

7/16/97 8/5/97 DC KV DHC

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

W.D. HEATH B#3E

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]  
[DD-Directional Drilling] [SD-Simultaneous Dedication]  
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] 1661  
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Directional Drilling

☐ NSL ☐ NSP ☐ DD ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO

U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

PAMELA W. STALEY  
Print or Type Name

Signature

REGULATORY AFFAIRS ENGR.  
Title

Date

7/14/97



**Amoco Production Company  
San Juan Business Unit**

1670 Broadway  
Post Office Box 800  
Denver, Colorado 80201  
303-830-4040

July 14, 1997

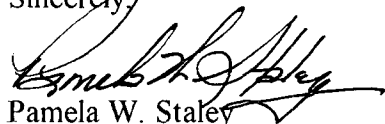
Mr. William J. LeMay, Director  
New Mexico Oil Conservation Division  
2040 S. Pacheco Street  
P. O. Box 6429  
Santa Fe, NM 87505

**Application for Exception to Rule 303-A  
Downhole Commingling  
W.D. Heath B #3E  
Unit H Section 31-T30N-R9W  
Basin Dakota and Blanco Mesaverde 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 Yamasaki  
Nancy Whitaker  
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

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 87410-1893

APPLICATION FOR DOWNHOLE COMMINGLING

EXISTING WELLBORE  
☒ YES ☐ NO

Amoco Production Company

P.O. Box 800

Denver, CO 80201

Operator  
W.D. Heath

B3E

Address  
H-31-30N-9W

San Juan

Lease

Well No.

Unit Ltr. - Sec Twp - Rge

County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 000778 Property Code 000666 API NO. 30-045-24381 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)	4052' - 4390' (proposed)		6786'-6912'
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: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated or Measured Original	a. (Current) 596 psi (est.) b. (Original) 1207 psi	a. b.	a. 875 psi b. 2214 psi
6. Oil Gravity (° API) or Gas BTU Content	1200 BTU/mmcft 53 API gravity		1000 BTU/mmcft 55.8 API gravity
7. Producing or Shut-In?	new		Shut-in
Production Marginal? (yes or no)	no		yes
• 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	Date: Est. Stabilized Prod. Rates: 138 mcf/d 0.00 bwpd 0.25 bopd	Date: Rates:	Date: 11/1/91 - 12/31/91 Rates: 9 mcf/d 0 bwpd 0 bopd
• If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates:	Date: Rates:	Date: Rates:
8. Fixed Percentage Allocation Formula -% for each zone	Oil: % Gas %	Oil: % Gas %	Oil: % Gas %

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. **ALLOCATE BASED ON WELL TEST**

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 SF-076337

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. SEE ATTACHED
- \* 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 ENGR. DATE 7/14/97

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

**OFFSET OPERATORS**  
**W.D. Heath B #3**

Burlington Resources Oil and Gas Co.  
P.O. Box 4289  
Farmington, NM 87499

**RECOMMENDED ALLOCATION METHOD**

Allocation for gas in this well is recommended to be by the subtraction method. The Dakota had been producing for many years, however it was shut-in in 1991 due to low production. Since the well has not been producing for several years we propose well testing each zone and submitting those tests and a recommended allocation once the well has been recompleted to your Aztec District Office.

