



TONEY ANAYA
GOVERNOR

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

February 29, 1984

Mr. Robert L. Bayless
P.O. Box 1541
Farmington, NM 87499

Re: Jicarilla Contract 363 B #4 & #5 B-16-24N-4W, C-16-24N-4W

Dear Bob:

Your request to produce both referenced wells through a common meter raises several questions. Regulations require that gas wells be metered individually. As long as production is not commingled prior to measurement and arrangements are made with the pipeline to report the volumes attributable to each well, we will have no objection to a six month operation of this temporary gathering system. If such arrangements cannot be made, you will have to request a hearing for surface commingling approval.

If you have any questions, please contact this office.

Sincerely,

A handwritten signature in dark ink, appearing to read "Frank T. Chavez". The signature is written in a cursive, flowing style.

Frank T. Chavez
District Supervisor

FTC/dj

ROBERT L. BAYLESS

PETROLEUM PLAZA BUILDING
P. O. BOX 1541
FARMINGTON, NEW MEXICO 87499
(505) 326-2659

December 30, 1983

Bureau of Land Management
Caller Service 4104
Farmington, NM 87499

RE: Jicarilla Contract 363
B #5 Well

Gentlemen:


The above referred to Pictured Cliffs formation gas well is located directly offsetting the B #4 well as shown on the attached plat. This acreage is dedicated to Northwest Pipeline Corporation, however, because of the current national gas supply market they have refused to connect the B #5 well. The B #4 well is connected to their pipeline system.

I propose to lay 2-3/8" OD flowline from the B #5 well to the B #4 well and tie the two wells together ahead of the purchase meter. This will enable us to produce either well by itself or if the demand for gas should increase both wells could be produced simultaneously and production allocated between the wells based on their respective deliverabilities.

It should be pointed out that both wells are on the same base lease with the same operator so the Jicarilla Tribe cannot be adversely affected by this action, rather this will enable a shut-in well to be placed on production.

We hope this request, if allowed, will be a short term matter until the natural gas market improves so that the purchasing pipeline system will resume tying-in this type of well.

Yours truly,



Robert L. Bayless

RLB/lb

Enc: Well Plat

cc: Jicarilla Apache Tribe, Dulce, NM
New Mexico Oil Conservation Commission, Aztec, NM

RECEIVED
JAN 03 1984
OIL CON. DIV.
DIST. 3

