OIL CONSERVE ON DIVISION

REC: VED

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SF-077085 (GC) 3162.7-3 (07327)

MAR 8 1995

Mr. J.W.(Bill) Hawkins Amoco Production Company P.O. Box 800 Denver, CO 80201

Re: Federal Lease SF-077085

Downhole Commingling Application

No. 5 Omler A 1850' FNL and 1760' FEL Sec. 25, T. 28 N., R.10 W. San Juan County, New Mexico

Dear Mr Hawkins:

The Farmington District Office (FDO) of the Bureau of Land Management (BLM) has received your letter dated December 22, 1994, for downhole commingling of the Blanco Mesa Verde and Basin Dakota Pools for the above referenced well.

This well is located on a Federal lease and does require approval of the BLM for commingling. You stated in the application that historical data will be used to determine the allocation percentage for each formation. A review of this well does support the use of historical production data to determine future allocation. Approval to downhole commingle is granted, however we do request that once determined, that the allocation factor be submitted for this well.

If you have further questions regarding this matter, please contact Brian W. Davis at (505) 599-6367 or (505) 599-8900.

Sincerely,

Is/ Duane Spencer

Duane W. Spencer Chief, Branch of Reservoir Management

bcc: NMOCD, Santa Fe, NM