

6-10-85
called - will
R.G. + S.A.P.

P.O. Box 111
Farmington, New Mexico 87499
(505) 327-9267
(505) 325-1873 (car 2893)

LEDGE

OIL and GAS PROPERTY MANAGEMENT

meter Gas of to GOR
Kmd Allocation of
liquids of Yearly
Test.

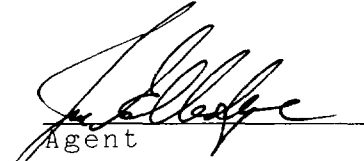
May 10, 1985

Mr. R.L. Stamets
State of New Mexico
Energy and Minerals Dept.
Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

Dear Sir:

Please find attached an application to surface commingle the oil and gas production from the Basin Dakota formation with oil and gas production from the Devils Fork Gallup formation on Curtis J. Little's Warren #3E located 1750' FNL and 790' FEL of Section 26, Township 25N, Range 6W of Rio Arriba County, New Mexico. The lease No. is SF-079139-A.

Yours truly,


Agent

cc: Curtis J. Little-Farmington
BLM-Farmington
NMOCC-Aztec

MC
meter Kmd before
commingling - on gas
side
Production allocation of
liquids based on yearly
GOR Tests.

OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF CURTIS J. LITTLE AS OPERATOR
FOR SURFACE COMMINGLED GAS
PRODUCTION AND OIL PRODUCTION
IN THE DEVILS FORK GALLUP AND
BASIN DAKOTA POOL

APPLICATION

Applicant, Curtis J. Little, P.O. Box 1258, Farmington, New Mexico, 87499, hereby ask the Oil and Gas Conservation Division for Administrative approval to surface commingle the gas production and the oil production on the below listed well in the subject field.

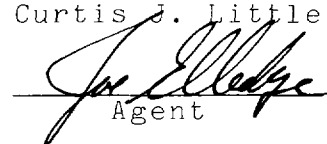
Warren #3E-Located 1750' FNL and 790' FEL of Section 26,
Township 25N, Range 6W.

1. The Dakota as tested is capable of producing 200 MCF/D of gas.
2. The Gallup as tested is capable of producing 25 MCF/D of gas.
3. The Dakota as tested is capable of producing 1 bbl. of 40.0 gravity oil/day at \$25.00/bbl.
4. The Gallup as tested is capable of producing 1½ bbl. of 45.0 gravity oil/day at \$25.00/bbl.
5. The average gravity of oil is expected to be 42.0 after commingled into a storage tank.
- ✓ 6. The commercial value of such commingled oil production should not be less than the sum of the oil production from each zone separated.
7. The average BTU value of the Dakota gas is expected to be 1100 BTU at \$2.98 plus BTU adjustment which should equal \$3.57/MCF.

