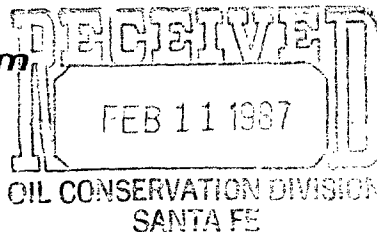


Release March 2, 1987

By DK



Union Texas Petroleum



375 U.S. Highway 64
Farmington, New Mexico 87401
Telephone (505) 325-3587

February 10, 1987

Mr. William J. LeMay
N.M. Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501-2088

Re: Jicarilla H #11E
1800' FSL; 1850' FWL
Section 18, T26N-R4W
Rio Arriba County, NM

Dear Mr. LeMay:

Union Texas Petroleum Corporation is applying for an administrative downhole commingling order for the referenced well in the Basin Dakota, Undesignated Gallup, and Blanco Mesaverde fields, as per Order #R-7508. The ownership of the zones to be commingled is common. The offset operators are Tenneco, Meridian Oil and Columbus Energy. The Bureau of Land Management and these offset operators will receive notification of this proposed downhole commingling.

The referenced well was completed on December 3, 1986. The Dakota zone was perforated with 30 holes from 7588' to 7718' and fraced with 100,000# of sand in 20# crosslinked gel water. The Gallup interval was perforated from 6907' to 6914' with 4 shots per foot and fraced with 40,000# of sand in slick water. The Mesaverde was perforated from 5019' to 5637' with 29 holes and fraced with 150,000# of sand in slick water.

The attached initial potential test, which includes all three zones together, indicates that this well is only marginal with a Q=863 MCF/D and a CAOF of 2559 MCF/D. Pitot test gauges during the well's completion operations indicate that all three producing intervals contribute to the total production: Mesaverde 12%, Gallup 56%, and Dakota 32%. Since the well is cased with only 4-1/2" pipe, to tri-ple complete would be impossible. A dual completion would introduce waste since at least one side would be too weak to produce, or one interval would have to be squeezed, or both.

The following table lists other wells on our Jicarilla H lease that are commingled. These wells have not experienced any detrimental effects due to the commingling.

<u>Well</u>	<u>Location</u>	<u>Formation</u>	<u>Commingle Date and Order</u>
Jicarilla H #7	K 19 26 4	Gal-DK	9/81 R-5861
Jicarilla H #7E	D 19 26 4	MV-Gal-DK	4/84 R-7508
Jicarilla H #12	A 17 26 4	Gal-DK	4/84 R-7509
Jicarilla H #8	K 19 26 4	Gal-DK	8/85 DHC-562

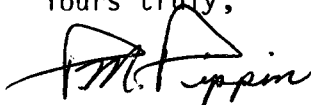
The reservoir characteristics of each of the subject zones are such that underground waste would not be caused by the proposed downhole commingling. The fluids from each zone are compatible and no precipitates will be formed to cause damage to either reservoir. The daily production will not exceed the limit of Rule 303c, Section 1a, Part 1. Both fluids have an API oil gravity close to 58°. The initial shut-in casing pressures for the Mesaverde, Gallup and Dakota are 900 psi, 950 psi and 1550 psi, respectively.

The District Office in Aztec will be notified anytime the commingled well is shut-in for seven (7) consecutive days.

To allocate the commingled production to each of the zones, Union Texas Petroleum will consult with the District Supervisor of the Aztec District Office of the Division to determine an allocation formula for each of the productive zones.

Included with this letter is a plat showing ownership of offsetting leases, letters to the offset operators, wellbore diagram, and data sheet.

