

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office 1235 La Plata Highway Farmington, New Mexico 87401

IN REPLY REFER TO: SF078195 (WF) 3162.7-3 (07327) July 10, 1996

Ms. Pamela W. Staley Amoco Production Company P.O. Box 800 Denver, CO 80201

Downhole Commingling Application RE: Basin Dakota and Blanco Mesaverde Pools No. 2M Sellers Federal LS 1170' FSL & 1460' FEL, Section 30-T30N-R10W San Juan County, New Mexico

Dear Ms. Staley:

The Farmington District Office (FDO) of the Bureau of Land Management (BLM) has received your letter dated June 17, 1995, for downhole commingling of the Blanco Mesaverde and Basin Dakota Pools in the above referenced well.

Your application stated that historical data will be used in determining the allocation percentage for each formation. The Dakota formation averages 55 MCFD and .01 BCPD and the Mesaverde averages 240 MCFD and .001 BCPD. Estimated bottom hole pressures are 1010 psi for the Mesaverde and 1256 psi for the Dakota. Using these values, the fixed percentage for allocated production for each formation has been determined as follows:

FORMATION	GAS PRODUCTION	OIL PRODUCTION
Blanco Mesaverde	81%	25%
Basin Dakota	19%	75%

Approval to downhole commingle the Blanco Mesaverde and Basin Dakota formations for the above referenced well is hereby granted.

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

Sincerely,

Isl Duane Spencer

Duane W. Spencer Team Leader, Petroleum Management

bcc: NMOCD, Santa Fe Well File (No. 2M Sellers Federal LS, 1170'FSL&1460'FEL, Sec 30-T30N-R10W) DOMR

Suspense (Brian) AIRS

07237:BWDavis:07/09/96:x6367:staleySellersFederalLS2M.ltr