



**Southern**

**Rockies**

**Business**

**Unit**

May 28, 1996

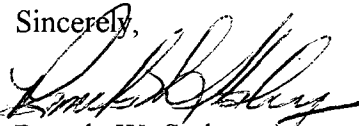
Mr. William J. LeMay, Director  
New Mexico Oil Conservation Division  
2040 S. Pacheco Street  
P. O. Box 6429  
Santa Fe, NM 87505

**Application for Exception to Rule 303-C - Downhole Commingling**  
**Anderson Gas Com #1 Well**  
**Unit C Section 28-T29N-R10W**  
**Aztec Pictured Cliffs and Otero Chacra Pools**  
**San Juan County, New Mexico**

Enclosed please find an administrative application form (C-107-A) and attachments for downhole commingling for the captioned well. By copy of this application by certified mail, return receipt requested, Amoco is notifying all offset operators in the formations captioned above as well as all affected interest owners if the ownership of those formations is not common. The Division Director may approve the proposed downhole commingling in the absence of a valid objection from any offset operator or any interest owner in those instances where ownership is not common in the zones to be commingled within 20 days after the receipt of the application if, in his opinion, waste will not result thereby, and correlative rights will not be violated.

Should there be questions concerning this matter, please contact me at (303) 830-5344.

Sincerely,



Pamela W. Staley

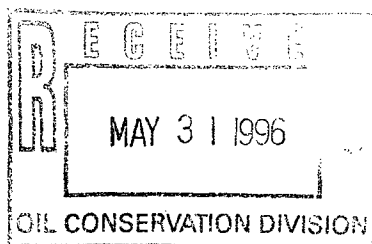
Enclosures

cc: Steve Webb  
Gail Jefferson  
Wellfile  
Proration File

Frank Chavez, Supervisor  
NMOCD District III  
1000 Rio Brazos Road  
Aztec, NM 87410

DHC

6/20/96



Southern

Rockies

Business

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May 28, 1996

Mr. William J. LeMay, Director  
New Mexico Oil Conservation Division  
2040 S. Pacheco Street  
P. O. Box 6429  
Santa Fe, NM 87505

**Application for Exception to Rule 303-C - Downhole Commingling**  
**Anderson Gas Com #1 Well**  
**Unit C Section 28-T29N-R10W**  
**Aztec Pictured Cliffs and Blanco Mesaverde Pools**  
**San Juan County, New Mexico**

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1000 Rio Brazos Road  
Aztec, NM 87410

DISTRICT I  
P.O. Box 1980, Hobbs NM 88241-1980

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107-A  
New 3-12-96

OIL CONSERVATION DIVISION

APPROVAL PROCESS:

DISTRICT II  
811 South First St., Artesia, NM 88210-2835

2040 S. Pacheco  
Santa Fe, New Mexico 87505-6429

☒ Administrative ☐ Hearing

DISTRICT III  
1000 Rio Brazos Rd. Aztec, NM 87410-1693

APPLICATION FOR DOWNHOLE COMMINGLING

EXISTING WELLBORE  
☒ YES ☐ NO

Amoco Production Company

P.O. Box 800 Denver, CO 80201

Operator  
Anderson Gas Com

1

Address  
C-28-29N-10W

San Juan

Lease

Well No.

Unit Ltr. - Sec Twp - Rge

County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 000778 Property Code 000266 API NO. 3004524954 Federal State (and/or) Fee x

