



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
1000 RIO BRAZOS ROAD
AZTEC NM 87410
(505) 334-6178 FAX: (505) 334-6170
[http://emnr.state.nm.us/ocd/District III/Sdistr.htm](http://emnr.state.nm.us/ocd/District%20III/Sdistr.htm)

GARY E. JOHNSON
Governor

Jennifer A. Salisbury
Cabinet Secretary

March 5, 1999

Mr Gary Brink
Energen Resources
2198 Blmfld Hwy
Farmington NM 87401

Re: Nye Federal #1M, API# 30-045-23536, P-20-31N-12W, DHC

Dear Mr. Brink:

Your recommended allocation of commingled production for the referenced well is hereby accepted as follows:

	Gas	Oil
Mesaverde	64%	0%
Dakota	36%	100%

Yours truly,

Ernie Busch
District Geologist/Deputy O&G Inspector

EB/mk

cc: well file
Jim Lovato, Farmington BLM
David Catanach, NMOCD Santa Fe

Nyefed 1m.dhc

RECEIVED
DEC 31 1998
OIL CON. DIV.
DIST. 3

December 29, 1998

New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico 87410

Nye Federal 1M
Unit P, Section 20, T 31 N, R 12 W
San Juan Co., New Mexico
Blanco Mesa Verde & Basin Dakota Pools
API # 30-045-23536
Administrative Order DHC-1935

Dear Mr. Bush:

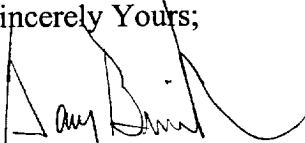
We completed the field operations to downhole commingle the subject well and recently returned it to production. In accordance to DHC-1935, the supervisor of the Aztec District Office of the NMOCD shall determine the proper production allocation based on a subtraction method recommended in the order.

Prior to downhole commingling, the Mesa Verde was producing 46 MCFD and the Dakota was loaded up with fluid and non productive. The combined Mesa Verde and Dakota has stabilized at 180 MCFD with the aid of a plunger lift system. Since the original method proposed to allocate production is unrealistic, it is recommended the production allocation be based on surrounding average production values as shown on the attached tables. Based on this offset data, it is recommended the allocation be as follows:

	Gas	Oil
Mesa Verde	64%	0%
Dakota	36%	100%

If additional information is needed, please contact me.

Sincerely Yours;



Gary W. Brink
Production Superintendent

Surrounding Mesa Verde Production
Nye Federal 1M
Unit P, Sec 20, T 31 N, R 12 W

<u>Well</u>	<u>Location</u>	<u>Rate MCFD</u>
Nye Federal 1	M 20-31-12	60
Ohio Govt 1A	C 20-31-12	85
Ohio Govt 1	A 20-31-12	90
Taliaferro 4E	C 29-31-12	88
Thompson 2	C 28-31-12	73
Sadie West 1	L 21-31-12	110
Sadie West 1A	C 21-31-12	105
	Total Avg.	87

RECEIVED
DEC 3 1 1998
OIL CON. DIV.
PAGE 3

Surrounding Dakota Production
Nye Federal 1M
Unit P, Sec 20, T 31 N, R 12 W

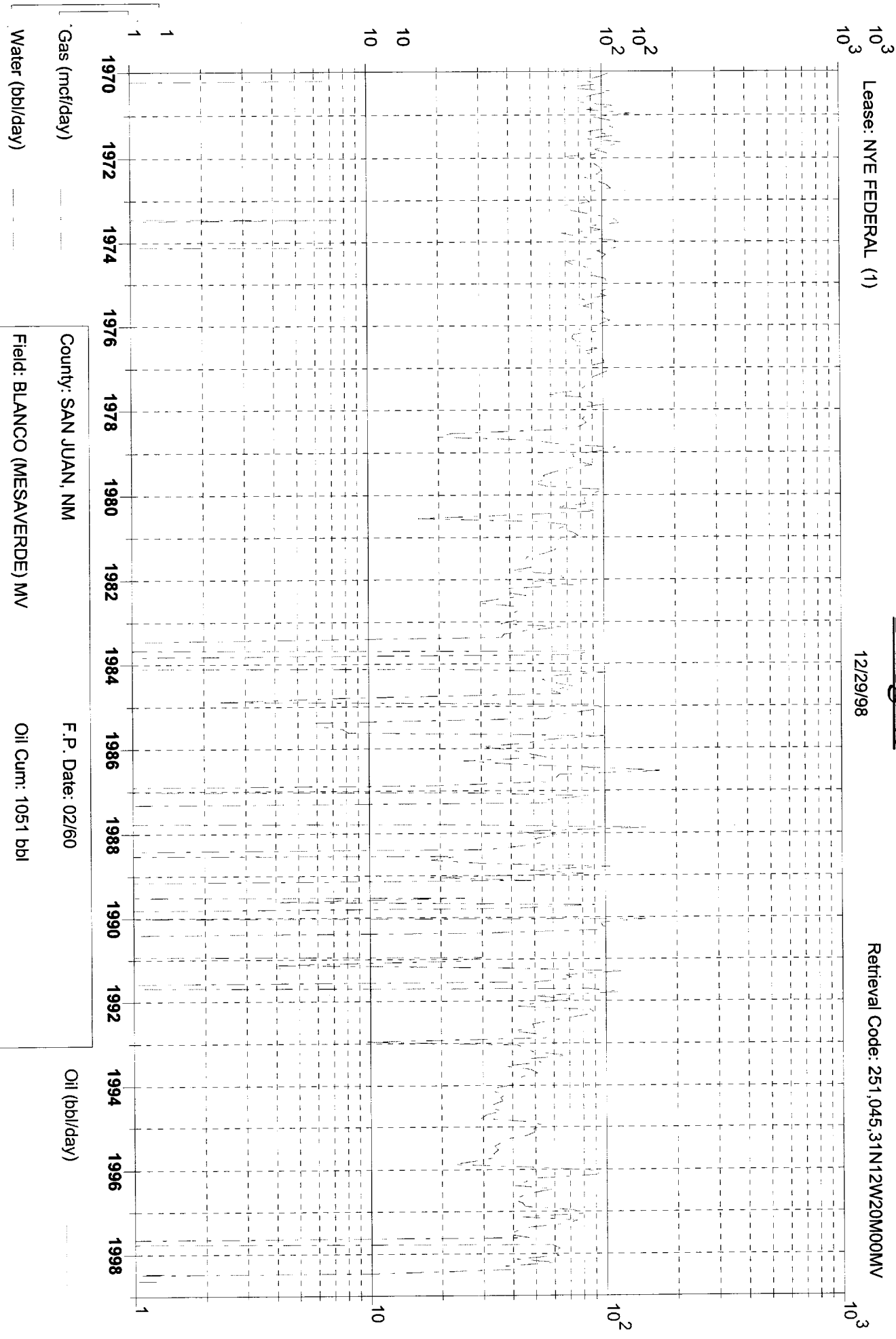
<u>Well</u>	<u>Location</u>	<u>Rate MCFD</u>
Nye Federal 1	M 20-31-12	25
Nueman 1E	C 20-31-12	95
Nueman 1	B 20-31-12	85
Taliaferro 4E	C 29-31-12	35
Thompson 8	D 28-31-12	18
Sadie West 2	D 21-31-12	28
	Total Avg.	48