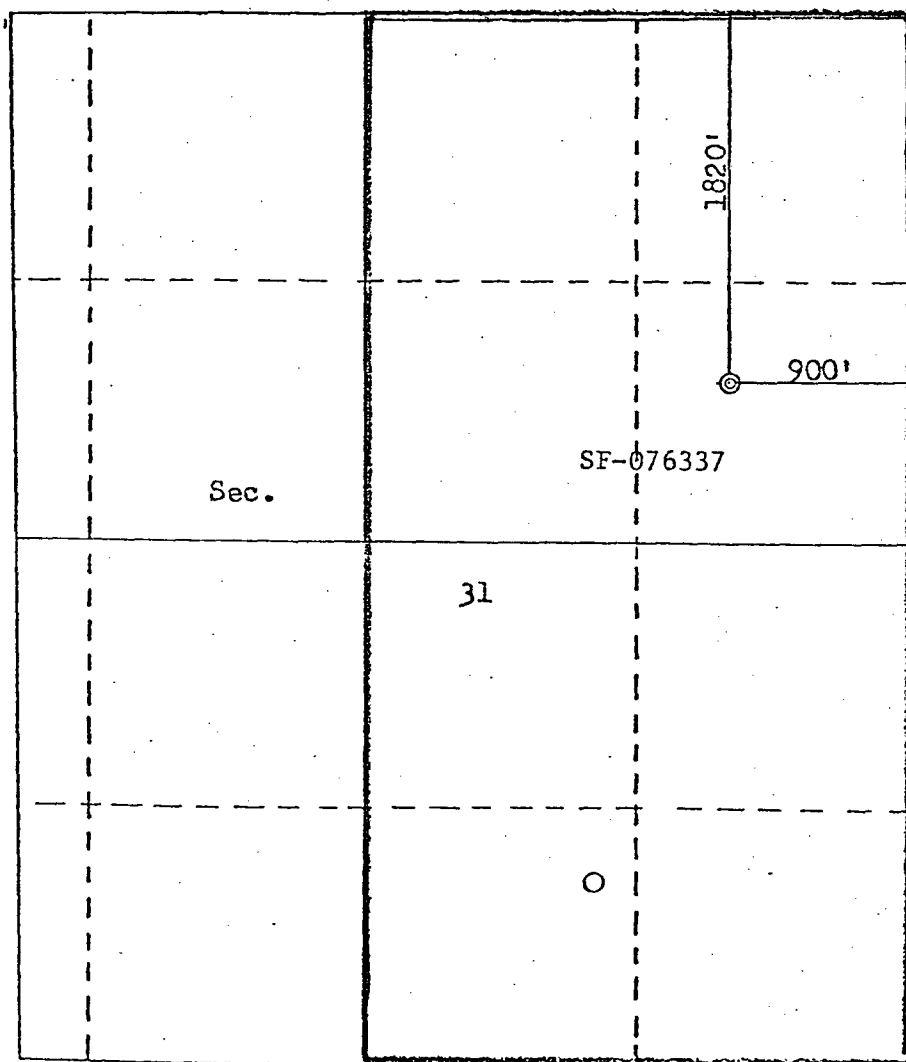
Color			Lease			Well No.		
AMOCO PRODUCTION COMPANY			W. D. HEATH "B"			3-E		
Letter	Section	Township	Range	County				
H	31	30N	9N	San Juan				
Initial Footage Location of Well:								
1820		feet from the North		line and 900		feet from the East		line
Initial Level Elev.	Producing Formation		Pool		Dedicated Acreage:			
5854	Dakota		Basin Dakota		316.5 Acres			

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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 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.



### CERTIFICATION

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

*B.E. Fackrell*

Name	B.E. FACKRELL
Position	DISTRICT ENGINEER
Company	AMOCO PRODUCTION COMPANY
Date	FEBRUARY 26, 1980

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	February 19, 1980
Registered Professional Engineer and/or Land Surveyor	<i>Fred B. Kern</i>
Certificate No.	3950

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

311 South First., Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

2040 South Pacheco, Santa Fe, NM 87505

Energy, Minerals and Natural Resources Department

**OIL CONSERVATION DIVISION**

2040 South Pacheco

Santa Fe, New Mexico 87505

Revised October 18, 1994  
 Submit to Appropriate District Office  
 State Lease - 4 Copies  
 Fee Lease - 3 Copies

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number 3004524381	Pool Code 72319	Pool Name BLANCO MESAVERDE GAS POOL
Property Code 000666	Property Name W. D. HEATH B	Well Number # 3 E
OGRID No. 000778	Operator Name AMOCO PRODUCTION COMPANY	Elevation 5854

**Surface Location**

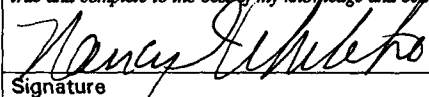
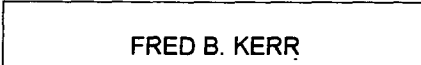
UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
UNIT H	31	30N	9W		1820	NORTH	900	EAST	San Juan

