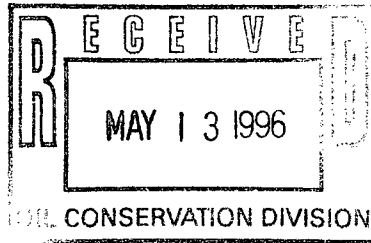


SUBTRACTION



DHC

6/3/96

Southern
Rockies
Business
Unit

May 7, 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
Bolack B #5 Well
Unit J Section 31-T27N-R8W
Blanco Mesaverde and Basin Dakota 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: Mark Rothenberg
Patty Haefele
Wellfile
Proration File
Frank Chavez, Supervisor
NMOCD District III
1000 Rio Brazos Road
Aztec, NM 87410

Duane Spencer
Bureau of Land Management
1235 La Plata Hwy.
Farmington, NM 87401

NEED SUPPORTING
DATA (PRODUCTION)
ON OFFSET WELLS.
BS 7-15-96

Amoco Production Company

P.O. Box 800 Denver, CO 80201

Operator

Bolack B

5

Address

J-31-27-08

San Juan

Lease

Well No.

Unit Ltr. - Sec Twp - Rge

County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 000778 Property Code 000325 API NO. 3004511823 Federal ☒ State ☐ (and/or) Fee ☐

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	BLANCO MESAVERDE 72319		BASIN DAKOTA 71599
2. Top and Bottom of Pay Section (Perforations)	4257' - 4362 '		6418' - 6606'
3. Type of production (Oil or Gas)	GAS		GAS
4. Method of Production (Flowing or Artificial Lift)	FLOWING		FLOWING
5. Bottomhole Pressure	a. (Current) 610 PSI (EST)	a.	a. 718 PSI
Oil Zones - Artificial Lift: Gas & Oil - Flowing: Estimated Current All Gas Zones: Measured Current Estimated or Measured Original	b. (Original) 1230 PSI (EST)	b.	b. 2459 PSI
6. Oil Gravity (° API) or Gas BTU Content	1190 BTU / 49 DEG API (EST)		1225 BTU / 59 DEG API
7. Producing or Shut-In?	PRODUCING		PRODUCING
Production Marginal? (yes or no)	YES		YES
• If Shut-In, give data and oil/gas/water rates of last production	Date: Rates:	Date: Rates:	Date: Rates:
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)	Date: Rates: (EST) 44 MCFD 2.5 BCPD 0 BWPD	Date: Rates:	Date: Rates: 4/96 21 MCFD 0.2 BCPD 0 BWPD
8. Fixed Percentage Allocation Formula -% for each zone	Oil: 90 % Gas 68 %	Oil: % Gas %	Oil: 10 % Gas 32 %

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?
If not, have all working, overriding, and royalty interests been notified by certified mail?
Have all offset operators been given written notice of the proposed downhole commingling?

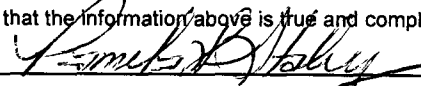
☒ Yes ☐ No

☐ Yes ☐ No

☒ 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 SF-079232
15. NMOC 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



TITLE

REGULATORY AFFAIRS REP

DATE

5/7/96

TYPE OR PRINT NAME

PAMELA W. STALEY

TELEPHONE NO. (303)

830-5344

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACERAGE DEDICATION PLAT**

All distances must be from the outer boundaries of the Section

Operator TENNOCO OIL COMPANY			Lease BOLACK "B"		Well No. 5
Unit Letter J	Section 31	Township 27 North	Range 8 West	County San Juan	
Actual Footage Location of Well: 1850 feet from the South line and 1625 feet from the East line					
Ground Level Elev. 6105 ungraded	Producing Formation Basin Dakota	Pool Basin Dakota	Dedicated Acreage: E/2 320 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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

If answer is "no," list the owners and tract descriptions which have actually 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.