Dwights

12/29/98

Retrieval Code: 251,045,31N12W20M00MV

Lease: NYE FEDERAL (1)



County: SAN JUAN, NM

F.P. Date: 02/60

Field: BLANCO (MESAVERDE) MV

Oil Cum: 1051 bbl

Reservoir: MESAVERDE

Gas Cum: 1007 mmcf

Operator: TAURUS EXPL USA INC

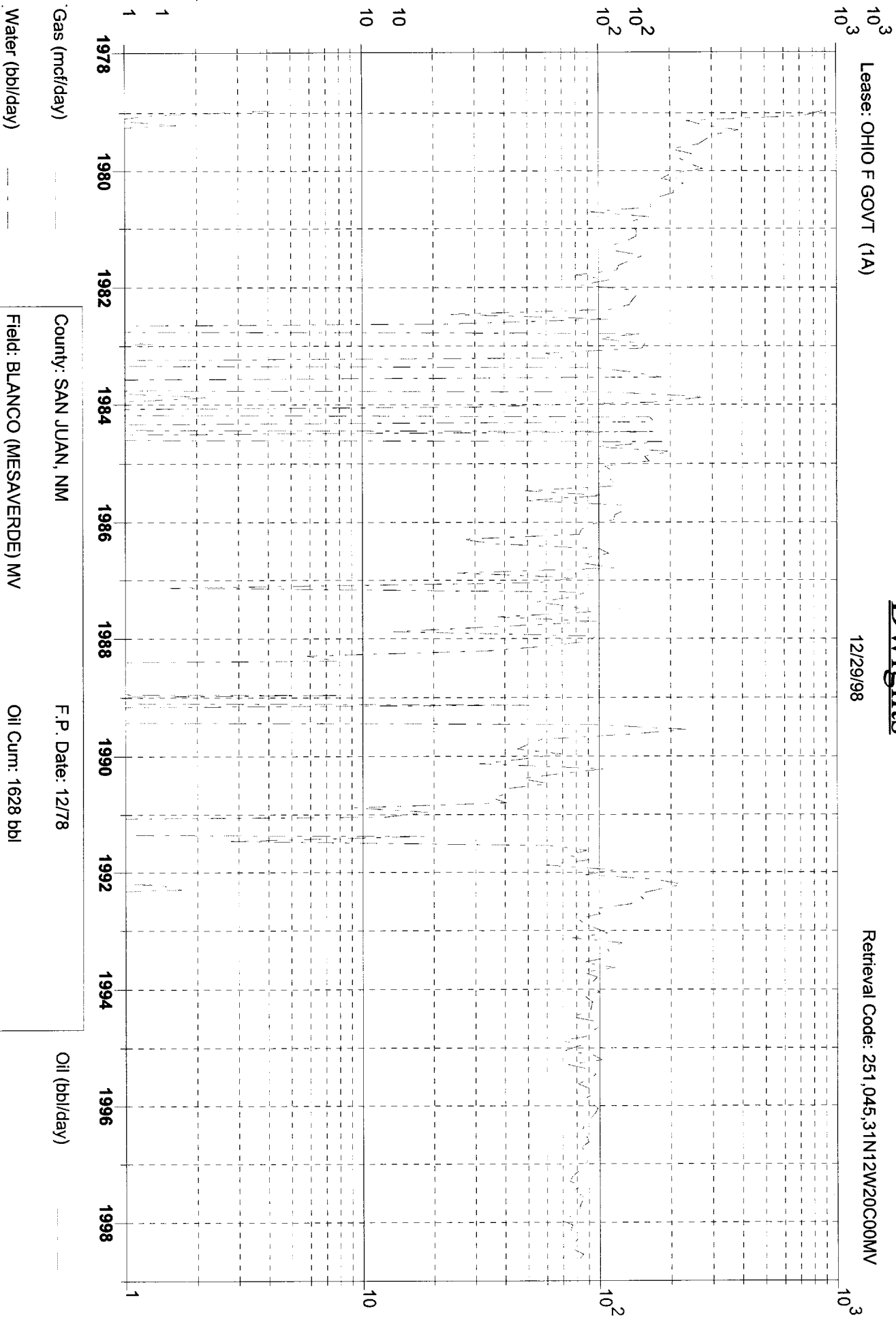
Location: 20M 31N 12W

Dwights

Lease: OHIO F GOVT (1A)