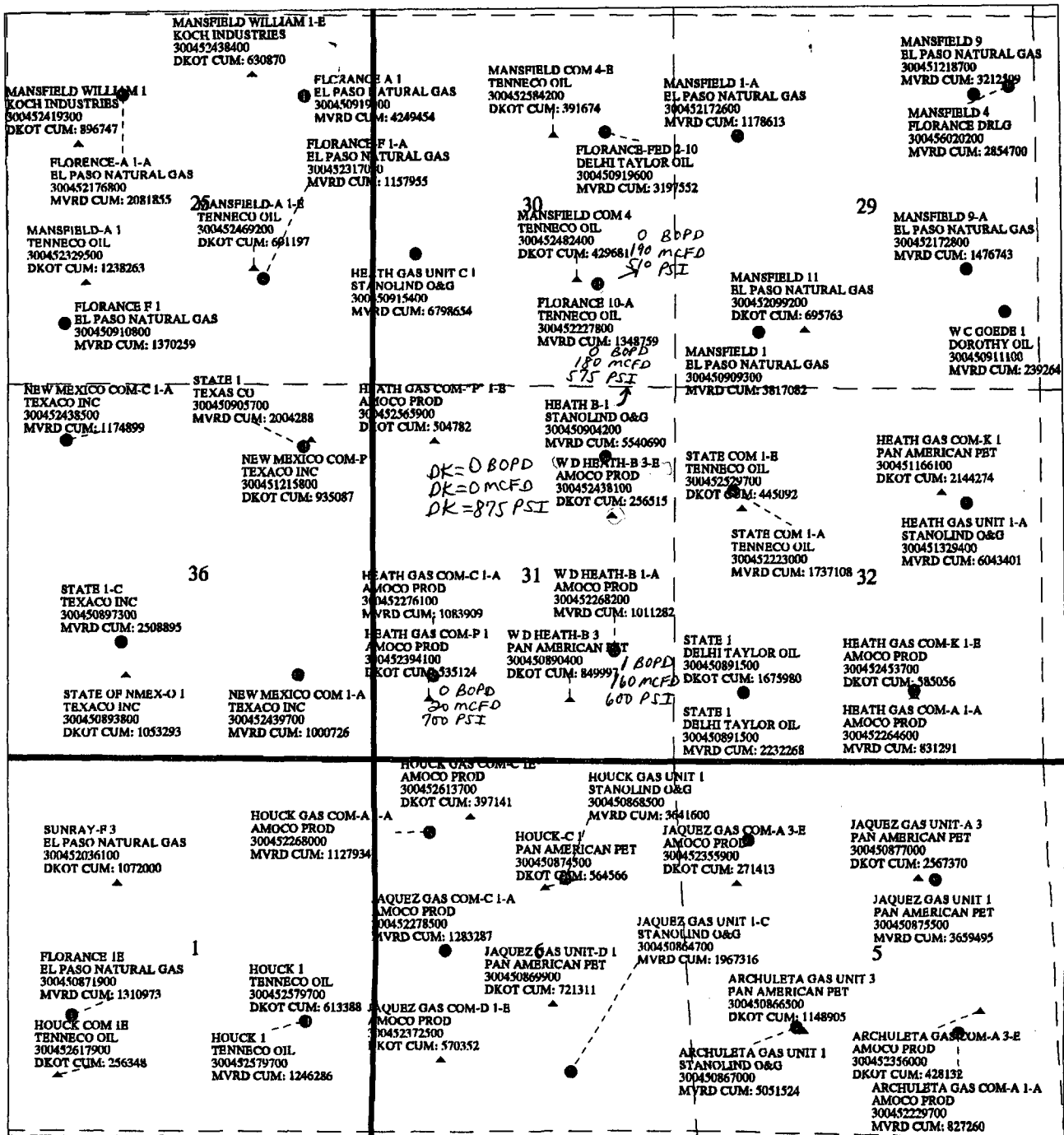
**Bottom Hole Location If Different From Surface**

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West Line	County

Dedicated Acreage: 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**

	<b>OPERATOR CERTIFICATION</b>		
	<i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i>  Signature		
	Printed Name Nancy I. Whitaker		
	Position Staff Assistant		
Date 06/16/1997		<b>SURVEY CERTIFICATION</b>	
<i>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.</i>		Date of Survey 02/19/1980	
Signature & Seal of Professional Surveyor  FRED B. KERR		Certificate No. 3950	