CERTIFICATION

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

Harold C. Nichols
Name

Harold C. Nichols
Position

Senior Production Clerk
Company

Tenneco Oil Company
Date

July 20, 1966

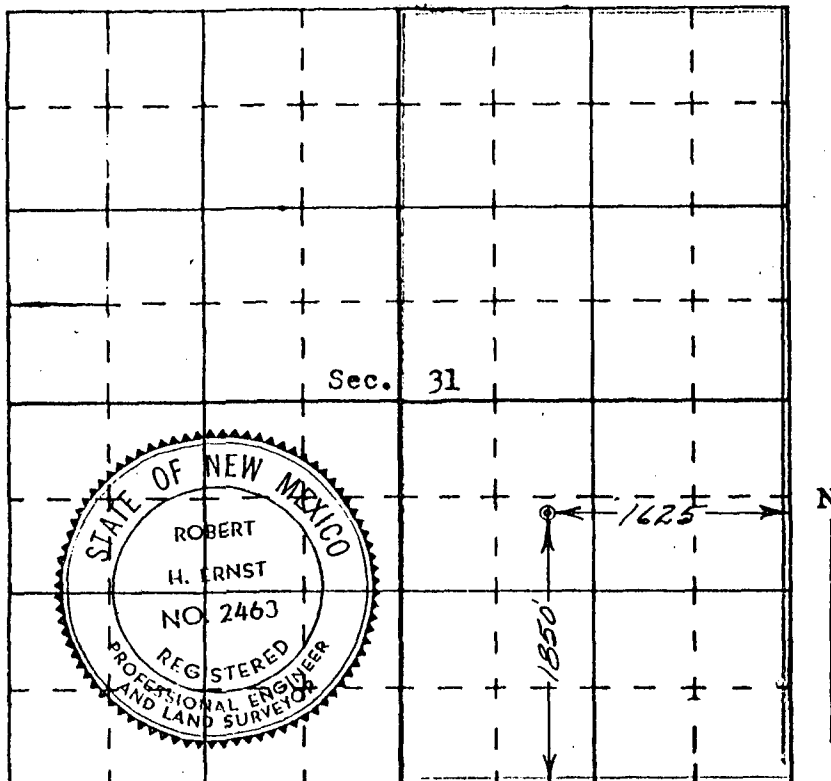
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

13 July 1966
Date Surveyed

Robert H. Ernst
Registered Professional Engineer
and/or Land Surveyor

Robert H. Ernst
Reg. PE & LS N. Mex. 2463

Certificate No.



District I
PO Box 1980, Hobbs, NM 88241-1980

District II

811 South First, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

Form C-102

Revised October 18, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

96 JAN 10 PM 12:38

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-11823		Pool Code 72319	Pool Name Blanco Mesaverde
Property Code 325	Property Name Bolack B		Well Number 5
OGRID No. 000778	Operator Name Amoco Production Company		Elevation 6105'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	31	27N	8W		1850	South	1625	East	San Juan