12/29/98

Retrieval Code: 251.045.31N12W20C00MV



County: SAN JUAN, NM

Field: BLANCO (MESAVERDE) MV

Reservoir: MESAVERDE

Operator: MARATHON OIL CO

F.P. Date: 12/78

Oil Cum: 1628 bbl

Gas Cum: 739.9 mmcf

Location: 20C 31N 12W

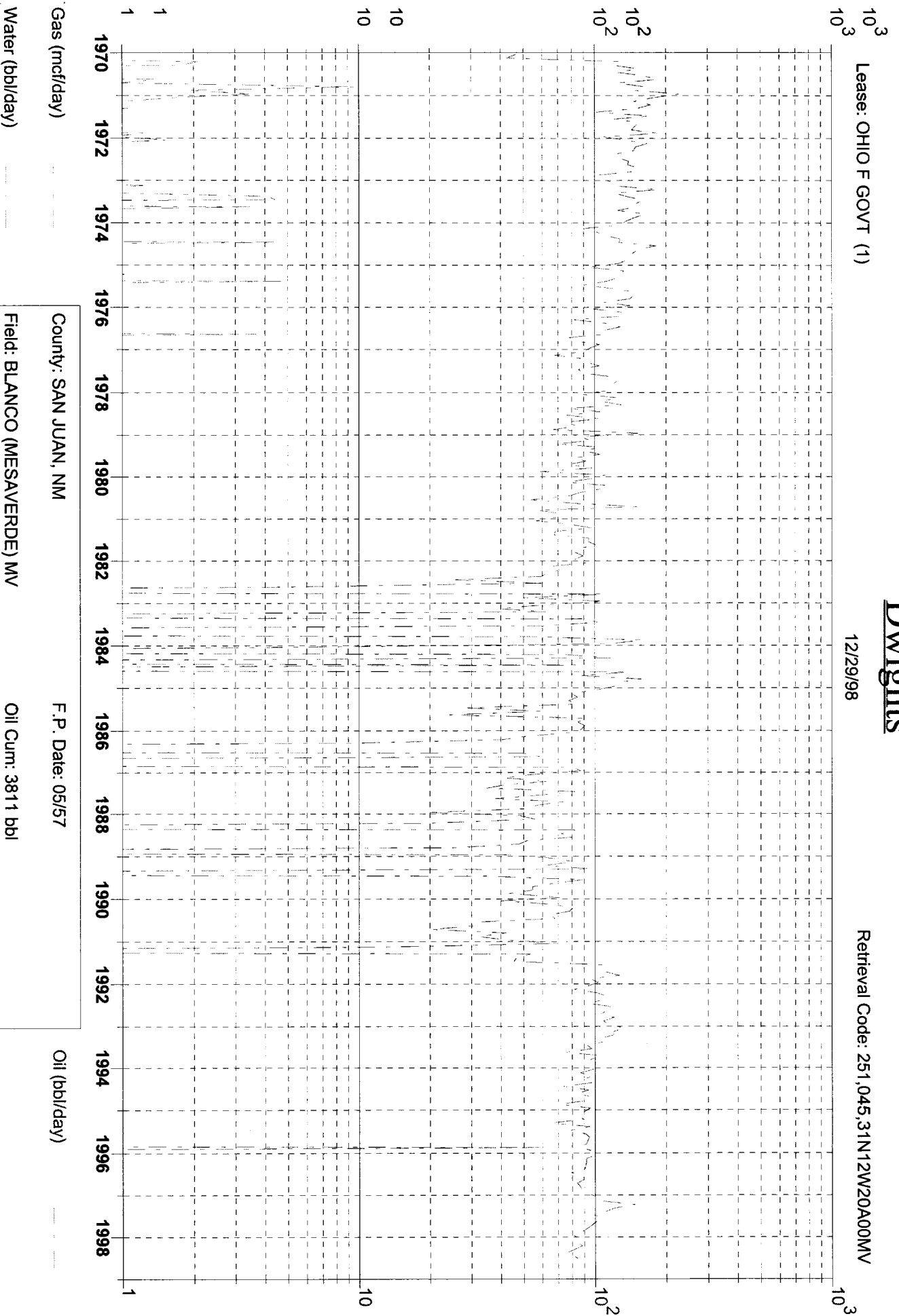
Oil (bbl/day)

Dwights

Lease: OHIO F GOVT (1)

12/29/98

Retrieval Code: 251,045,31N12W20A00MV



Gas (mcf/day)

Water (bbl/day)

County: SAN JUAN, NM

Field: BLANCO (MESAVERDE) MV

Reservoir: MESAVERDE

Operator: MARATHON OIL CO

F.P. Date: 05/57

Oil Cum: 3811 bbl

Gas Cum: 1591 mmcf

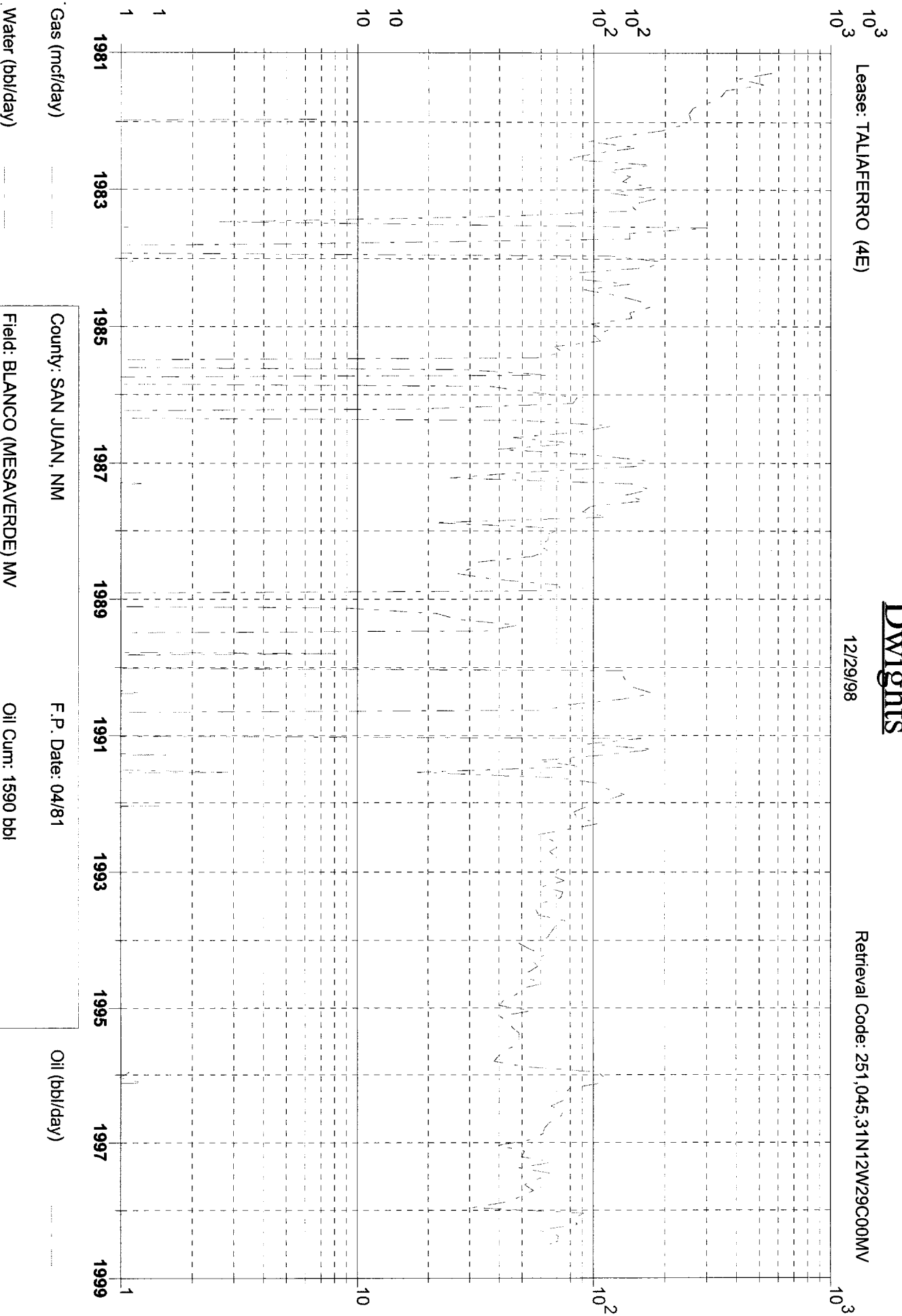
Location: 20A 31N 12W

Dwights

Lease: TALIAFERRO (4E)

12/29/98

Retrieval Code: 251,045,31N12W29C00MV



Gas (mcf/day)

Water (bbl/day)

