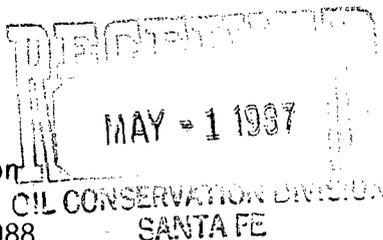




Union Texas Petroleum

April 29, 1987



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

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

Re: Jicarilla H #6M  
840' FSL & 2020' FEL  
Section 20, 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, Wildhorse Gallup, and Blanco Mesaverde fields, as per Order #R-7508. The ownership of the zones to be commingled is common. The offset operator is Southern Union Exploration Company. The Bureau of Land Management and this offset operator will receive notification of this proposed downhole commingling.

We are planning to drill this well during the summer of 1987. Prospective intervals in the Dakota, Gallup, and Mesaverde will be perforated and fractured separately. As with the offset wells, we anticipate that each of these formations would be marginal if produced separately. 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 others 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
Jicarilla H #12M	I 17 26 4	MV-Gal-DK	3/87 DHC-640
Jicarilla H #11E	K 18 26 4	MV-Gal-DK	3/87 DHC-639

NMOCD  
April 29, 1987  
Page 2

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 pressure for the Mesaverde, Gallup and Dakota are anticipated to be 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, a letter to the offset operator, and wellbore diagram.

Yours truly,



P. M. Pippin  
Production Engineer

PMP:lmg

cc: Frank Chavez-OCD

UNION TEXAS PETROLEUM CORPORATION

Jicarilla H #6M

Mesaverde-Gallup-Dakota Commingle Application

Rio Arriba County, NM

18 UTPC	17 UTPC	16
19 UTPC	20 UTPC	SO. UNION 21
	McHUGH 29	UTPC 28
30		

T  
26  
N

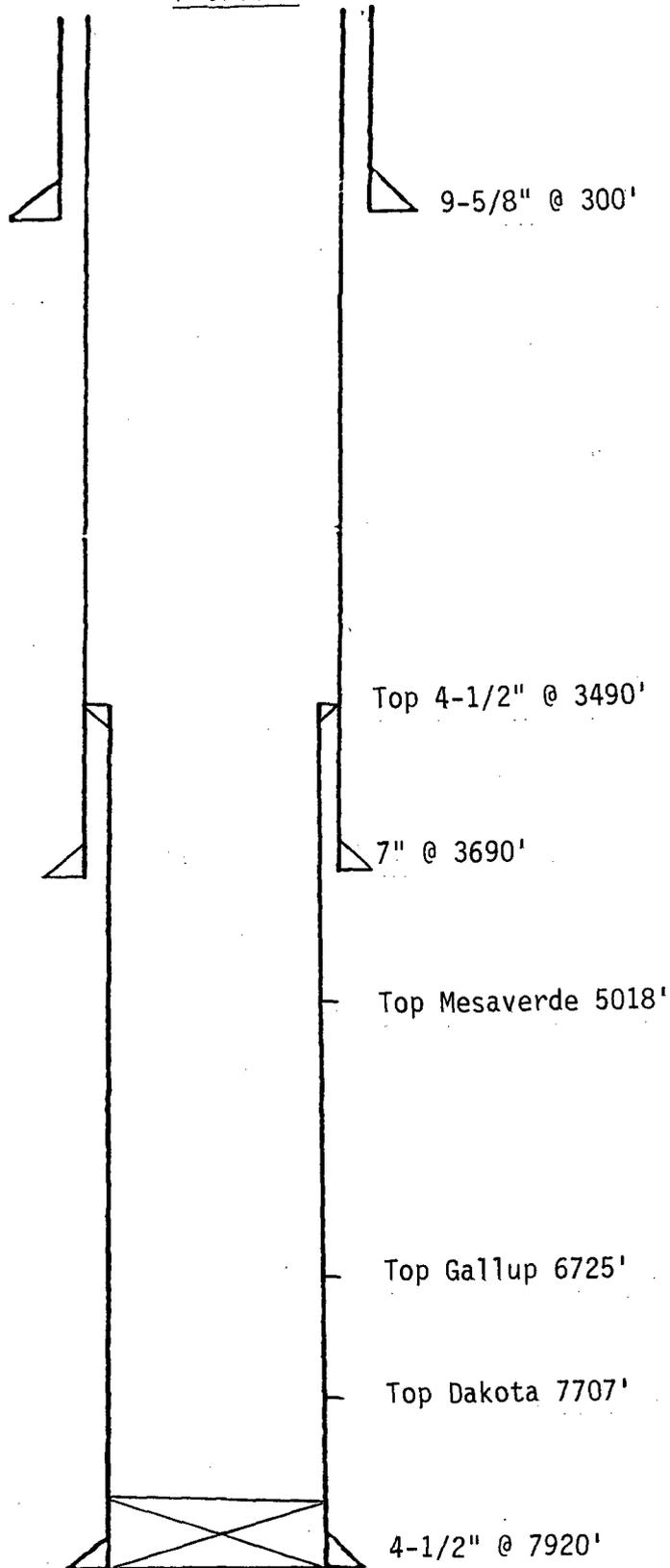
R4W

WELL BORE DIAGRAM FOR

Jicarilla H #6M

840' FSL; 2020' FEL  
Section 20, T26N-R4W  
Rio Arriba County, NM  
Elevation: 6788' G.L..

PROPOSED





**Union Texas Petroleum**

April 29, 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 #6M well located 840' FSL and 2020' FEL, Section 20, T26N-R4W, N.M.P.M., Rio Arriba County, New Mexico, in the Basin Dakota, Wildhorse 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 on 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**

April 29, 1987

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

Southern Union Exploration Company  
P. O. Box 2179  
Farmington, New Mexico 87499

Gentlemen:

Union Texas Petroleum Corporation is in the process of applying for a downhole commingling order for their Jicarilla H #6M well located 840' FSL and 2020' FEL, Section 20, T26N-R4W, N.M.P.M., Rio Arriba County, New Mexico, in the Basin Dakota, Wildhorse 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 operate 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  
MAY - 4 1987  
OIL CONSERVATION DIVISION  
SANTA FE

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

OIL CONSERVATION DIVISION  
BOX 2088  
SANTA FE, NEW MEXICO 87501

DATE 5/1/87

- RE: Proposed MC \_\_\_\_\_
- Proposed DHC    \_\_\_\_\_
- Proposed NSL \_\_\_\_\_
- Proposed SWD \_\_\_\_\_
- Proposed WFX \_\_\_\_\_
- Proposed PMX \_\_\_\_\_

Gentlemen:

I have examined the application dated 5/1/87  
for the 203P Operator Jewell SV #6M Lease and Well No. 0-20-26N4W Unit, S-T-R

and my recommendations are as follows:

Approve  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Yours truly,

[Signature]