

ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

TONEY ANAYA

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 827-5800

January 25, 1984

Amended Administrative Order No. DHC-441

Tenneco Oil Company P.O. box 3249 Englewood, CO 80155

Attention: Harry Hufft

Re: Jicarilla B No. 5E, Unit E, Sec. 21, Township 26-North, Range 5 West, Basin Dakota and Undesignated Mesa Verde, Rio Arriba County, NM

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations for the subject dually completed well to permit the removal of the down-hole separation equipment and to commingle the production from both pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Administrative Division Order which may have authorized the dual completion and required separation of the two zones, is hereby placed in abeyance.

In accordance with the provisions of Rule 303.C.4., total commingled oil production from the subject well shall not exceed 40 barrels per day, and total water production from the well shall not exceed 80 barrels per day. The maximum amount of gas which may be produced daily from the well shall be

determined by the standard gas proration tests for the Aztec District area as reflected in the Gas Proration Schedule..

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

Basin Dakota Pool: Condensate 80%, Gas 80 % Undesignated Mesa Verde Pool: Condensate 20%, Gas 20 %

Pursuant to Rule 303-C 5, the commingled authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Wery truly yours,

/ JOE D. RAMEY, / Division Director

JDR/dp