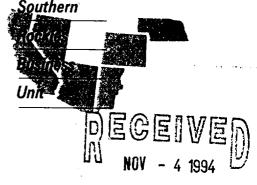


NOVEMBER 3, 1994

NEW MEXICO OIL CONSERVATION DIVISION ATTENTION: ERNIE BUSH 1000 RIO BRAZOS ROAD AZTEC, NEW MEXICO 87410

K-4-25-5



PC (Temp appart) t
Till 2-21-95

OIL CON. DIV.

JICARILLA CONTRACT 146 #12 RECOMPLETION

THIS WELL IS AN EXISTING CHARCA COMPLETION AND THE RECOMPLETION TO THE PICTURED CLIFFS AND FRUITLAND WAS APPROVED JULY 6, 1994. IN ORDER TO OBTAIN STABILIZED RATES FOR THE COMMINGLING APPLICATION, AMOCO REQUESTS APPROVAL OF A TESTING PHASE OF UP TO NINETY DAYS. THE GAS WOULD BE SOLD DURING THE TESTING AND ALLOCATED PER THE FOLLOWING PERCENTAGES;

TEMPORARY ALLOCATION PERCENTAGES

	OIL	GAS	WATER
CHACRA	1.00	.18	1.00
PIC CLIFFS	0.00	.41	0.00
FRUITLAND	0.00	.41	0.00

IF THE DATA ACCUMULATED DURING THE TESTING PHASE INDICATES THAT THE PERCENTAGES SHOULD BE REVISED, THE NECESSARY ADJUSTMENTS WILL

THE REQUESTS FOR ALLOWABLE AND AUTHORIZATIONS TO TRANSPORT, FORM C-104, FOR THE PICTURED CLIFFS AND THE FRUITLAND ARE ATTACHED. THE EXISTING CHACRA ALREADY HAS AN APPROVED C-104. THE WELL IS CURRENTLY SHUT IN AWAITING APPROVAL OF THE C-104'S FOR THE NEW FORMATIONS.

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT ME AT (303) 830-4912.

A. WAYNE BRANAM

BUSINESS ANALYST

ATTACHMENT

BE DONE.