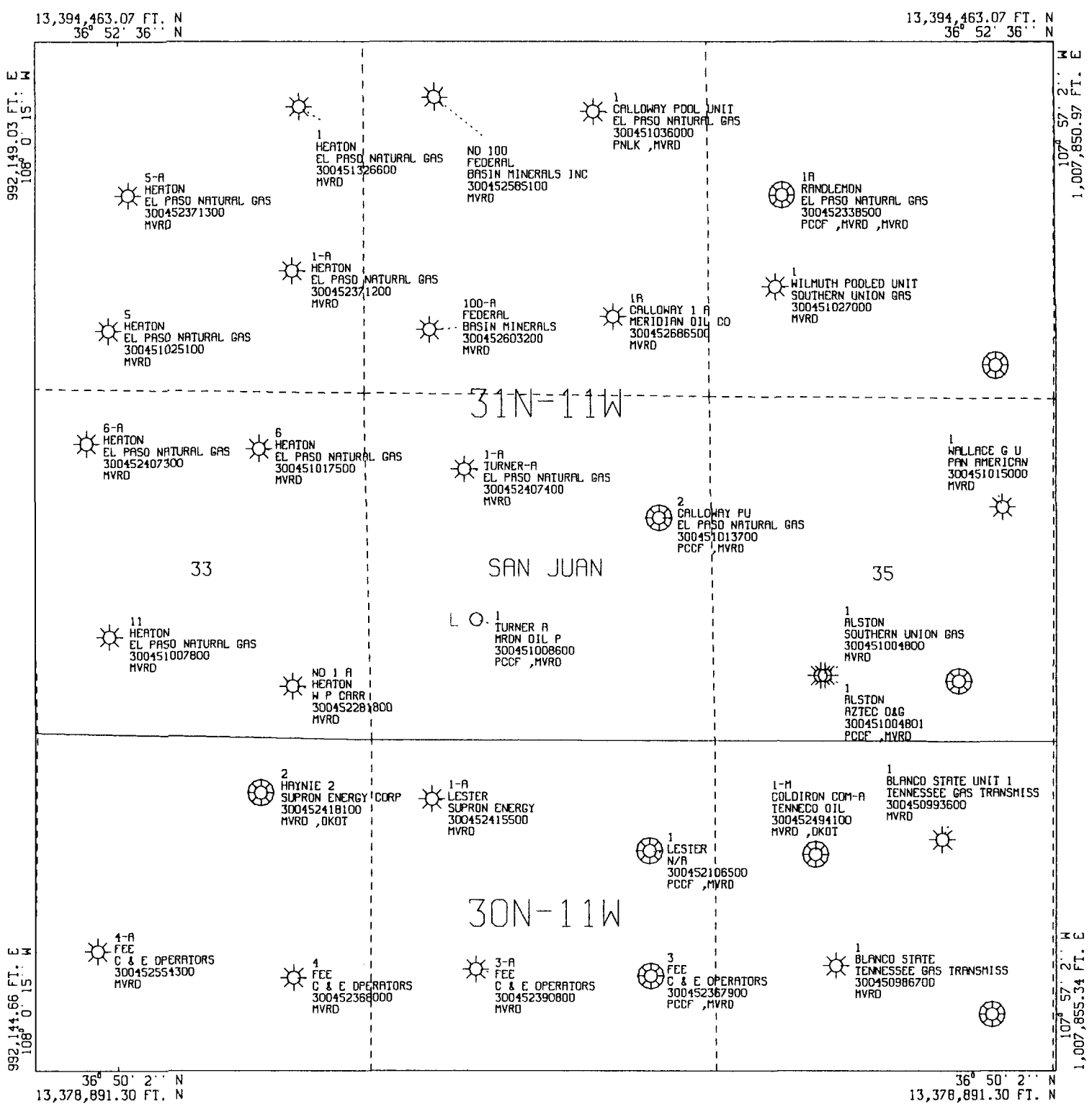
Date Surveyed 4-25-56

Name Carl H. H. H. H.
Position Petroleum Engineer
Representing El Paso Natural Gas Co.
Address Box 997, Farmington, N.M.

