



Southern

Rockies

Business

Unit

April 21, 1994

Mr. William J. LeMay
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504

File: BRC-986.511

Application for Exception to Rule 303-A
Surface Commingle Production from Dual Well
Gonzales Gas Com A No. 1, SE/4 Section 20, T29N-R10W
Aztec Fruitland Sand and Aztec Pictured Cliffs Pools
San Juan County New Mexico

Amoco Production Company hereby requests administrative approval for an exception to Rule 303-A to permit surface commingling of the production from the Aztec Fruitland Sand and Aztec Pictured Cliffs Pools for the Gonzales Gas Com A No. 1 well located in the SE/4 of section 20, T29N-R10W. The well is currently dually completed in the two formations. The surface commingling of the production from this well will allow the use of a single train of production equipment to reduce operating costs and a single compressor to increase production from both formations. 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.

The ownership (WI, RI, ORRI) is common for the pools which are proposed for surface commingling. Neither of these zones produce liquid hydrocarbons. Based on a recent test with compression, we plan to allocate the production as follows:

PC test rate - 140 mcf/d

Total PC/Ft. combined rate - 300 mcf/d

therefore: $PC = 140/300 = 46.66\%$

$Ft. = 160/300 = 53.34\%$

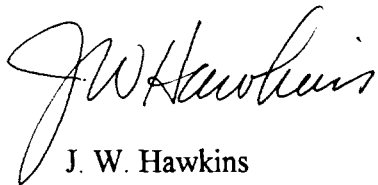
We will retest the zones on an annual basis.

Mr. William J. LeMay
April 21, 1994
Page 2

Attached to aid in your review of this application are:

1. Plat showing location of the well proposed for surface commingling and other wells in the vicinity
2. C-128 Acreage Dedication Plat for the well.
3. Schematic of the proposed installation
4. Historical Production Curves
5. Recent compression/surface commingle test for allocation.

If additional information is required, please contact me at (303) 830-5072.



J. W. Hawkins

cc:
G. M. Kutas - AB 1204

NMOCD District III
Attention: Frank Chavez
1000 Rio Branco Rd
Aztec, NM 87410

Well Location and Acreage Dedication Plat

Section A.

Date AUGUST 8, 1957

Operator PAN AMERICAN PETROLEUM CORP. Lease GONZALES GAS UNIT "A"
 Well No. 1 Unit Letter I Section 20 Township 29 NORTH Range 10 WEST NMPM
 Located 1850 Feet From the SOUTH Line, 1010 Feet From the EAST Line
 County SAN JUAN G. L. Elevation * Dedicated Acreage 160 Acres
 Name of Producing Formation Pictured Cliffs Pool Aztec-Pictured Cliffs

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below?
 Yes X No _____
2. If the answer to question one is "no", have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes _____ No _____. If answer is "yes", Type of Consolidation _____
3. If the answer to question two is "no", list all the owners and their respective interests below:

Owner
 *To be reported later

Land Description

Section B.

This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

PAN AMERICAN PETROLEUM CORPORATION

(Operator)

