



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

DLHC-1172
OIL CONSERVATION DIVISION
RECEIVED
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IN REPLY REFER TO:
SF-078046
3162.7-3 (07327)

November 28, 1995

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

RE: Federal Lease SF-078046
Downhole Commingling Application
Blanco Mesaverde and Blanco Pictured Cliffs Pools
No. 2A Hughes B
875' FSL & 1610' FEL
Section 19, T. 29 N., R. 8 W.

Dear Ms. Staley:

The Farmington District Office (FDO) of the Bureau of Land Management (BLM) has received your letter dated November 2, 1995, for downhole commingling of the Blanco Mesaverde and Blanco Pictured Cliffs Pools in the above referenced well.

You stated in your application that historical data will be used in determining the allocation percentage for each formation. Your application indicated that presently the Mesaverde formation is producing 400 Mcfd with compression, and once this well is commingled the Pictured Cliffs will also benefit from compression. This will result in an increase for the Pictured Cliffs production which is not presently compressed. Also, you said that neither zone produces condensate, but a review of production records indicates that the Mesaverde formation does produce condensate. Please make sure that condensate production is addressed when you submit the allocation formulas for this well.

Approval to downhole commingle is granted, however we do request that once determined, that the allocation factor be submitted.

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

Sincerely,

/s/ Duane Spencer

Duane W. Spencer
Team Leader, Petroleum Management

bcc:

NMOCD, Santa Fe