Registered Professional Engineer and/or
Land Surveyor



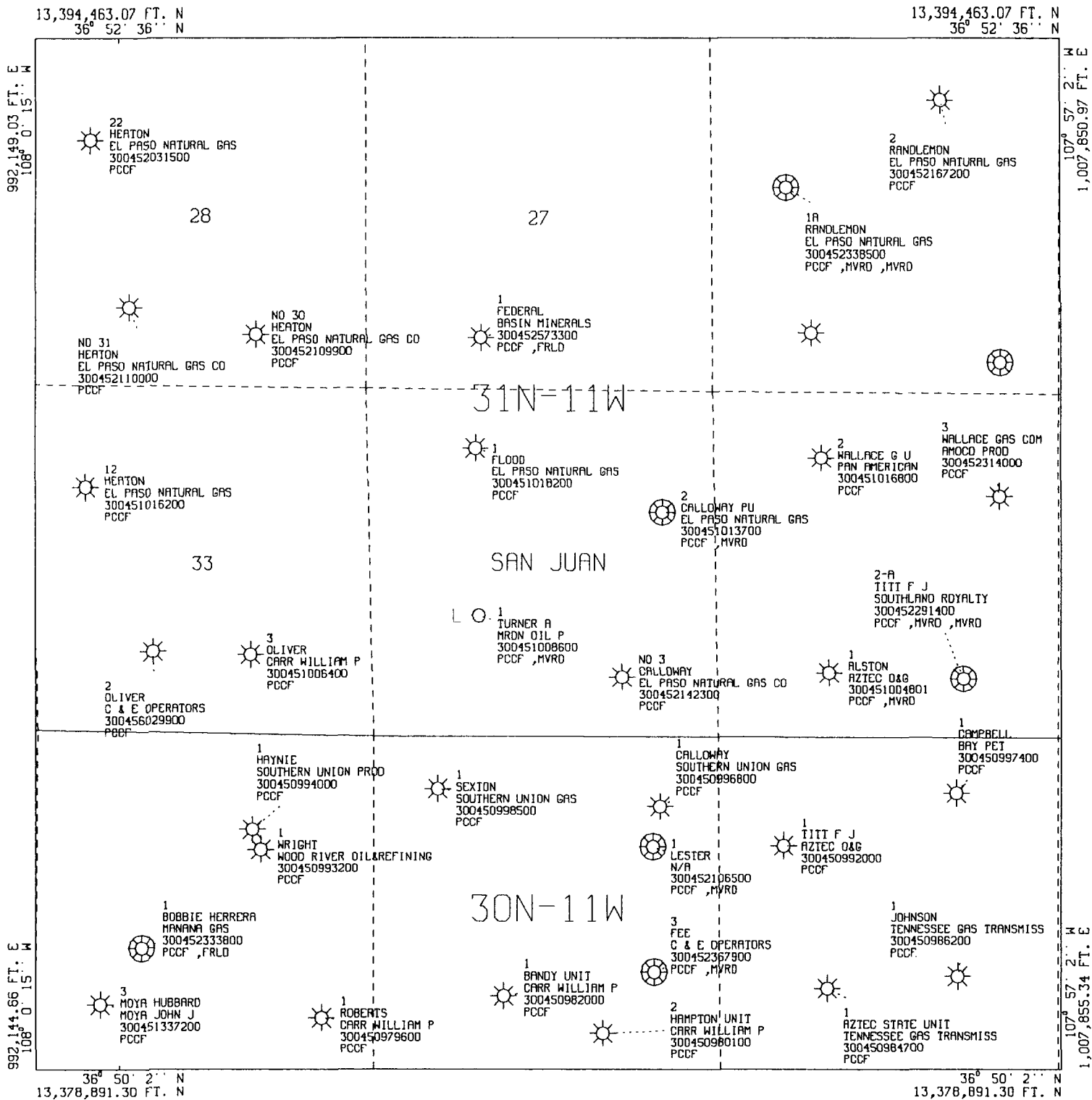
0.09.01 FRI 19 MAY, 1995 JOB-P0805002, ISSCO DISSPLA 10.0



