



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

April 23, 1996

IN REPLY REFER TO:

SF-080246

3162.3-2 (07327)

Pamela W. Staley
Amoco Production Company
P.O. Box 800 1670 Broadway
Denver, Colorado 80201

Dear Ms. Staley:

We have reviewed your application to commingle production downhole from the Basin Dakota and the Otero Chacra Pools in the following well:

Florance #124E
1030' FSL, 1190' FWL, Section 27, T-29N, R-9W
San Juan County, New Mexico

The referenced well is located on Federal lease No. SF-080246, with production from both formations reported to the lease. Production profiles were analyzed to determine if future allocation based on percentages would be equitable. Both formations have been declining at similar rates for the past year. Your Application and allocation method, are hereby approved as submitted, effective the date that actual commingling of the pools occurs. Approved allocation factors are:

Formation	Gas	Condensate
Basin Dakota	56%	91%
Otero Chacra	44%	9%

If you have any questions regarding this correspondence, please contact Ray Hager at (505) 599-6366.

Sincerely,

/s/ Duane Spencer

Duane Spencer
Team Lead, Petroleum Management

bcc:

New Mexico Oil Conservation Division, Aztec
New Mexico Oil Conservation Division, Santa Fe
07327:RHager: 04/23/96 :x366:Florance.ltr

AIRS
DOM Reader

Well File (SF-080246, Florance #124E, 1030 FSL, 1190 FWL, Section 27, T-29N, R-9W) W/Application