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	AZTEC PICTURED CLIFFS 71280		OTERO CHACRA 82329
2. Top and Bottom of Pay Section (Perforations)	1768 - 1826'		2764' - 2870'
3. Type of production (Oil or Gas)	GAS		GAS
4. Method of Production (Flowing or Artificial Lift)	FLOWING		FLOWING
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated or Measured Original	a. (Current) 313 PSI b. (Original) 705 PSI	a. b.	a. 510 PSI b. 1187 PSI
6. Oil Gravity (° API) or Gas BTU Content	1000 BTU		1163 BTU
7. Producing or Shut-In?	PRODUCING		PRODUCING
Production Marginal? (yes or no) • If Shut-In, give data and oil/gas/water rates of last production Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data • If Producing, give date and oil/gas/water rates of recent test (within 60 days)	YES Date: Rates: 5/96 65 MCFD 0 BCPD 0 BWPD	 Date: Rates: 5/96 45 MCFD 0 BCPD 0 BWPD	YES Date: Rates: 5/96 45 MCFD 0 BCPD 0 BWPD
8. Fixed Percentage Allocation Formula - % for each zone	Oil: 0 % Gas 59 %	Oil: % Gas %	Oil: 0 % Gas 41 %

9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.

10. Are all working, overriding, and royalty interests identical in all commingled zones? ☒ Yes ☐ No  
If not, have all working, overriding, and royalty interests been notified by certified mail? ☐ Yes ☐ No  
Have all offset operators been given written notice of the proposed downhole commingling? ☒ Yes ☐ No

11. Will cross-flow occur? ☒ Yes ☐ No If yes, are fluids compatible, will the formations not be damaged, will any cross-flowed production be recovered, and will the allocation formula be reliable. ☒ Yes ☐ No (If No, attach explanation)

12. Are all produced fluids from all commingled zones compatible with each other? ☒ Yes ☐ No

13. Will the value of production be decreased by commingling? ☐ Yes ☒ No (If Yes, attach explanation)

14. If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application. ☒ Yes ☐ No NO FED OR STATE LANDS

15. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S) \_\_\_\_\_

16. ATTACHMENTS:

- \* C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- \* Production curve for each zone for at least one year. (If not available, attach explanation.)
- \* For zones with no production history, estimated production rates and supporting data.
- \* Data to support allocation method or formula.
- \* Notification list of all offset operators.
- \* Notification list of working, overriding, and royalty interests for uncommon interest cases.
- \* Any additional statements, data, or documents required to support commingling.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Pamela W. Staley TITLE REGULATORY AFFAIRS REP DATE 5/24/96

TYPE OR PRINT NAME PAMELA W. STALEY TELEPHONE NO. ( 303 ) 830-5344

# U.S. DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT NATIONAL SYSTEM OF PUBLIC LANDS LAND CONSERVATION DIVISION

P. O. BOX 2048

SANTA FE, NEW MEXICO 87501

Form C-107  
Revised 10-1-78

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

All distances must be from the outer boundaries of the Section.