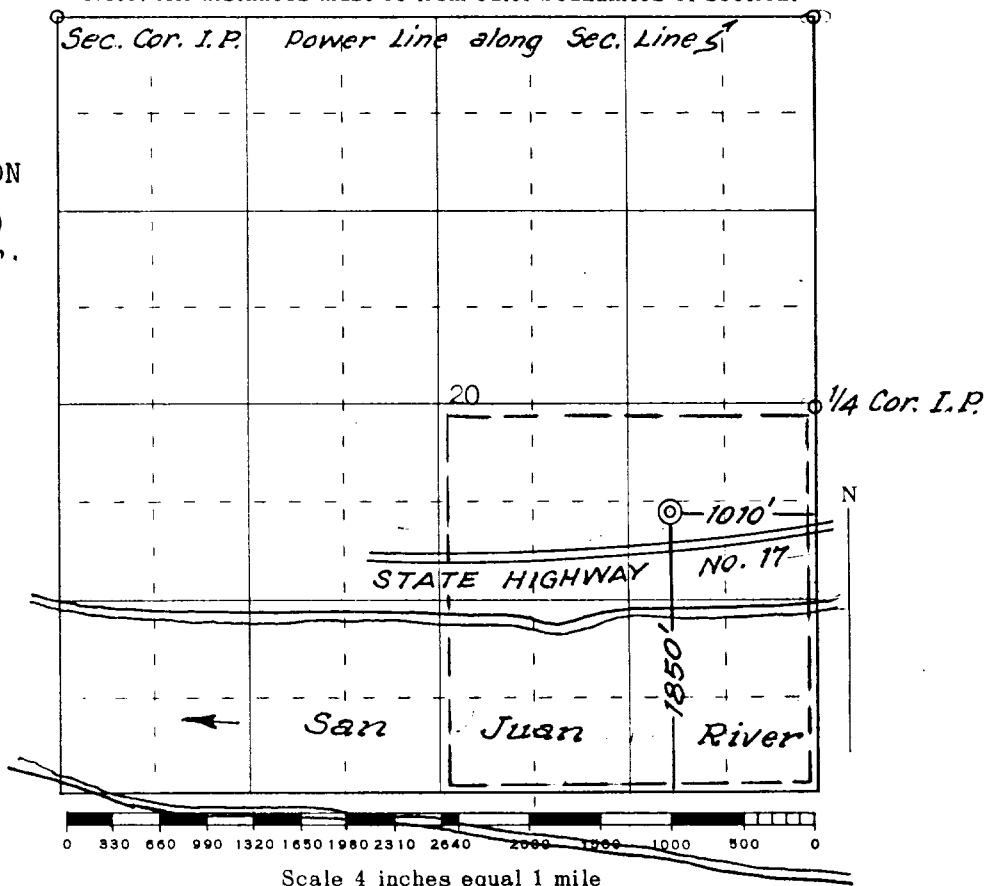
R. M. BAUER, JR. RMBauer Jr.

(Representative)

BOX 487, FARMINGTON, NEW MEXICO

(Address)

Note: All distances must be from outer boundaries of section.



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 5 JULY 1957

James R. Leese
 Registered Professional Engineer and/or Land Surveyor
 James P. Leese

NEW MEXICO OIL CONSERVATION COMMISSION

WELL LOCATION AND ACREAGE DEDICATION PLAT

FORM C-128
Revised 5/1/57

SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

SECTION A

Operator Pan American Petroleum Corporation			Lease Gonzales Gas Unit "A"		Well No. 1
Unit Letter I	Section 20	Township 29 North	Range 10 West	County San Juan	
Actual Footage Location of Well: 1850 feet from the South line and 1010 feet from the East line					
Ground Level Elev. 5558	Producing Formation Fruitland		Pool Aztec Fruitland		Dedicated Acreage: 160 Acres

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES ☒ NO ____ . ("Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (e) NMSA 1935 Comp.)
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? YES ____ NO ____ . If answer is "yes," Type of Consolidation ____
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner	Land Description

SECTION B

NOTE: Form C-128 filed to show acreage dedication for dual completion in Fruitland zone of well originally drilled and completed in the Pictured Cliffs formation.

CERTIFICATION

I hereby certify that the information in SECTION A above is true and complete to the best of my knowledge and belief.

Name R. M. Bauer, Jr.
Position Area Engineer
Company Pan American Petroleum Corp.
Date January 11, 1960

I hereby certify that the well location shown on the plat in SECTION B 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 July 5, 1957
Registered Professional Engineer and/or Land Surveyor Original /s/ James P. Leese

Certificate No. **1463**

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

AMOCO PRODUCTION COMPANY
FARMINGTON DISTRICT

ONSHORE FEDERAL AND INDIAN
SITE FACILITY DIAGRAM

GONZALES GAS COM A1 (FR&PC)

LEASE NAME & WELL NUMBER

LEASE NUMBER

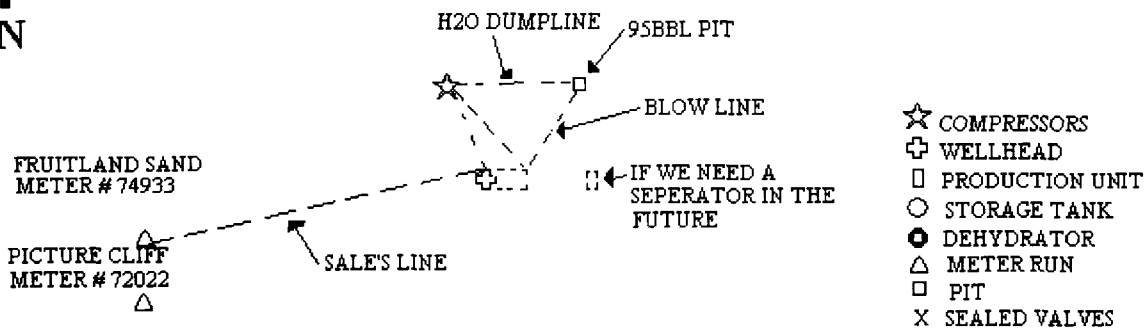
COMMUNITIZATION NUMBER

LOCATION 1 SEC. 20 T 29 R 10W

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.