Yours truly,



P. M. Pippin
Production Engineer

PMP:lmg

cc: Frank Chavez-OCD

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP O BOX 2088
SANTA FE, NEW MEXICO 87501Form C-122
Revised 10-1-78

MULTIPOINT AND ONE POINT BACK PRESSURE TEST FOR GAS WELL

Type Test <input checked="" type="checkbox"/> Initial <input type="checkbox"/> Annual <input type="checkbox"/> Special				Test Date 2/4/87	
Company Union Texas Petroleum Corp.			Connection Gas Company of New Mexico		
Pool Blanco/Undes./Basin			Formation Mesaverde/Gallup/Dakota		Unit
Completion Date 12/18/86		Total Depth 7850	Plug back TD 7766	Elevation 6726 G.L.	Form or Lease Name Jicarilla "H"
Csg. Size 7.0 4.5	Wt. 23.0 10.5	d 6.366 4.052	Set At 3719 3506-7850	Perforations: From 5019 To 7718	
Tng. Size 2.375	Wt. 4.7	d 1.995	Set At 7696	Perforations: From 7663 To 7669	
Type Well - Single - Broadhead - G.O. or G.O. Multiple Gas-Oil-Gas-Multiple			Packer Set At		County Rio Arriba
Producing Thru Tubing		Reservoir Temp. °F	Mean Annual Temp. °F	Baro. Press. - P _g 12	
State New Mexico					
L 7663	H	G _g 0.700	% CO ₂	% N ₂	% H ₂ S
Prover		Meter Run		Taps	

FLOW DATA							TUBING DATA		CASING DATA		Duration of Flow
NO.	Prover Line Size	X	Orifice Size	Press. p.s.i.g.	Diff. h _w	Temp. °F	Press. p.s.i.g.	Temp. °F	Press. p.s.i.g.	Temp. °F	
SI	2"		3/4"				579		531		7 days
1.							63	62°	505	62°	3 hours
2.											
3.											
4.											
5.											

RATE OF FLOW CALCULATIONS							
NO.	Coefficient (24 Hour)	$\sqrt{h_w P_m}$	Pressure P _m	Flow Temp. Factor F _t	Gravity Factor F _g	Super Compress. Factor, F _{pv}	Rate of Flow Q, Mcfd
1	12.3650		75	0.9981	0.9258	1.007	863
2.							
3.							
4.							
5.							

NO.	P _r	Temp. °R	T _r	Z	Gas Liquid Hydrocarbon Ratio _____ Mcf/bbl.	A.P.I. Gravity of Liquid Hydrocarbons _____ Deg.	Specific Gravity Separator Gas _____ X X X X X X X X	Specific Gravity Flowing Fluid _____ X X X X X	Critical Pressure _____ P.S.I.A.	Critical Temperature _____ R
1										
2.										
3.										
4.										
5.										

NO.	P _r	P _w	P _w ²	P _r ² - P _w ²
1	591	349,281		
1		517	267,289	81,992
2.				
3.				
4.				
5.				

$$(1) \frac{P_r^2}{P_r^2 - P_w^2} = 4.2599$$

$$AOF = Q \left[\frac{P_r^2}{P_r^2 - P_w^2} \right]^n = 2559$$

$$(2) \left[\frac{P_r^2}{P_r^2 - P_w^2} \right]^n = 2.9651$$

Absolute Open Flow	2559	Mcfd @ 15.025	Angle of Slope @	Slope, n	0.75
--------------------	------	---------------	------------------	----------	------

Remarks:			

Approved By Division	Conducted By: Bruce Voiles	Calculated By: John C. Rector	Checked By:
----------------------	-------------------------------	----------------------------------	-------------

WORKOVER DATA SHEET

WELL NAME Jicarilla H #11E

DATE 2/10/87

LOCATION 1800' FSL; 1850' FWL, Section 18, T26N-R4W
Rio Arriba County, New Mexico

DATUM KB (14' above G.L.)

ELEVATION 6726' G.L.