County: SAN JUAN, NM

Field: BLANCO (MESAVERDE) MV

Reservoir: MESAVERDE

Operator: BURLINGTON RES O&G CO

F.P. Date: 04/81

Oil Cum: 1590 bbl

Gas Cum: 571.4 mmcf

Location: 29C 31N 12W

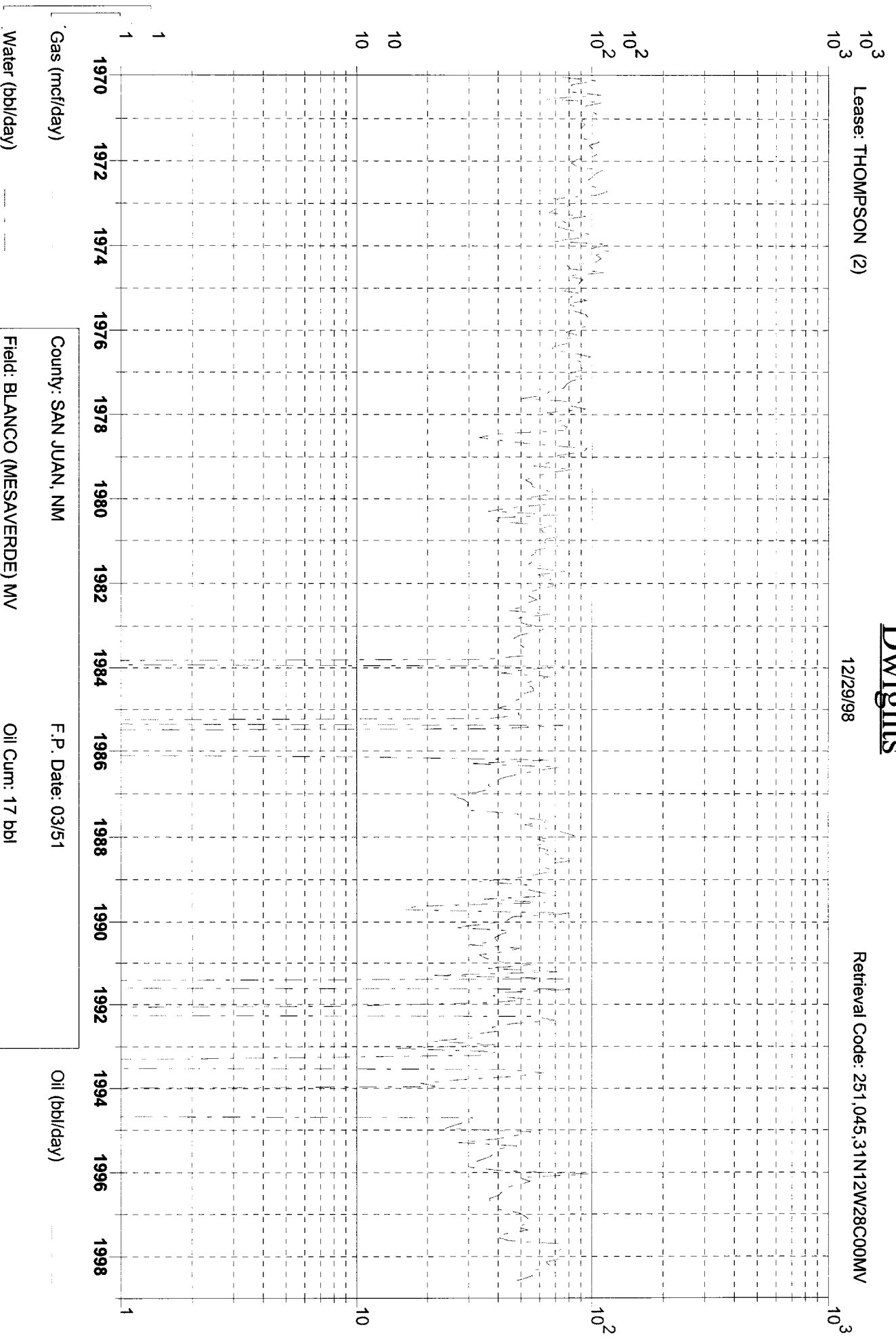
Oil (bbl/day)

Dwights

Lease: THOMPSON (2)