(THIS IS HOW I WOULD LIKE TO SEE THE LOCATION SETUP. WE ARE LIMITED ON SPACE BECAUSE
THE DROP OFF ON THE HILL)

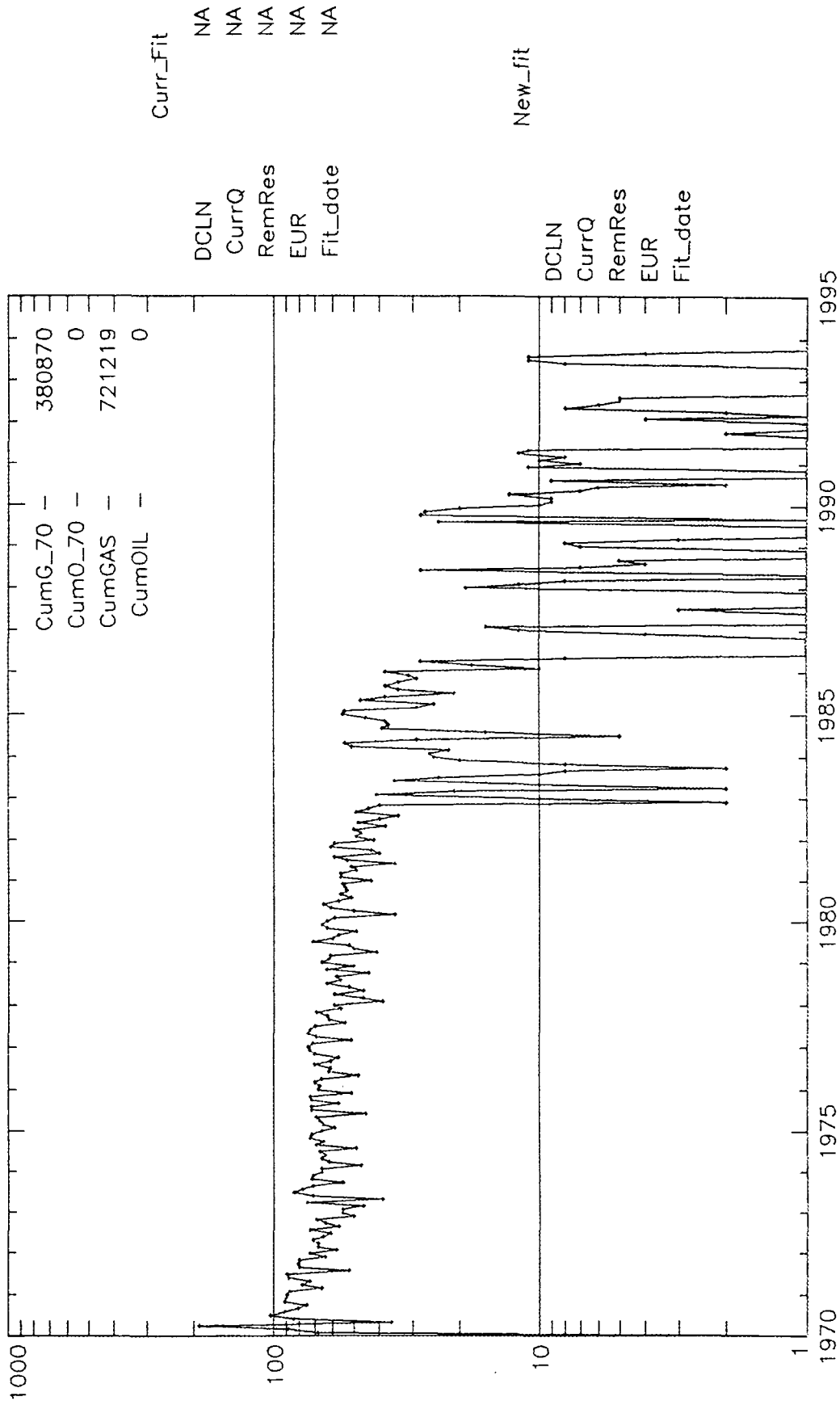


Pictured Cliffs

Engr: zgm04