TOTAL DEPTH 7850'

FIELD FORMATION Blanco Mesaverde
Undesignated Gallup
Basin Dakota

UNICON W.I. 50%

COMPLETED

INITIAL POTENTIAL

PLUG BACK TOTAL DEPTH

12-03-86

SICP = 579 PSI
Q = 863 MCF/D
AOF = 2559 MCF/D

7802'

CASING RECORD

CASING SIZE

WT. & GRADE

DEPTH SET

CEMENT

TOP CEMENT

9-5/8"

32.0# K-55

344'

175 sxs

Circ. cmt

7"

23.0# K-55

3722'

440 sxs

Top cmt @2600'

4-1/2"

10.50# K-55

3494'-7850'

467 sxs

Circ. cmt

TUBING RECORD

2-3-8"

4.7# J-55

7029'

WELL HEAD

LOGGING RECORD

Induction, Density Neutron and Temperature

STIMULATIONS

Dakota (7588'-7718') w/30 holes & fraced w/100,000# sand in 20# crosslinked gel water.

Gallup (6907'-6914') w/4 spf & fraced w/40,000# sand in slick water.

Mesaverde (5019'-5637') w/29 holes & fraced w/150,000# sand in slick water.

WORKOVER HISTORY

None

PRODUCTION HISTORY