R10W  
 AVG, MV PROD = 0 BOPD, 138 MCFD  
 AVG, MV PSI = 596

R9W

## AMOCO PRODUCTION COMPANY

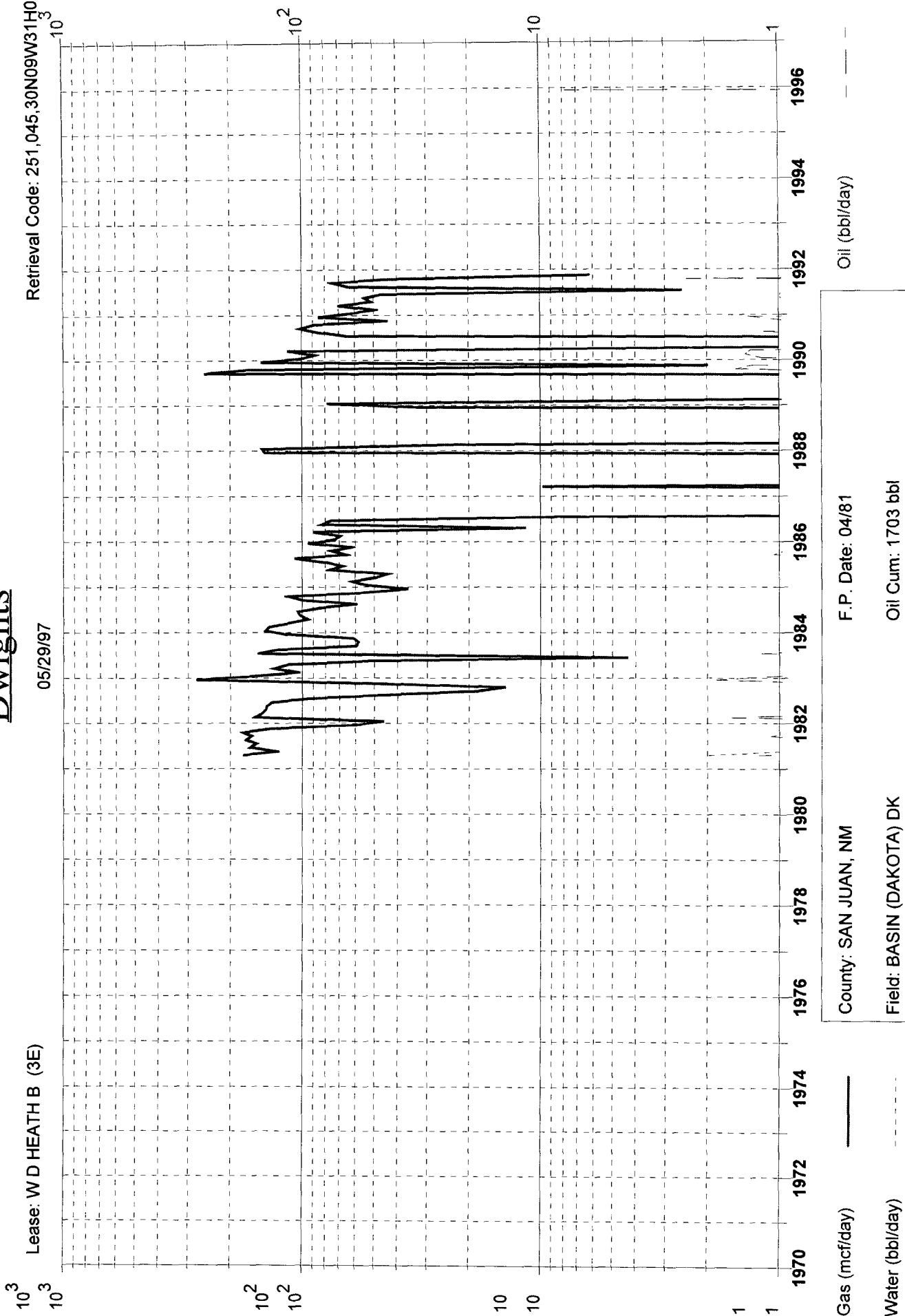
Type of Map:	Nine-Section Plat
Horizon:	DK and MV
Block(s)/Well(s):	W.D. Heath B 3E Commingling Info.
Area/Country:	SAN JUAN BASIN, NEW MEXICO
License:	
Interpretor(s):	Date: April 24, 1997
Scale = 1:27000	Contour Interval:
Remarks:	
FILED MAP WITH CUMULATIVE PRODUCTION DK and MV Wells DK triangles MV circles Sec. 3F-1200-20W	
File No.:	Draft by: R. Kucharski

# Dwights

Lease: WD HEATH B (3E)

05/29/97

Retrieval Code: 251,045,30N09W31H00DK



Gas (mcf/day)

Water (bbl/day)