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POLYCONIC CENTRAL MERIDIAN - 107° 58' 39" W LON
SPHEROID - 6

RUN#95139095040



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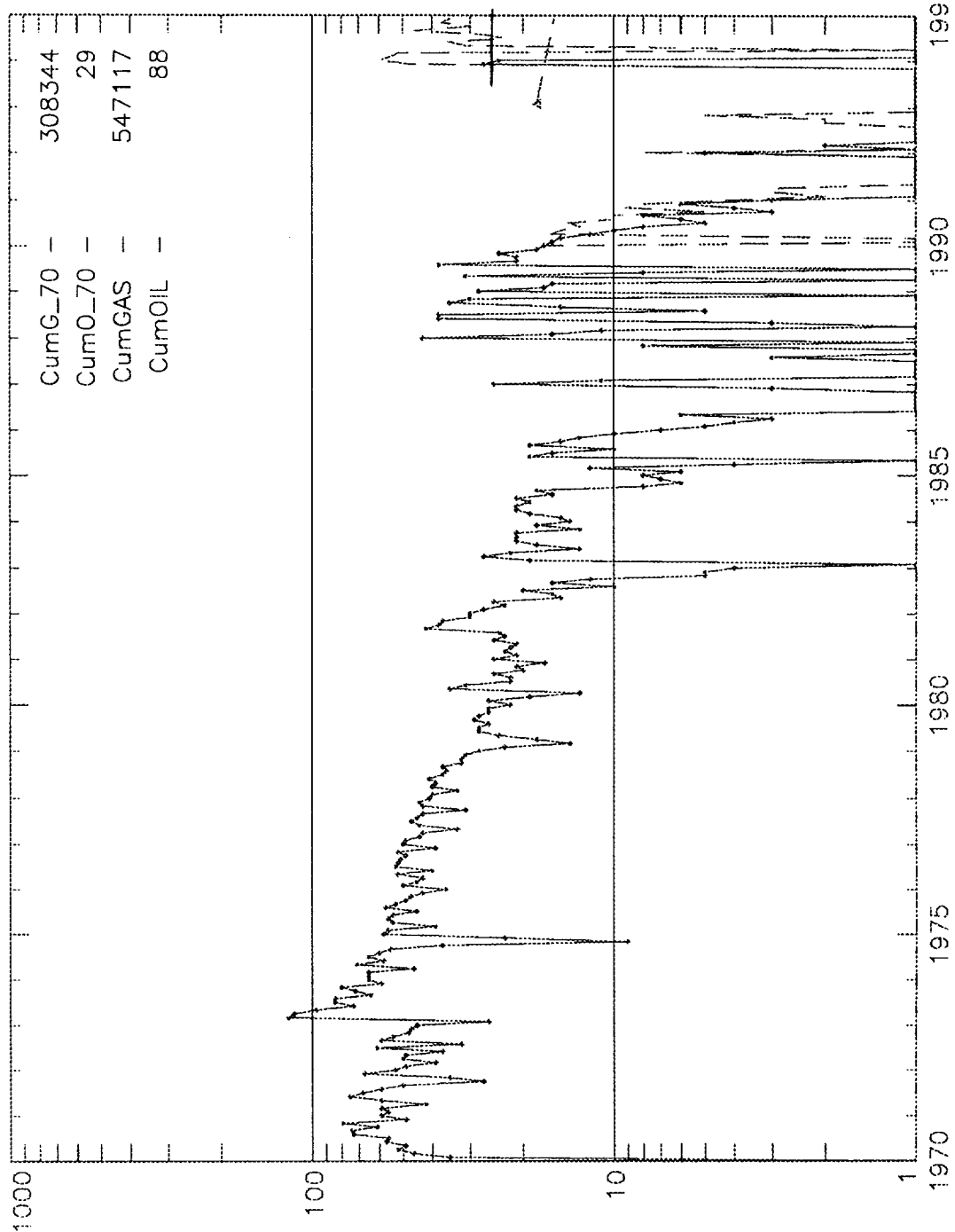
AMOCO PRODUCTION COMPANY
PLAT MAP
Calloway LS 2
Pictured Cliffs