12/29/98

Retrieval Code: 251.045.31N12W28C00MV

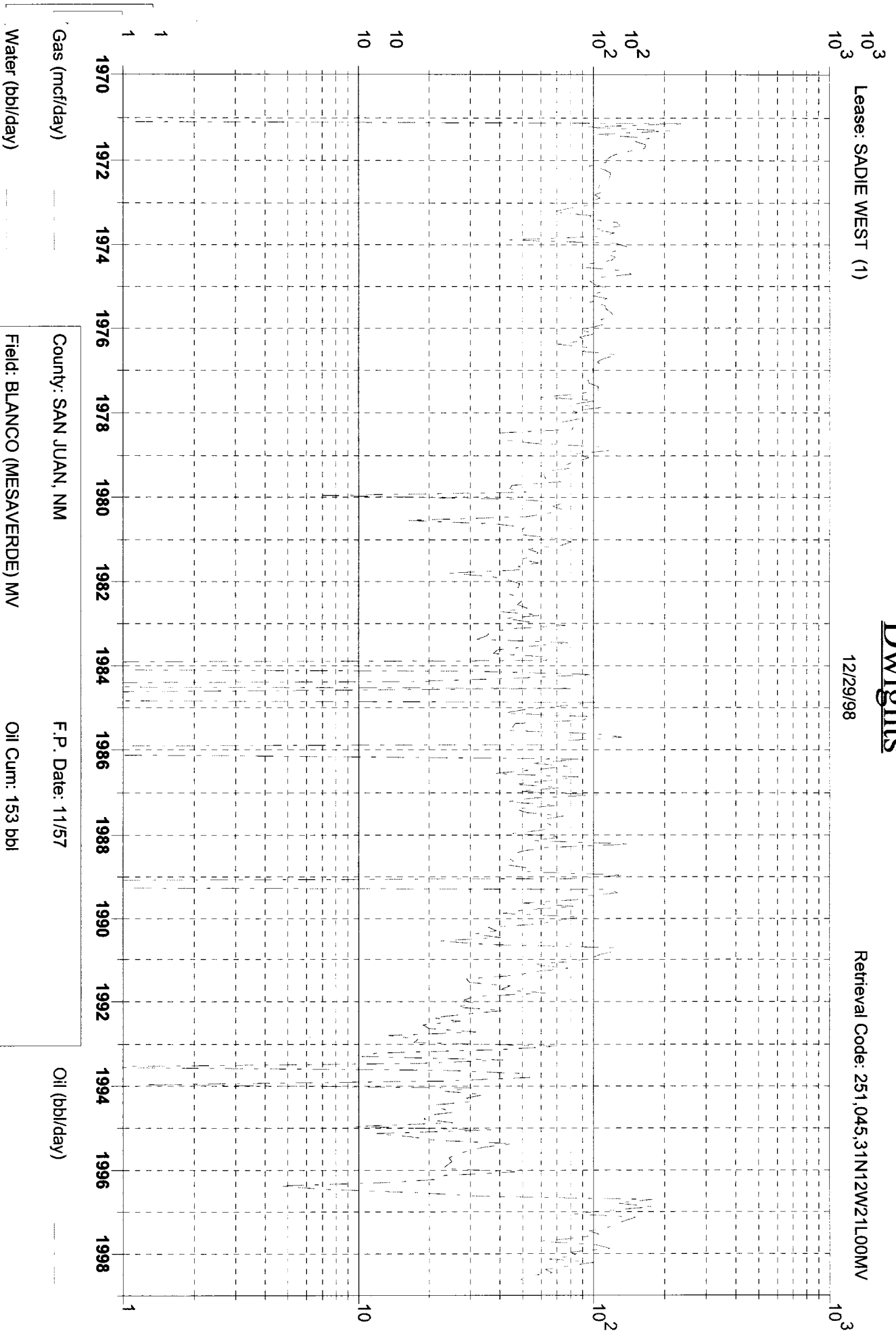


Dwights

Lease: SADIE WEST (1)

12/29/98

Retrieval Code: 251,045,31N12W21L00MV



Gas (mcf/day)

Water (bbl/day)

County: SAN JUAN, NM

Field: BLANCO (MESAVERDE) MV

Reservoir: MESAVERDE

Operator: BURLINGTON RES O&G CO

F.P. Date: 11/57

Oil Cum: 153 bbl

Gas Cum: 1446 mmcf

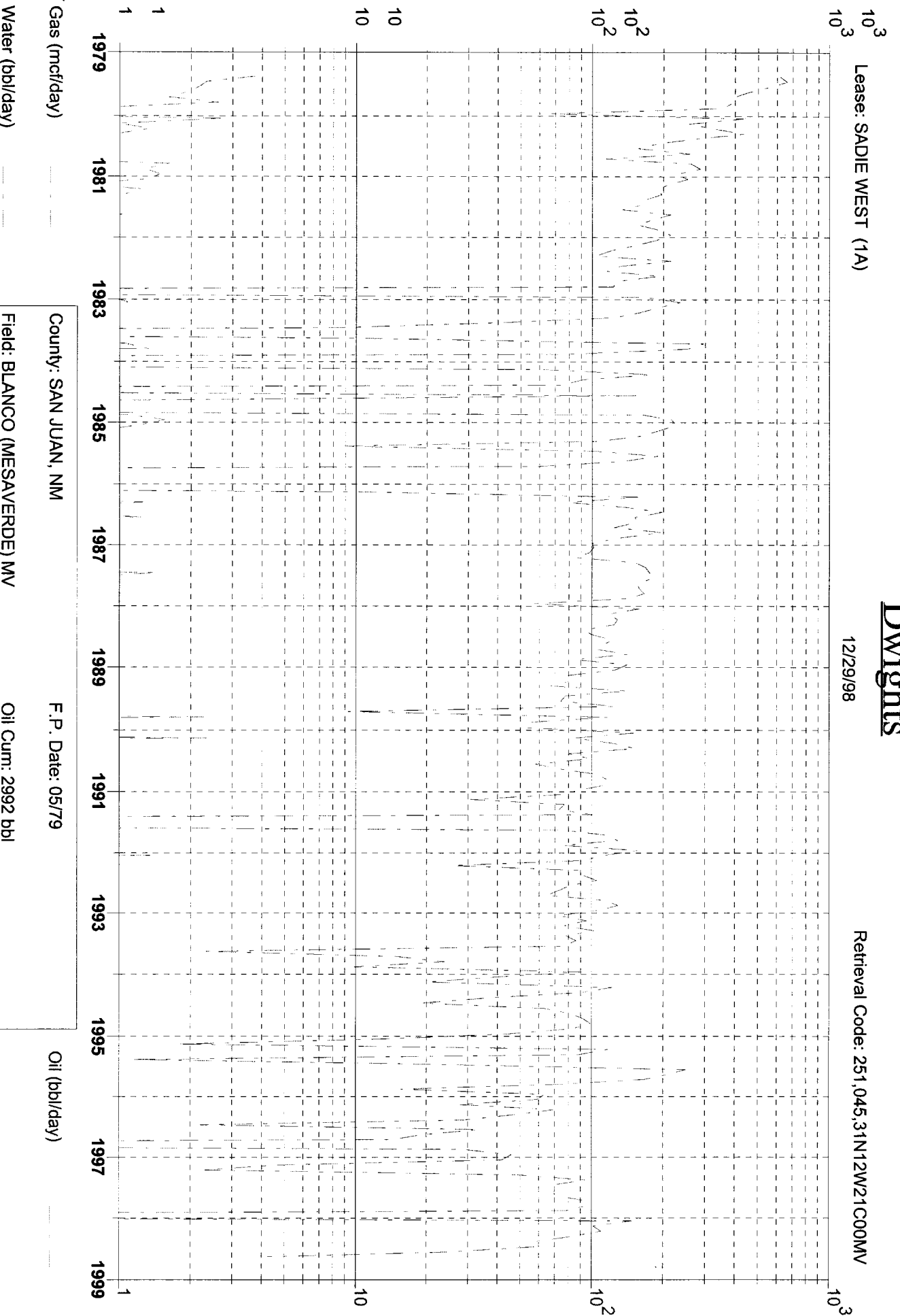
Location: 21L 31N 12W

Dwights

Lease: SADIE WEST (1A)

