



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 10-6-83

RE: Proposed MC _____
Proposed DHC 12 _____
Proposed NSL _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated 10-6-83
for the W. J. P. Co. Lease # 11-11-27-3
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Yours truly,

**Union Texas
Petroleum**

P. O. Box 1290
Farmington, N.M. 87499
(505) 325-3587

October 4, 1983

Oil Conservation Division
Joe D. Ramey
Director
P.O. Box 2088
Santa Fe, New Mexico 87501

RECEIVED
OCT - 6 1983
OIL CON. DIV.
DIST. 3

Reference: Jicarilla 0 Well No. 1
M 10 22N 3W

Dear Mr. Ramey:

Union Texas Petroleum Corporation is applying for a downhole commingling order for the referenced well in the Chacon Dakota Associated and Undesignated Gallup pools. The ownership of the zones to be commingled are common. Aztec Energy Corporation is the only offset operator. The Bureau of Land Management as well as Aztec Energy Corporation will receive notification of the proposed down hole commingling.

The proposed zone to be commingled is the Gallup formation. For perforations, the final decision will be made after another cased hole log is ran. A string of 2-3/8" EUE tubing will be run, with all zones being pumped through this one string.

The proposed commingling will result in the recovery of additional hydrocarbons from each of the subject pools, thereby preventing waste and will not violate correlative rights.

The total value of the crude will not be reduced by commingling. The production from the Chacon Dakota Associated within this wellbore is low marginal. It is currently producing 4.5 BOPD with 2 MCFPD. This is not enough gas to run the pump. Extra gas has to be purchased. The expected production from the Gallup is also low marginal. It is estimated to be from 14 to 18 BOPD with 6 to 10 MCFPD. This will be enough gas to run the pump and make the well economical to operate. The well will have to be plugged and abandoned if the cost efficiency is not increased.

The reservoir characteristics of each of the subject zones are such that underground waste would not be caused by the proposed down hole commingling. The fluids from each zone are compatible and no precipitates will be formed to cause damage to either reservoir. The daily production will not exceed the limit of Rule 303C, Section 1a, Part 1. Both fluids have an API gravity close to 40°. The bottom hole pressure for the Dakota is 1857 PSI. The estimated bottom hole pressure for the Gallup, based on two commingled Gallup-Dakota wells in Section 3, Township 22 North, Range 3 West, is 1834 PSI. The two wells which are currently down hole commingled in the Gallup and Dakota formations are Chace Oil Company. Chace Apache 54 Well No. 10 (I 3 22N 3W) and Chace Apache 54 Well No. 11 (K 3 22N 3W). The commingling will not

Joe D. Ramey
Jicarilla O Well No.1
M 10 22N 3W
Page 2

jeopardize the efficiency of future secondary recovery projects in either zones to be commingled.

The Division Aztec District office will be notified anytime the commingled well is shut-in for seven (7) consecutive days.

To allocate the commingled production to each of the zones, Union Texas Petroleum will consult with the supervisor of the Aztec District office of the Division and determine an allocation formula for each of the production zones.

Included with this letter is a plat showing ownership of offsetting leases, production curve for the Chacon Dakota, current GOR on State Form C-116, and a wellbore diagram for the referenced well.

Yours truly,



J.A. Edmister
Engineering Analyst

JAE:lm

enclosures:

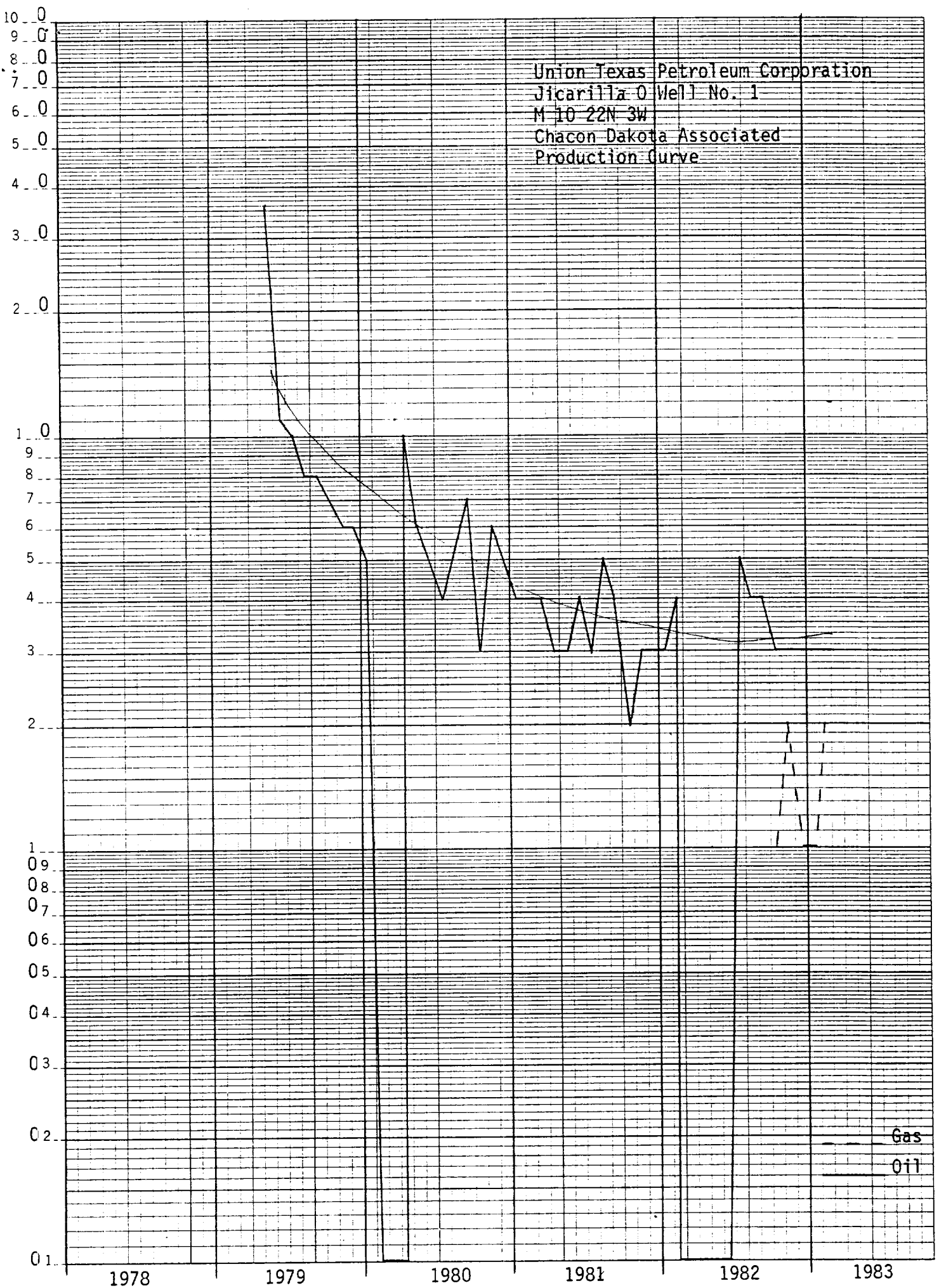
cc: Oil Conservation- Aztec
Aztec Energy Corporation
Bureau of Land Management
File

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OCT 19 1983
OIL CON. DIV. 1
DIST. 3

46 5493

K&E SEMI-LOGARITHMIC • 3 CYCLES X 70 DIVISIONS
KEUFFEL & ESSER CO. MADE IN U.S.A.

Union Texas Petroleum Corporation
Jicarilla 0 Well No. 1
M 10 22N 3W
Chacon Dakota Associated
Production Curve



GAS - OIL RATIO TESTS

Operator: Union Texas Petroleum Corporation Pool: Chacon Dakota County: Sandoval

Address: P.O. Box 1290, Farmington, New Mexico 87499

LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	TYPE OF TEST - (X)	CHOKE SIZE	TBG. PRESS.	DAILY ALLOWABLE	LENGTH OF TEST HOURS	PROD. DURING TEST			GAS - OIL RATIO CU. FT./BBL	
		U	S	T							R	WATER BBL.S.	GRAV. OIL		OIL BBL.S.
Jicarillo 0	1	M	10	22N 3M	9-2-83	P	1/8"	40	6	24	0	40°	4.45	2	449

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OIL CON. DIV.
88619-130

No well will be assigned an allowable greater than the amount of oil produced on the official test.
During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Division.