11 Bottom Hole Location If Different From Surface

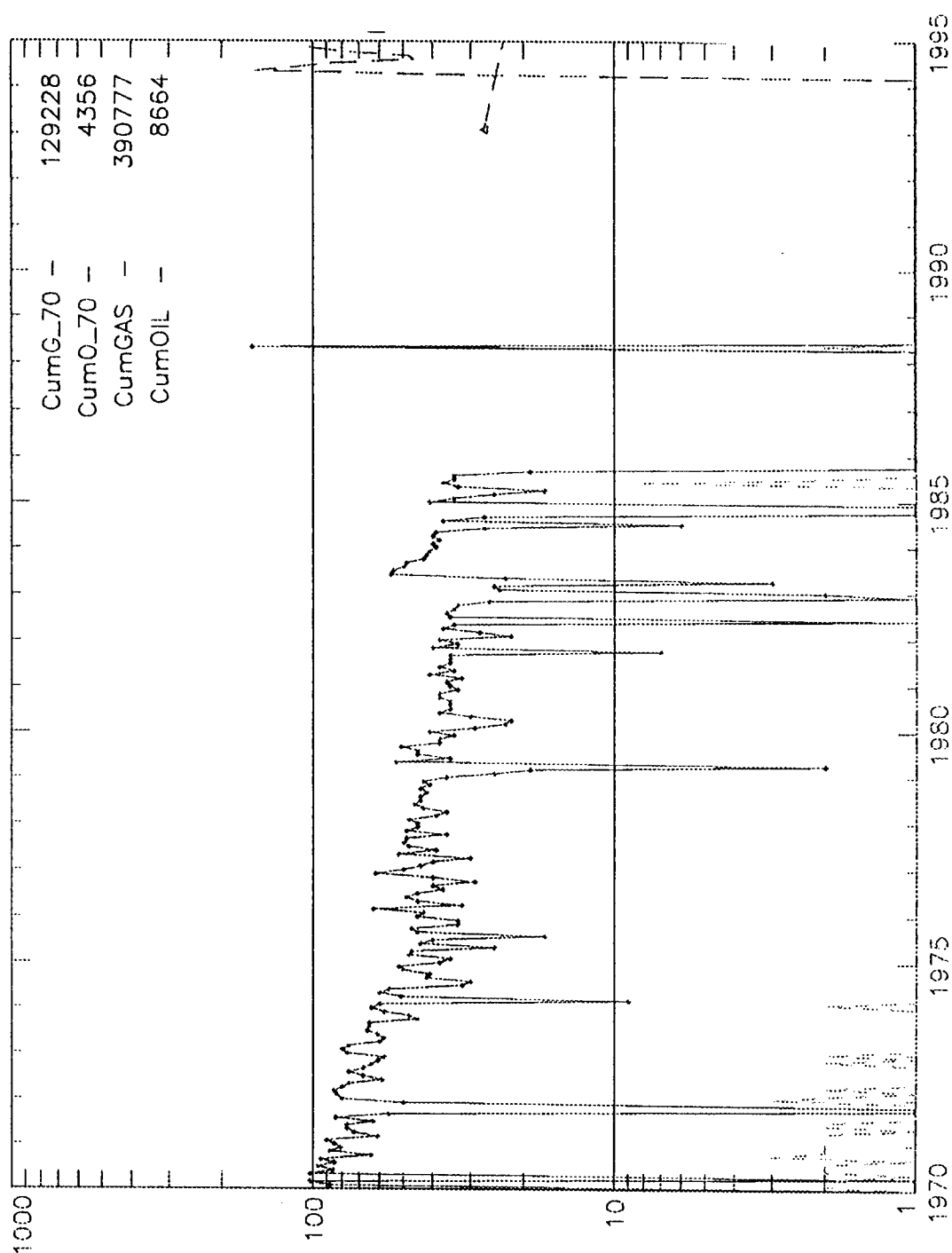
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320		Joint or Infill		Consolidation Code		Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16					1850'	1625'	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature <u>Patty Haeefe</u> Patty Haeefe Printed Name Staff Assistant Title 1/9/96 Date
							18 SURVEYOR CERTIFICATION 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 belief. 8/13/66 Date of Survey Signature and Seal of Professional Surveyer: 2463 Certificate Number

Engr: zr06

BOLACK B 5
300451182300DK J312708-005 DK Operator- AMOCO PRODUCTION CO
APC_WI - 0.50000000



OFFSET WELLS USED TO ESTIMATE PRODUCTION ALLOCATIONS

MESAVERDE OFFSETS

Bolack C LS 9	H-31-27-8	48 MCFD	2.5 BOPD
Navajo Indian 6	E-06-26-8	40 MCFD	2.5 BOPD
Average		44 MCFD	2.5 BOPD

OFFSET OPERATORS
Bolack B #5

Meridian Oil, Inc.
P.O. Box 4289
Farmington, NM 87499

Snyder Oil Corp.
1625 Broadway
Denver, Co. 80202

Kukui Operating Company
7880 San Felipe, Suite 207
Houston, Texas 77063