12/29/98

Retrieval Code: 251,045,31N12W21C00MV



County: SAN JUAN, NM

Field: BLANCO (MESAVERDE) MV

Reservoir: MESAVERDE

Operator: BURLINGTON RES O&G CO

F.P. Date: 05/79

Oil Cum: 2992 bbl

Gas Cum: 822.7 mmcf

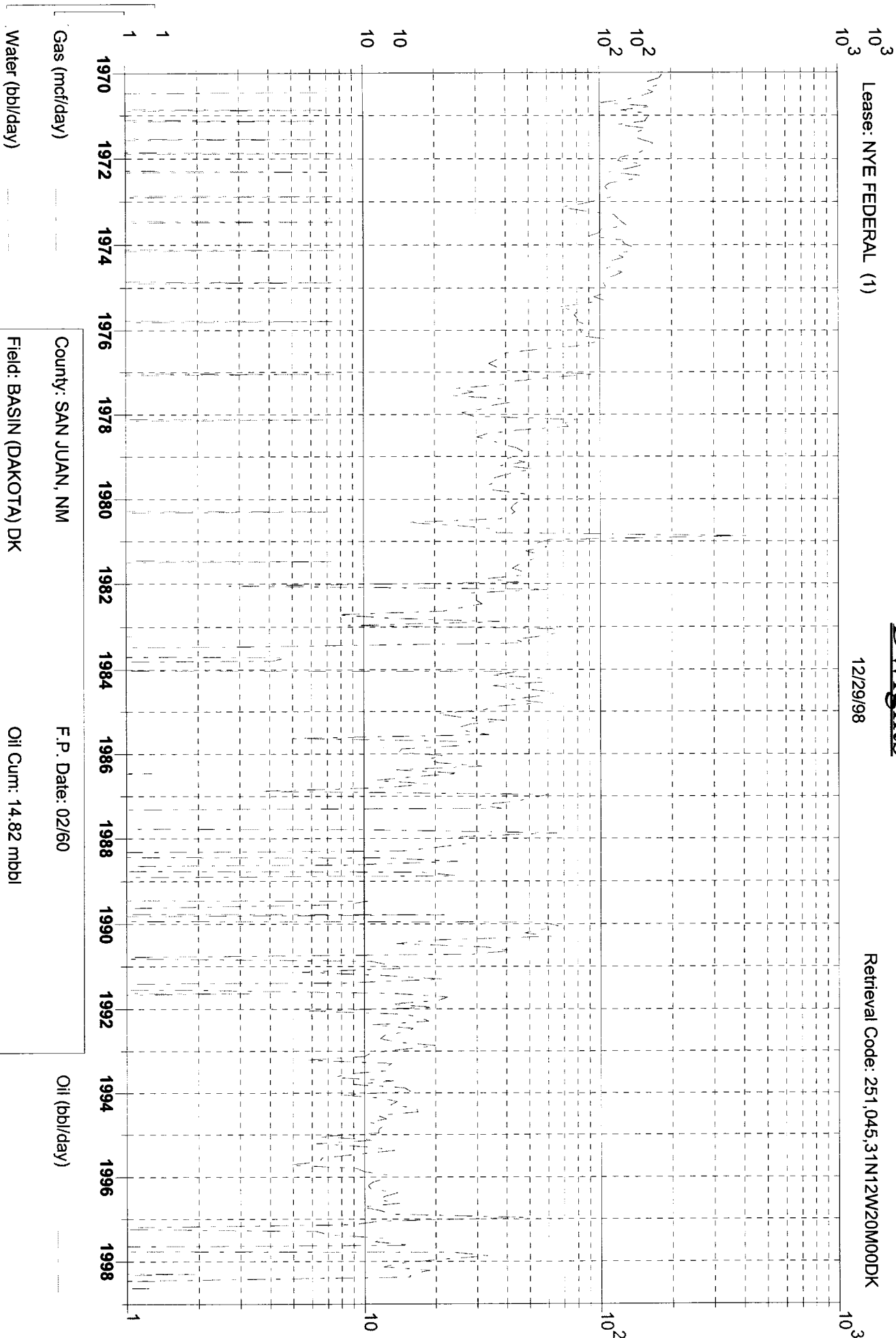
Location: 21C 31N 12W

Dwights

Lease: NYE FEDERAL (1)

12/29/98

Retrieval Code: 251,045,31N12W20M00DK



County: SAN JUAN, NM

F.P. Date: 02/60

Field: BASIN (DAKOTA) DK

Oil Cum: 14.82 mbbl

Reservoir: DAKOTA

Gas Cum: 1633 mmcf

Operator: TAURUS EXPL USA INC

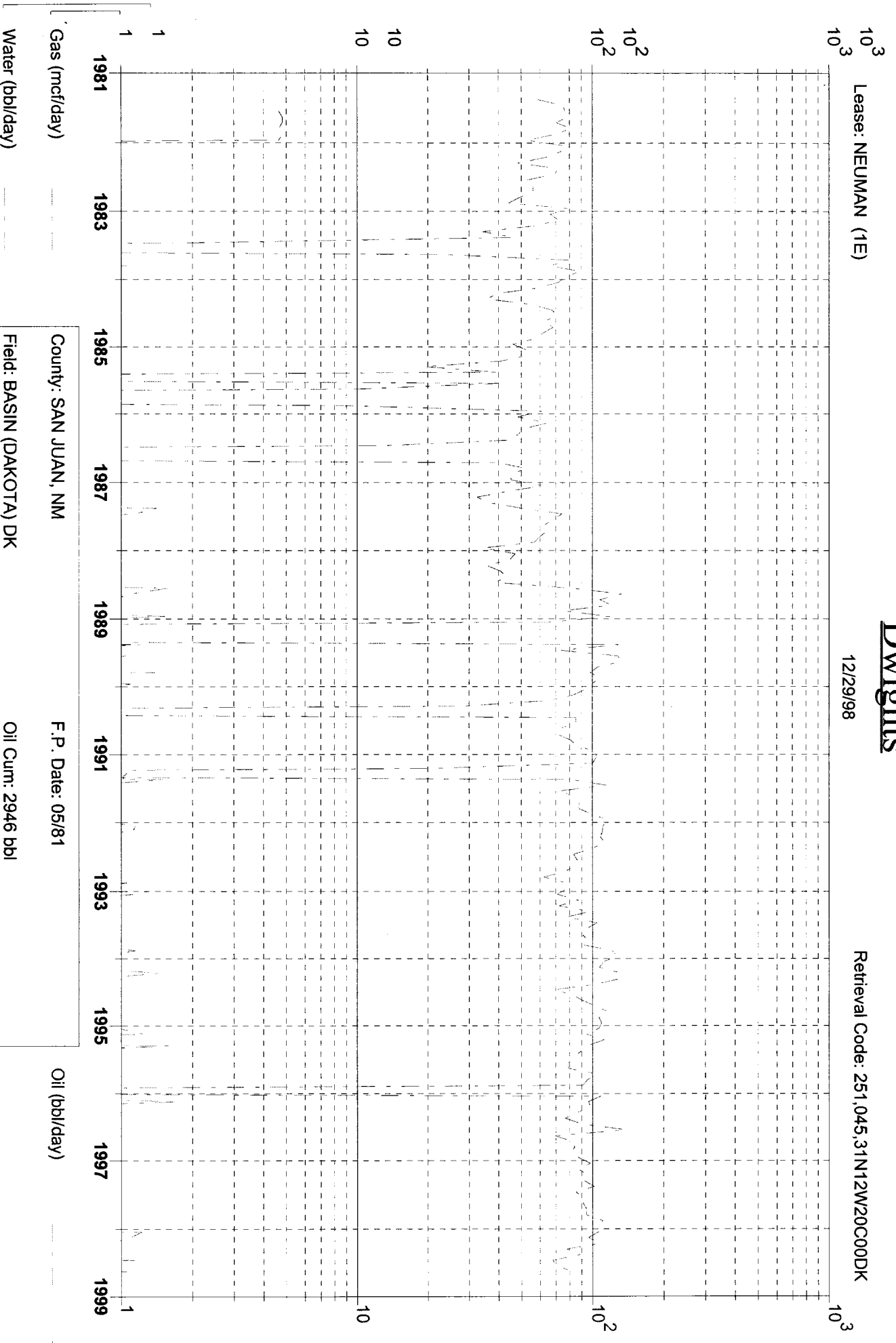
Location: 20M 31N 12W

Dwights

Lease: NEUMAN (1E)