F.P. Date: 04/81

Oil Cum: 1703 bbl

Gas Cum: 256.5 mmcf

Location: 31H 30N 9W

County: SAN JUAN, NM

Field: BASIN (DAKOTA) DK

Reservoir: DAKOTA

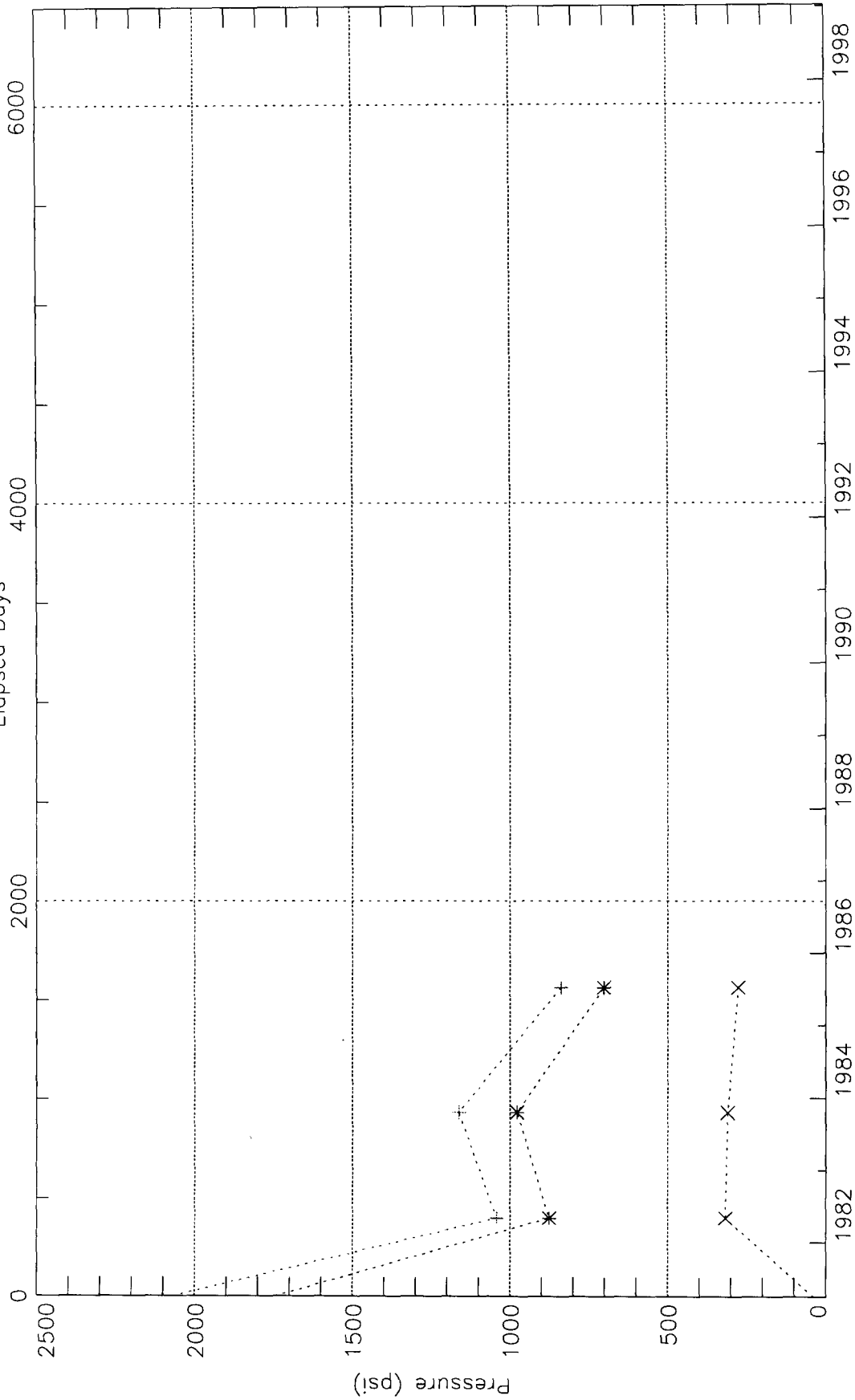
Operator: AMOCO PRODUCTION CO



User: zrar06  
Owner: 2DMHF

# Single Well Gas3D

Description 1  
Thu May 29 11:28:47 1997



Well ID: 300452438100 602DK0T  
Well Name: HEATH, W D, /B/ E003H31  
Operator: AMOCO PRODUCTION COMPANY