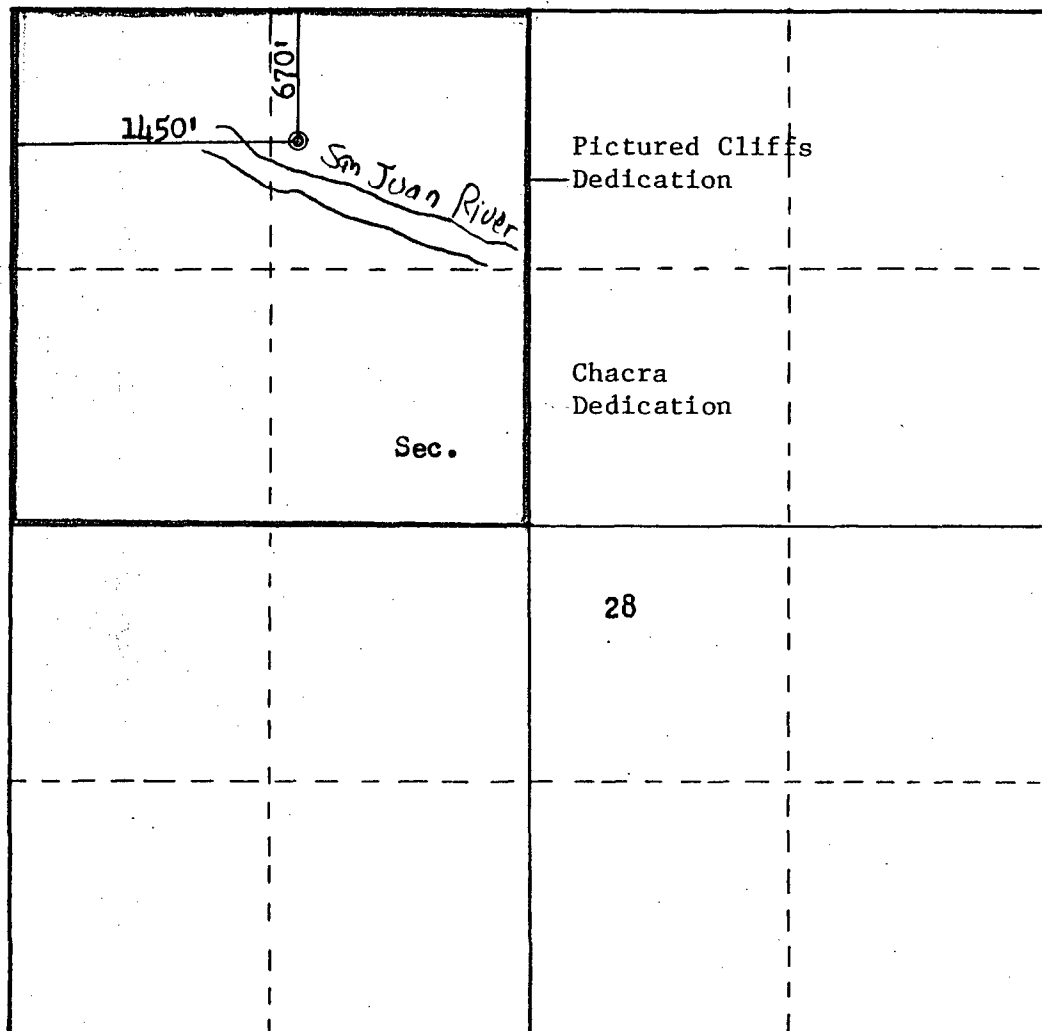
Operator <b>AMOCO PRODUCTION COMPANY</b>			Lease <b>ANDERSON GAS COM "A"</b>		Well No. <b>1</b>
Unit Letter <b>C</b>	Section <b>28</b>	Township <b>29N</b>	Range <b>10W</b>	County <b>San Juan</b>	
Actual Footage Location of Well: <b>670</b> feet from the <b>North</b> line and <b>1450</b> feet from the <b>West</b> line					
Ground Level Elev. <b>5474</b>	Producing Formation <b>Pictured Cliffs/Chacra</b>		Pool <b>Aztec Pictured Cliffs/ Bloomfield Chacra</b>		Dedicated Acreage: <b>160/160</b> Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Communitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



Scale: 1"=1000'

## CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*W. L. Peterson*

Name  
**W. L. PETERSON**

Position  
**DISTRICT ENGINEER**

Company  
**AMOCO PRODUCTION COMPANY**

Date  
**3/12/81**

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

**March 4, 1981**

Registered Professional Engineer and Land Surveyor

*Fred B. Kery*

Certificate No.  
**3950**

For: zalc14  
Engr: zrar06

ANDERSON GAS COM A 1 Operator- AMOCO PRODUCTION CO

300452495400CK C282910-001 CK APC\_WI - 0.87500000

CumG_70	-	0
CumO_70	-	0
CumGAS	-	109436
CumOIL	-	0

gas, MCFD

Reserves

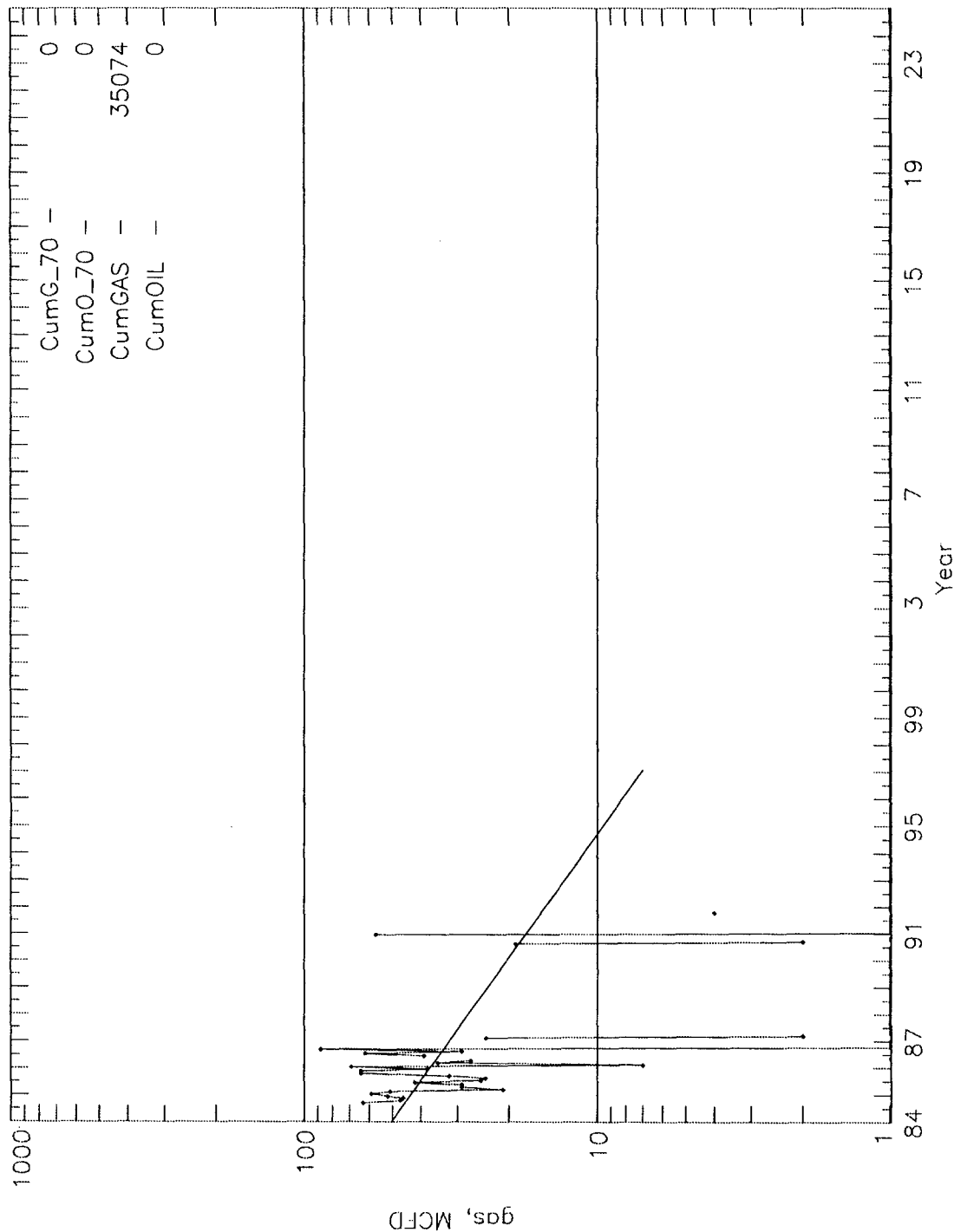
DCLN  
CurrQ  
RemRes  
EUR  
Fit\_date

Year

Last Op. Forecast by zrar06 in 07/1995

For: zalc14  
 Engr: zalc14

ANDERSON GAS COM A 1  
 300452495400PC C282910-001 PC  
 Operator- AMOCO PRODUCTION CO  
 APC\_WI - 0.87500000



Last Op. Forecast by zalc14 in 02/1996

**OFFSET OPERATORS**  
**Anderson Gas Com #1**

Horace F. McKay, Jr.  
P.O. Box 14738  
Albuquerque, NM 87191

Norman Lee Gilbreath  
P.O. Box 208  
Aztec, NM 87410