12/29/98

Retrieval Code: 251,045,31N12W20C00DK



Gas (mcf/day)

Water (bbl/day)

County: SAN JUAN, NM

Field: BASIN (DAKOTA) DK

Reservoir: DAKOTA

Operator: CHATEAU OIL & GAS INC

F.P. Date: 05/81

Oil Cum: 2946 bbl

Gas Cum: 459.8 mmcf

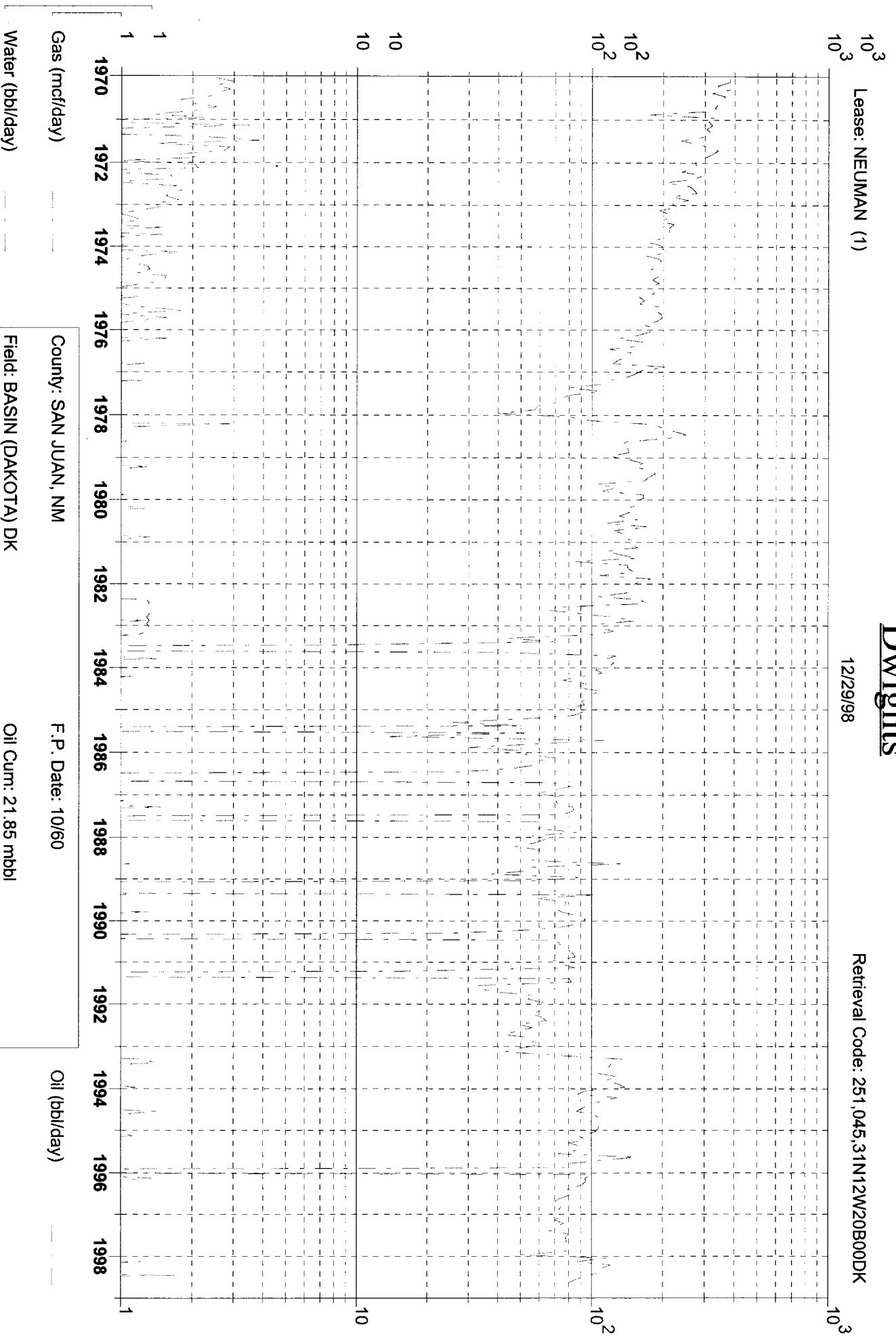
Location: 20C 31N 12W

Dwights

Lease: NEUMAN (1)