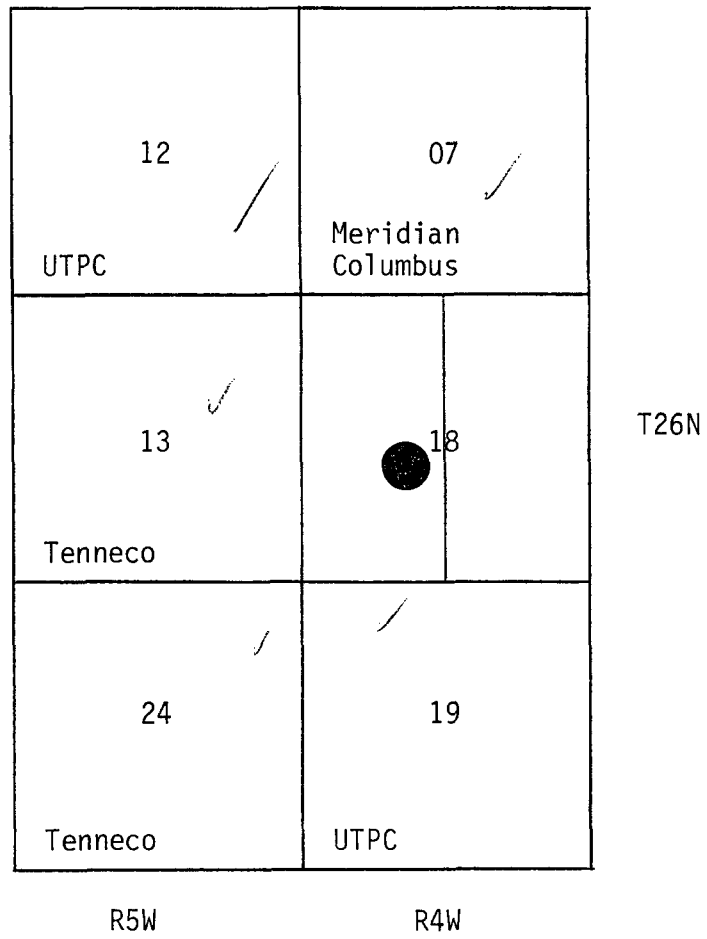
None

UNION TEXAS PETROLEUM CORPORATION

Jicarilla H #11E

Mesaverde-Gallup-Dakota Commingle Application

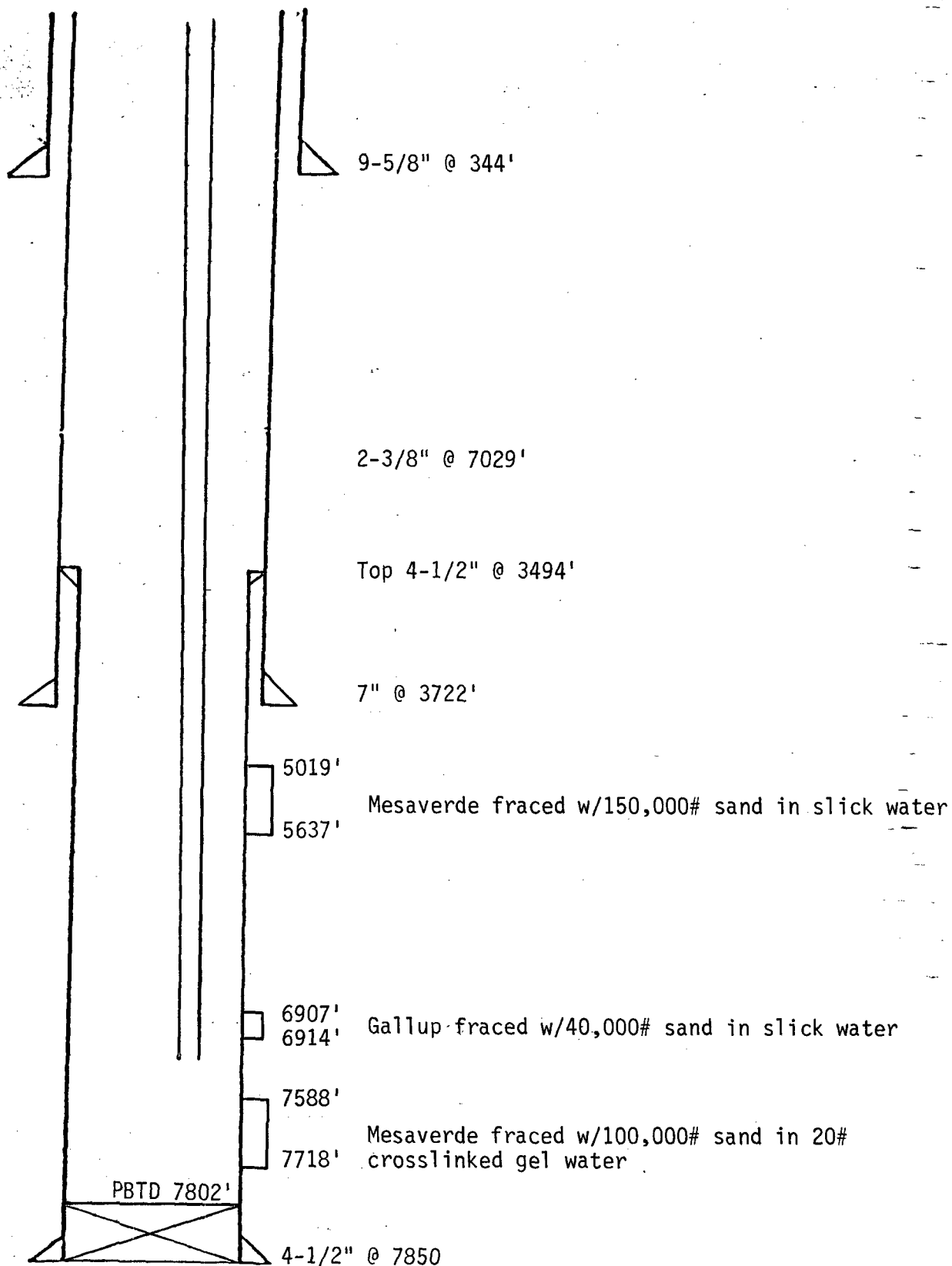
Rio Arriba County, NM



WELL BORE DIAGRAM FOR

Jicarilla H #11E

1800' FSL; 1850' FWL
Section 18, T26N-R4W
Rio Arriba County, NM
Elevation: 6726' G.L.





Union Texas Petroleum

February 10, 1987

375 U.S. Highway 64
Farmington, New Mexico 87401
Telephone (505) 325-3587

Tenneco Oil Company
6162 South Willow Drive
P. O. Box 3249
Englewood, Colorado 80155

Gentlemen:

Union Texas Petroleum Corporation is in the process of applying for a downhole commingling order for their Jicarilla H #11E well located 1800' FSL, 1850' FWL, Section 18, T26N-R4W, N.M.P.M., Rio Arriba County, New Mexico, in the Basin Dakota, Undesignated Gallup and Blanco Mesaverde.