GONZALES GAS COM A 001

Operator- AMOCO PRODUCTION CO



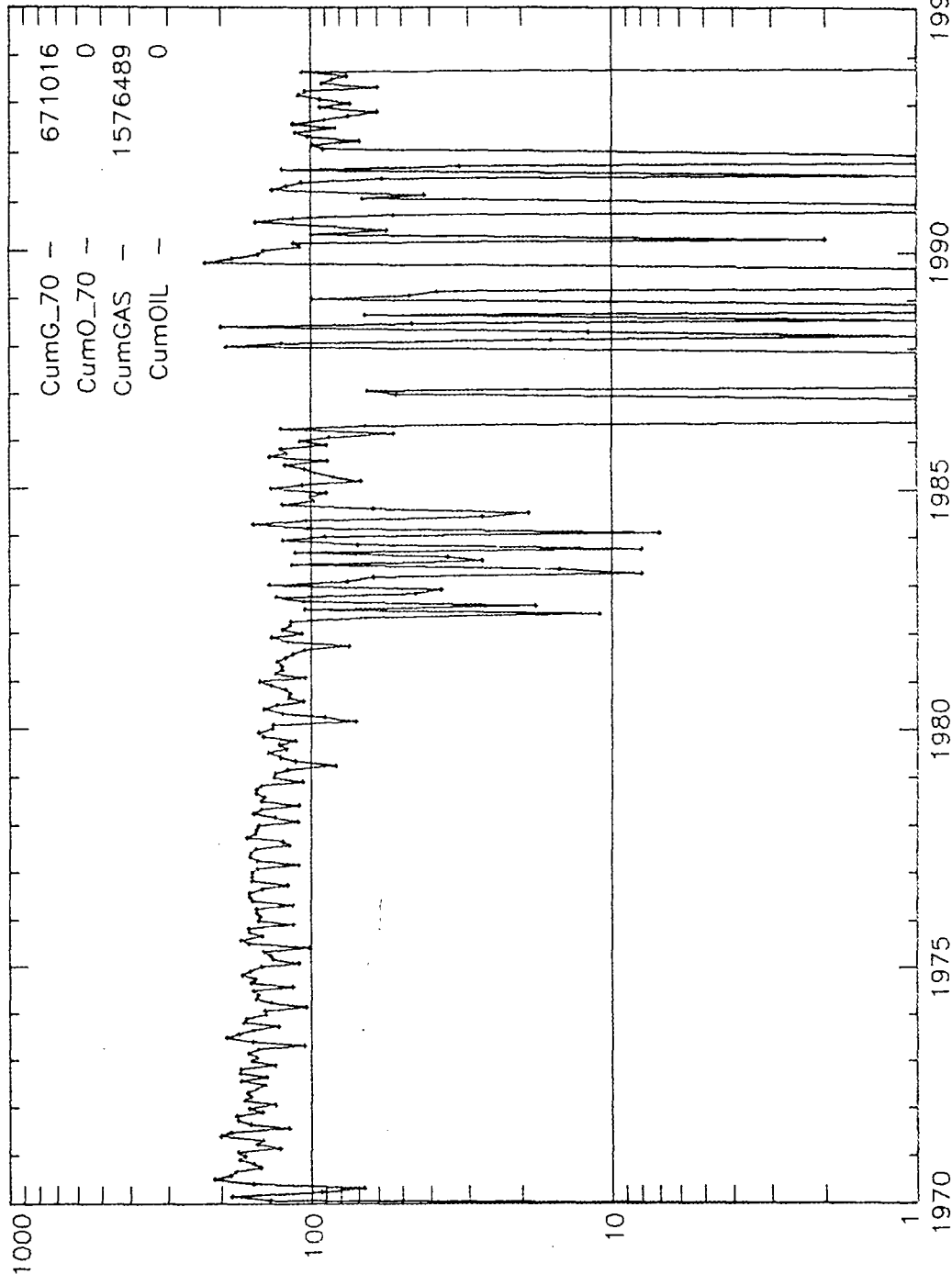
FRUITLAND SAND

Engr: zgmK04

GONZALES GAS COM A 001

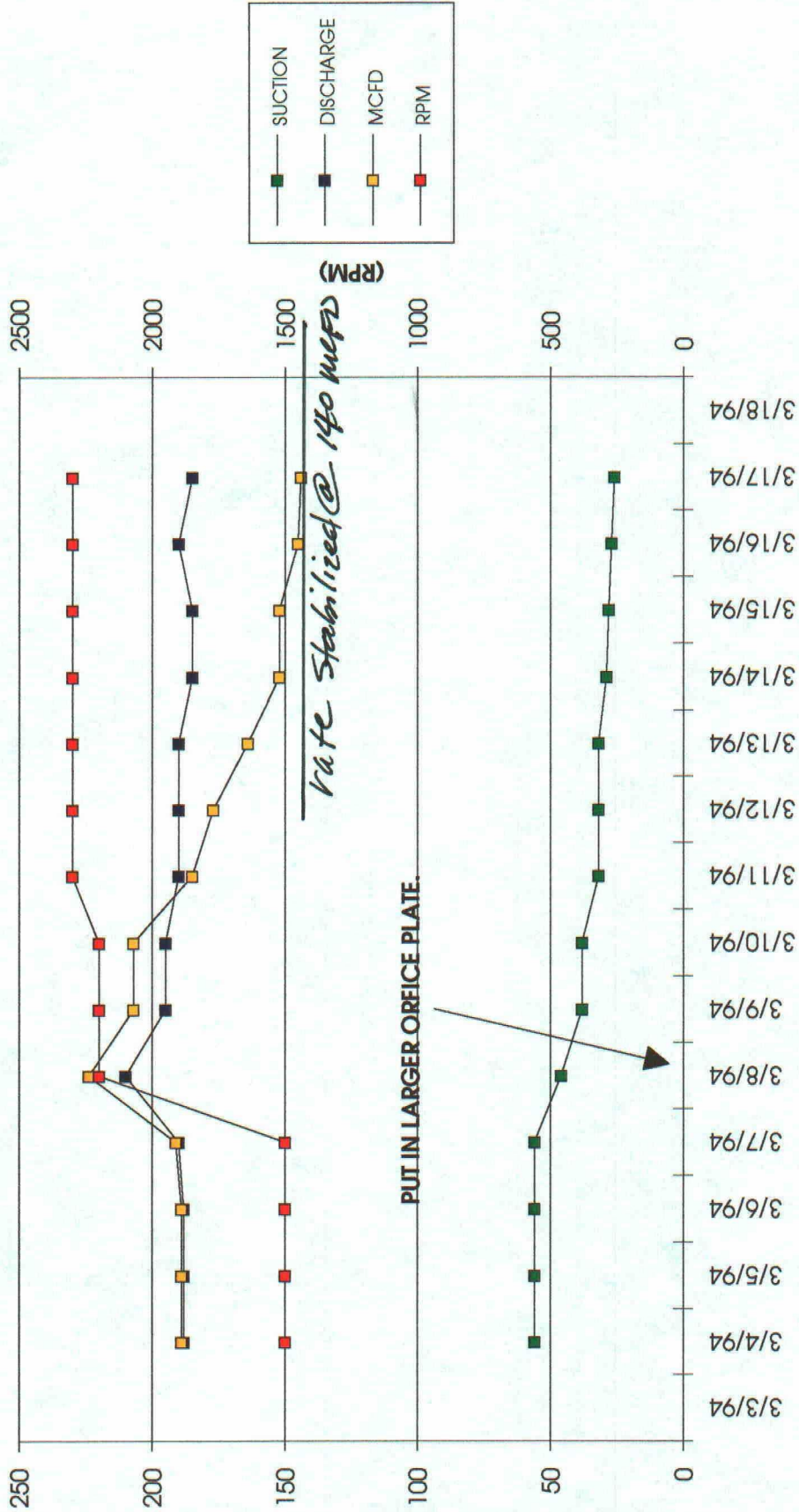
Operator-- AMOCO PRODUCTION CO

APC_WI -



COMPRESSOR TEST

GONZALES GAS COM A#1 (PC)



PAST PRODUCTION .15 MCFD

LOWER ZONE OF DUAL WELL

BLS

COMPRESSOR TEST

GONZALES GAS COM A#1 (PC,FR)