12/29/98

Retrieval Code: 251,045,31N12W20B00DK



County: SAN JUAN, NM

Field: BASIN (DAKOTA) DK

Reservoir: DAKOTA

Operator: CHATEAU OIL & GAS INC

F.P. Date: 10/60

Oil Cum: 21.85 mbbl

Gas Cum: 2739 mmcf

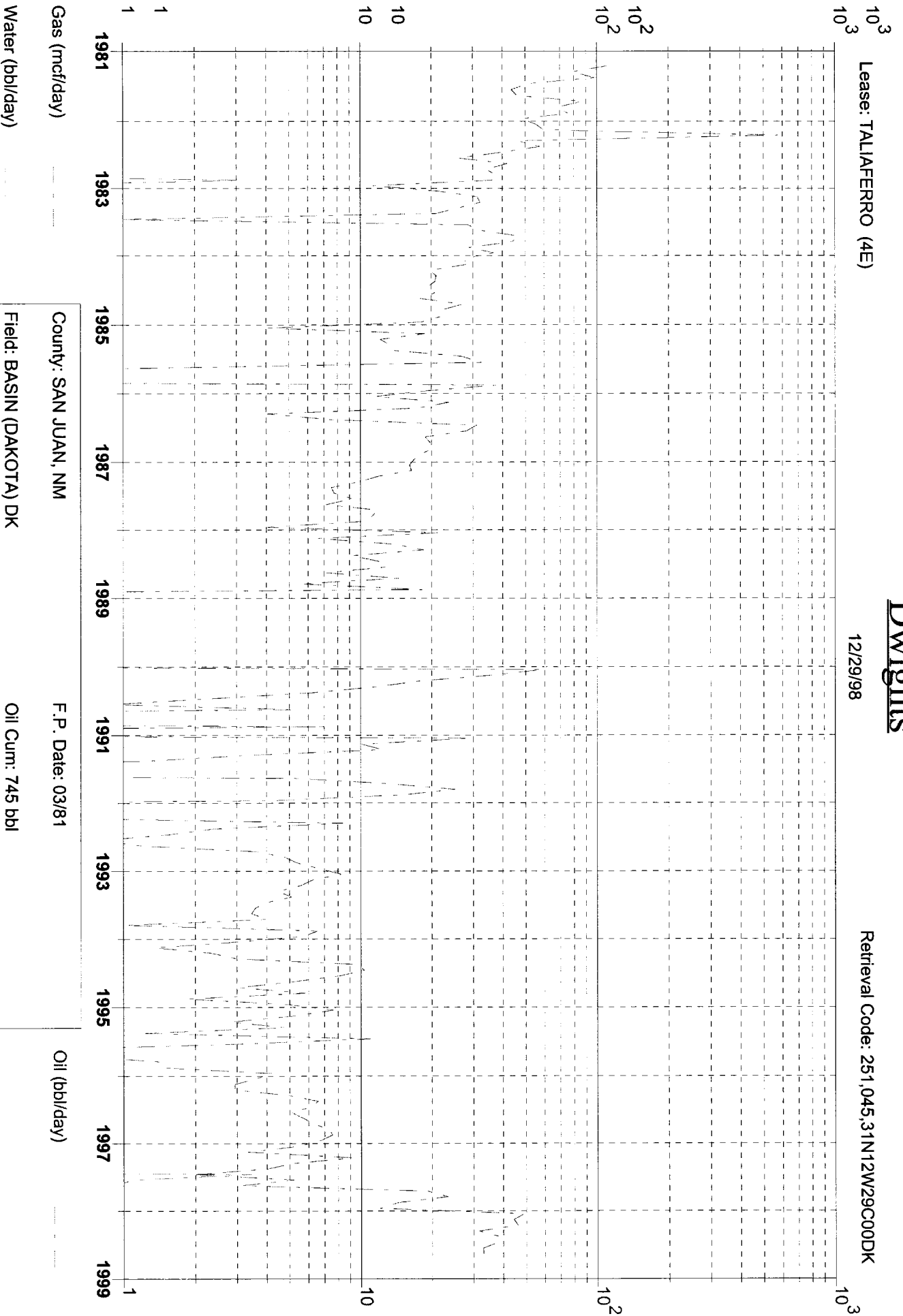
Location: 20B 31N 12W

Dwights

Lease: TALIAFERRO (4E)

12/29/98

Retrieval Code: 251,045,31N12W29C00DK



Gas (mcf/day)

Water (bbl/day)

County: SAN JUAN, NM

Field: BASIN (DAKOTA) DK

Reservoir: DAKOTA

Operator: BURLINGTON RES O&G CO

F.P. Date: 03/81

Oil Cum: 745 bbl

Gas Cum: 119.9 mmcf

Location: 29C 31N 12W

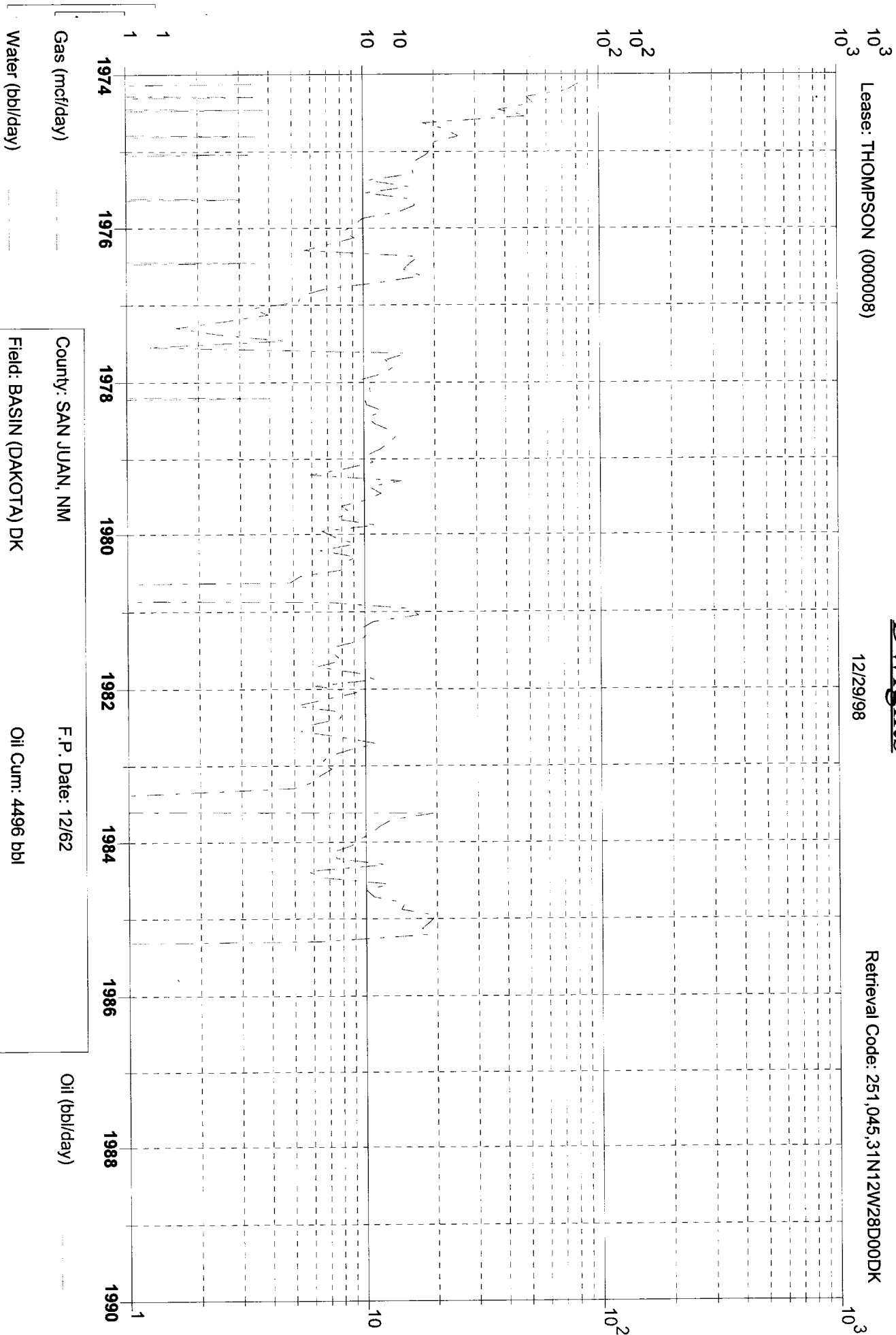
Oil (bbl/day)

Dwights

12/29/98

Retrieval Code: 251,045,31N12W28D00DK

Lease: THOMPSON (000008)



County: SAN JUAN, NM

F.P. Date: 12/62

Oil (bbl/day)

Field: BASIN (DAKOTA) DK

Oil Cum: 4496 bbl

Reservoir: DAKOTA

Gas Cum: 126.4 mmmcf

Operator: SOUTHLAND ROYALTY CO

Location: 28D 31N 12W

Dwights

12/29/98

Retrieval Code: 251,045,31N12W21D00DK

Lease: SADIE WEST (2)

