

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION



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STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501

November 21, 1985

Administrative Order No. DHC-580

Amoco Production Company Petroleum Center Building 501 Airport Drive Farmington, New Mexico 87401

Attention: R. J. Broussard

Jicarilla Contract 146 No. 31 Well Unit E, Section 10, T-25-N, R-5-W,

Rio Arriba County, New Mexico

Otero Chacra and Blanco Mesaverde Pools

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations to permit the subject well 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 Division Order which 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 30 barrels per day, and total water production from the well shall not exceed 60 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for the Blanco Mesaverde Pool as printed in the Division's San Juan Basin Gas Proration Schedule.

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

Chacra Pool: Oil O%, Gas 82.6% Mesaverde Pool: Oil 100%, Gas 17.4%

Pursuant to Rule 303-C 5, the commingled authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Very truly yours,

R. L. STAMETS,

Director