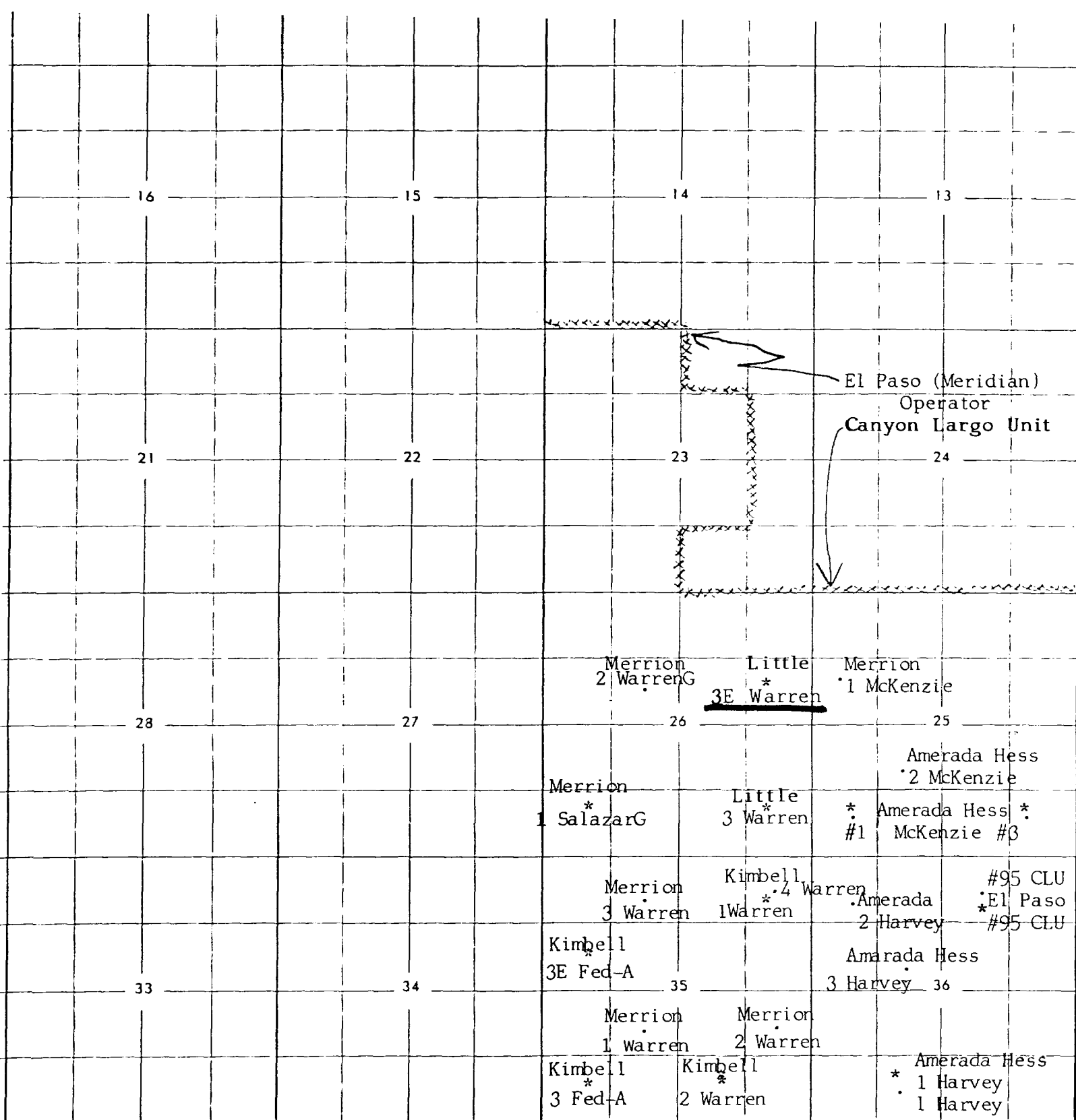
8. The average BTU value of the Gallup gas is expected to be 1230 BTU at \$2.98 plus BTU adjustment which should equal 3.92/MCF.
9. The commercial value of such commingled gas production should not be less than the sum of the gas production from each zone separated.
10. A schematic diagram of the proposed commingle points is attached.
11. Evidence indicates an extremely long payout to set a separator, tank, and production equipment for the Gallup Formation at an estimated cost of \$14,500.00.
12. A Plat showing the location of all wells on the applicants lease is attached.
13. The Bureau of Land Management has been notified of the proposed commingling.
14. Both zone's ownership (including working interest, royalty, and overriding royalty) of the commingled zones is common.
15. The Dakota zone tested 1191 psi during the initial packer leakage test shut-in.
16. The Gallup zone test 761 psi during the initial packer leakage test shut-in.
17. Propose allocating 90% of the gas to the Dakota formation and 10% of the gas to the Gallup formation.
18. Propose allocating 60% of the oil to the Gallup formation and 40% of the oil to the Dakota formation.

for: Curtis J. Little

by:

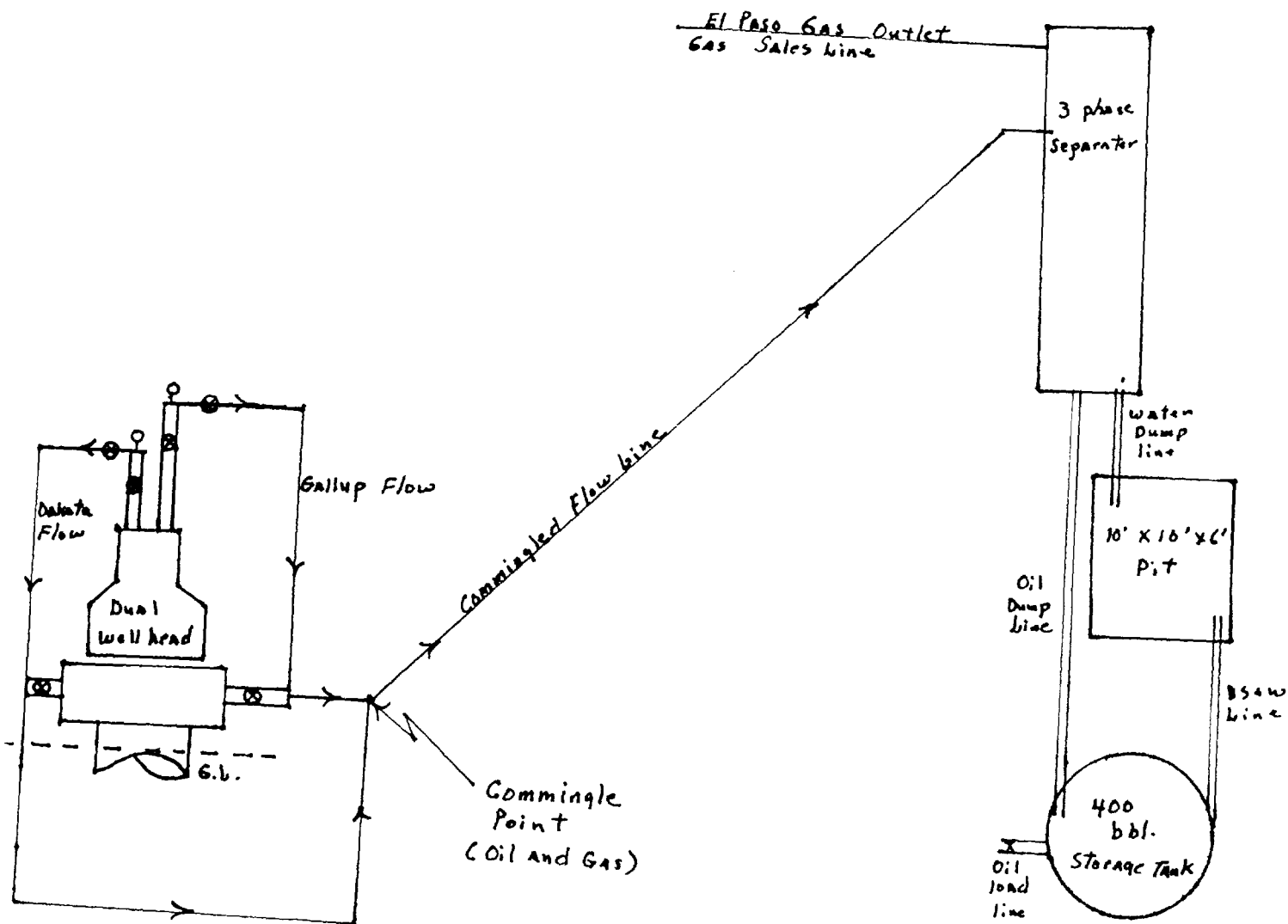

Agent

Executed this 10 day of May, 1985.



* Gallup (Devils Fork)

* Dakota (Basin)



Curtis J. Little
 Warren 3E
 Proposed hook-up



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE 5/16/85

RE: Proposed MC _____
Proposed DHC _____
Proposed NSL _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

PC ✓

Gentlemen:

I have examined the application dated 5/10/85
for the Curtis J. Little Warren #3E 14-26-25N-6W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve. Require ^{operator} meter on one of the zones due to
irregular production.

Yours truly,

Frank

Hold talk w/ Frank