POLYCONIC CENTRAL MERIDIAN - 107° 58' 39" W LON
SPHEROID - 6

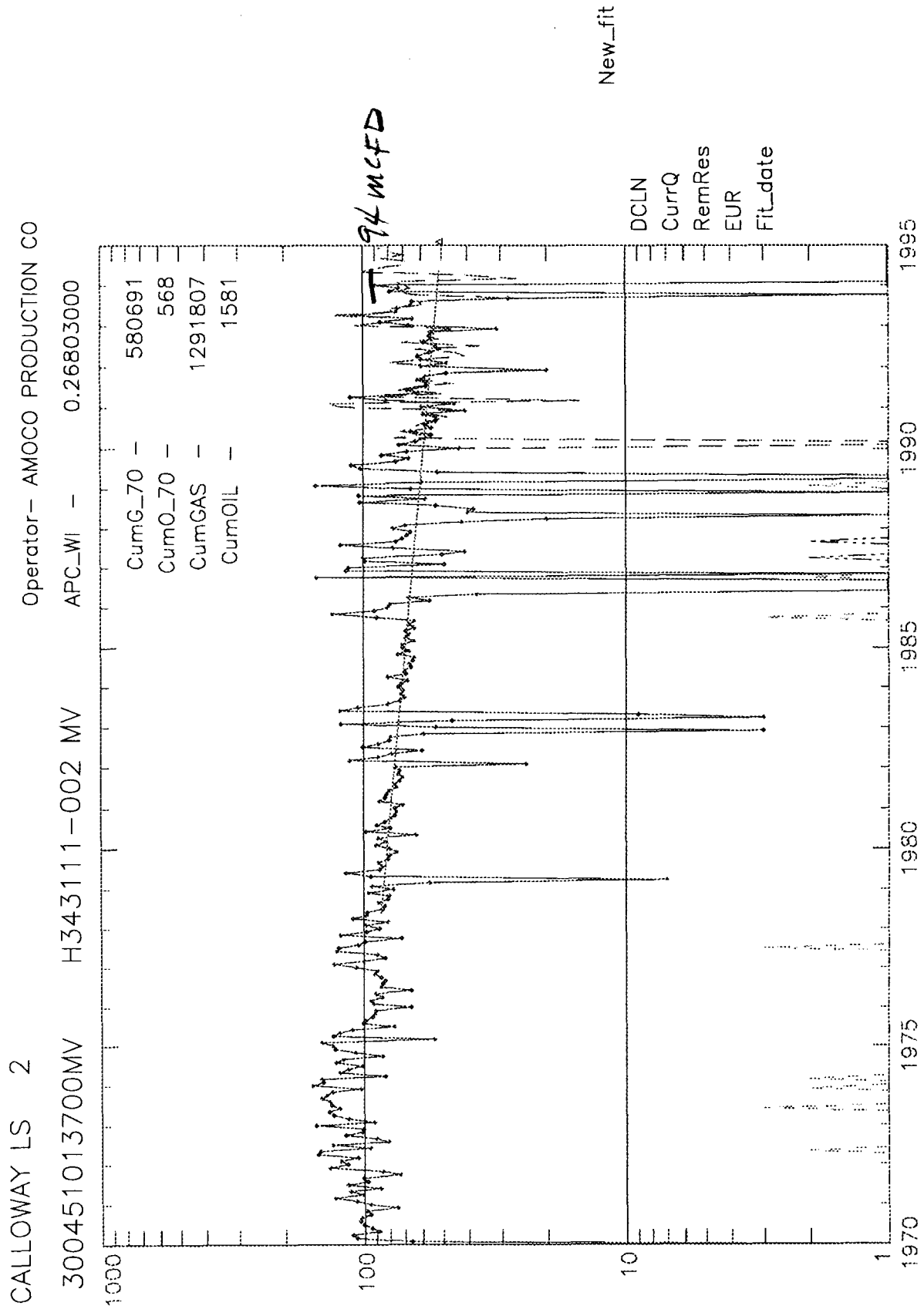
SCALE 1 IN. = 2,000 FT. MAY 19, 1995

Engr: zrar06

CALLOWAY LS 2
300451013700PC H343111-002 PC
Operator- AMOCO PRODUCTION CO
APC_WI - 0.26803000



Engr: zrar06



AMOCO PRODUCTION COMPANY
SAN JUAN OPERATIONS CENTER
FARMINGTON, NM

ONSHORE FEDERAL AND INDIAN
SITE FACILITY DIAGRAM

LEASE NAME & WELL NUMBER Calloway LS 2 (PC & MV)

LEASE NUMBER _____

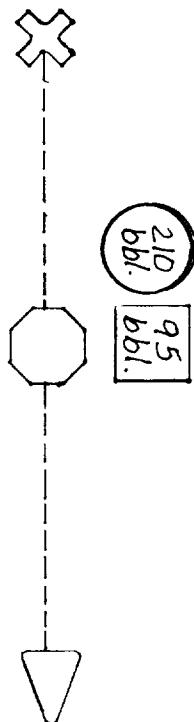
COMMUNITIZATION NUMBER _____

LOCATION Unit H SEC 34 T 31 N R 11 W

This diagram subject to site security plan _____

Sealed valves are normally closed during production phase. Drain line valve to pit open to draw off water and load line valve open to sell condensate.

Proposed Location



-  Compressor
-  Wellhead
-  Production Unit
-  Storage Tank
-  Dehydrator
-  Meter Run
-  Pit
-  Sealed Valves