The purpose of this letter is to notify you of such action, as our records indicate that you are the owner and operator of acreage which adjoins the area in which the downhole commingling is requested. If you have no objections to the proposed commingling order, we would appreciate your signing the attached copy of this letter and returning it to this office.

Your prompt attention to this matter would be appreciated.

Yours truly,

P. M. Pippin
Production Engineer

PMP:lmg

The above downhole commingling request
is hereby approved:

Date: _____



Union Texas Petroleum

February 10, 1987

375 U.S. Highway 64
Farmington, New Mexico 87401
Telephone (505) 325-3587

Meridian Oil, Inc.
P. O. Box 4289
Farmington, New Mexico 87499

Gentlemen:

Union Texas Petroleum Corporation is in the process of applying for a downhole commingling order for their Jicarilla H #11E well located 1800' FSL, 1850' FWL, Section 18, T26N-R4W, N.M.P.M., Rio Arriba County, New Mexico, in the Basin Dakota, Undesignated Gallup and Blanco Mesaverde.

The purpose of this letter is to notify you of such action, as our records indicate that you are the owner and operator of acreage which adjoins the area in which the downhole commingling is requested. If you have no objections to the proposed commingling order, we would appreciate your signing the attached copy of this letter and returning it to this office.

Your prompt attention to this matter would be appreciated.

Yours truly,

P. M. Pippin
Production Engineer

PMP:lmg

The above downhole commingling request
is hereby approved:

Date: _____



Union Texas Petroleum

February 10, 1987

375 U.S. Highway 64
Farmington, New Mexico 87401
Telephone (505) 325-3587

Bureau of Land Management
Caller Service 4104
Farmington, New Mexico 87499

Gentlemen:

Union Texas Petroleum Corporation is in the process of applying for a downhole commingling order for their Jicarilla H #11E well located 1800' FSL, 1850' FWL, Section 18, T26N-R4W, N.M.P.M., Rio Arriba County, New Mexico, in the Basin Dakota, Undesignated Gallup and Blanco Mesaverde.

The purpose of this letter is to notify you of such action. If you have no objections to the proposed commingling order, we would appreciate your signing the attached copy of this letter and returning it to this office.

Your prompt attention to this matter would be appreciated.

Yours truly,

P. M. Pippin
Production Engineer

PMP:lmg

The above downhole commingling request
is hereby approved:

Date: _____



Union Texas Petroleum

February 10, 1987

375 U.S. Highway 64
Farmington, New Mexico 87401
Telephone (505) 325-3587

Columbus Energy Corporation
P. O. Box 2038
Farmington, New Mexico 87499

Gentlemen:

Union Texas Petroleum Corporation is in the process of applying for a downhole commingling order for their Jicarilla H #11E well located 1800' FSL, 1850' FWL, Section 18, T26N-R4W, N.M.P.M., Rio Arriba County, New Mexico, in the Basin Dakota, Undesignated Gallup and Blanco Mesaverde.

The purpose of this letter is to notify you of such action, as our records indicate that you are the owner and operator of acreage which adjoins the area in which the downhole commingling is requested. If you have no objections to the proposed commingling order, we would appreciate your signing the attached copy of this letter and returning it to this office.

Your prompt attention to this matter would be appreciated.

Yours truly,

P. M. Pippin
Production Engineer

PMP:lmg

The above downhole commingling request
is hereby approved:

Date: _____

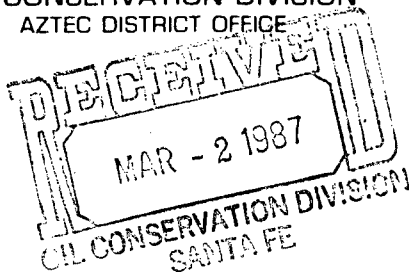


STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501



DATE 2/23/87

RE: Proposed MC _____
Proposed DHC a _____
Proposed NSL _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated 2/11/87
for the Z.J.R. Operator Jicavilla N #11E Lease and Well No. K-18-26a-4w Unit, S-T-R

and my recommendations are as follows:

Approve

Yours truly,

Timothy