Gas volumes must be reported in MCF measured at a pressure base of 15,025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.
Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Division in accordance with Rule 301 and appropriate pool rules.

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

J. A. Edmister
J. A. Edmister (Signature)
Engineering Analyst
(Title)

**UNION TEXAS PETROLEUM CORP.
WELLBORE DIAGRAM**

WELL NAME Jicarillo 0 Well No 1.
 LOCATION 790'FSL; 790'FWL SECTION 10 T 22N R 3W
 COUNTY Sandoval STATE New Mexico LEASE Jicarilla

GLE 7085'
 KBE 7097'
 KB _____

SURFACE CASING

Hole size: 12-1/4"
 Casing: 8-5/8"
 Casing set @ 274'
 Top of Cement: Surface

FORMATION TOPS

Ojo Alamo	<u>1990</u>
Kirtland Shale	<u>2132</u>
Pictured Cliffs	<u>2394</u>
Lewis Shale	<u>2494</u>
Chacra	<u>3272</u>
Cliffhouse	<u>3890</u>
Point Lookout	<u>4504</u>
Mancos Shale	<u>4820</u>
Gallup	<u>5156</u>
Greenhorn	<u>6534</u>
Graneros	<u>6610</u>
Dakota	<u>6676</u>

WELL HISTORY

Spud date: 11- 19 -78
 Original owner: Supron Energy Corporation
 IP: MCFD 9 BOPD 20 BWPD 7
 GOR 450
 Completion 1-21-79

CURRENT DATA

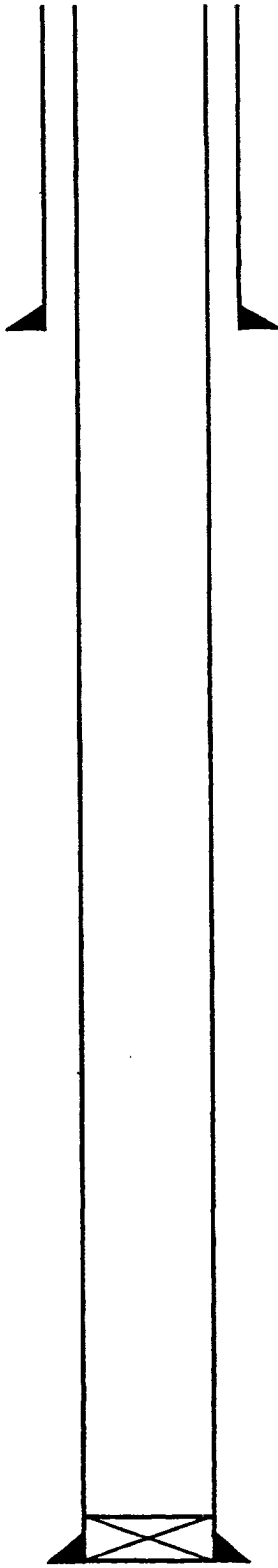
Pumping Unit: _____
 Tubing: 2-3/8"
 Pump size: 2" X 1-1/2" X 16'
 Rod string: 3/4"
 Wellhead: _____
 Remarks: _____

PRODUCTION CASING

Hole size: 7-7/8"
 Casing: 5-1/2"
 Casing set @ 7055'
 Top of Cement: 5326'

PERFORATIONS

6632, 34, 36, 38, 40, 45, 47, 49, 51, 53
55, 6723, 25, 27, 30, 32, 34, 36



PBTD 6860'
 TD 7055'

Date of Last Revision: _____

REYNOLDS MINING
MBP

2 24 80
CITIES SERV
REYNOLDS MIN
MBP

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SC-UNION
5-19 79

*NM-1302 MBP
NM-2281
3-5-80

Aztec Energy
Corp. Permit

COLE
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M
Jic. O #1

2560 AC
Jicarilla Apache Tribe

T
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UNION CALIF
3-24 79

REFINERS PETR

COLE SILVER

UNION ACREAGE

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UNION A. AB
7-9-80

ENNECO
22 80

UNION CALIF
12 27 76

REFINERS PETR

TEROM

PARLAY