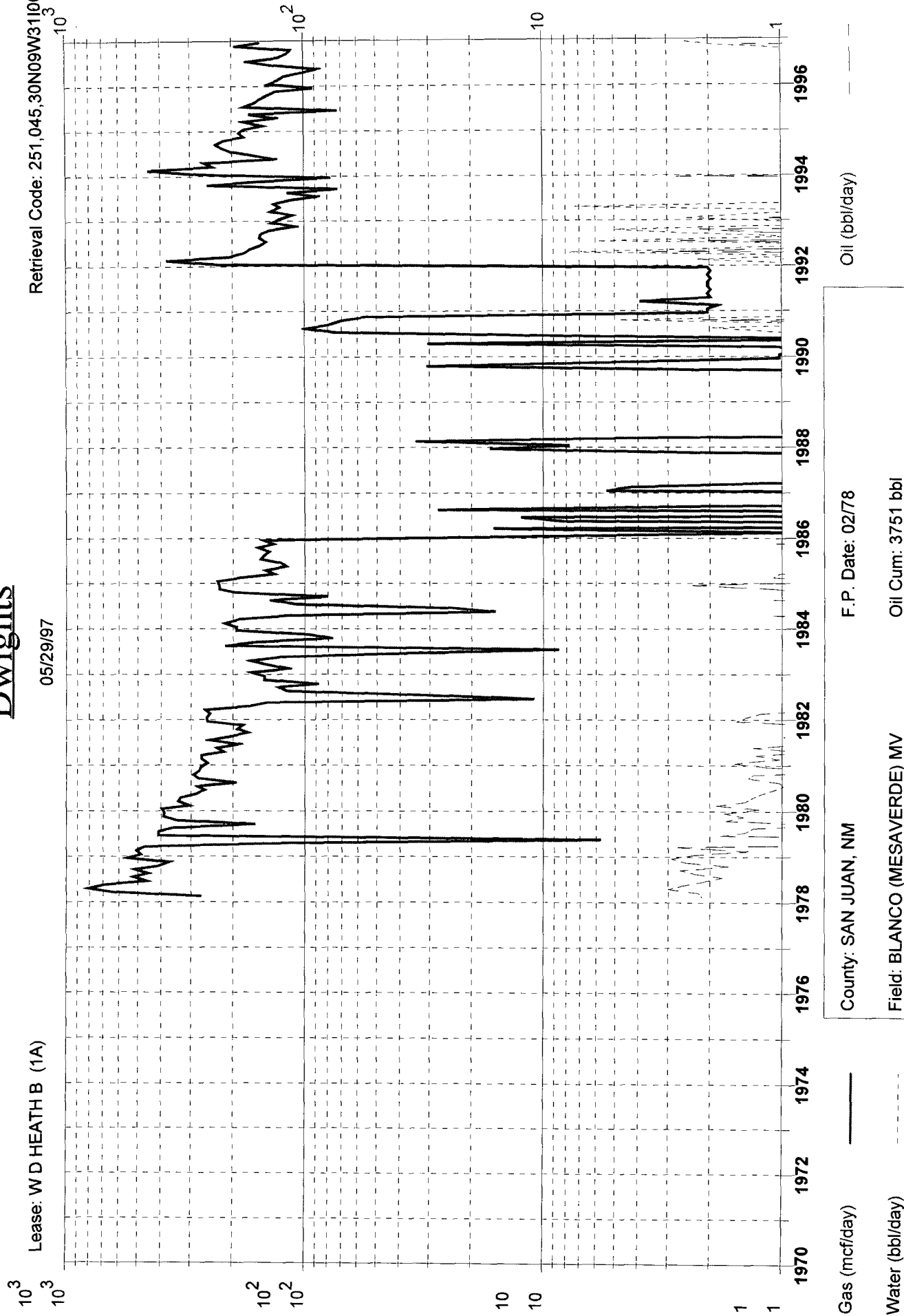
WH\_SIP (\*)  
BHP (+)  
WH\_FTP (x)

# Dwights

Lease: W D HEATH B (1A)

05/29/97

Retrieval Code: 251,045,30N09W31100MV



Gas (mcf/day)

Water (bbl/day)

F.P. Date: 02/78

Oil Cum: 3751 bbl

Gas Cum: 1007 mmcf

Location: 311 30N 9W

County: SAN JUAN, NM

Field: BLANCO (MESAVERDE) MV

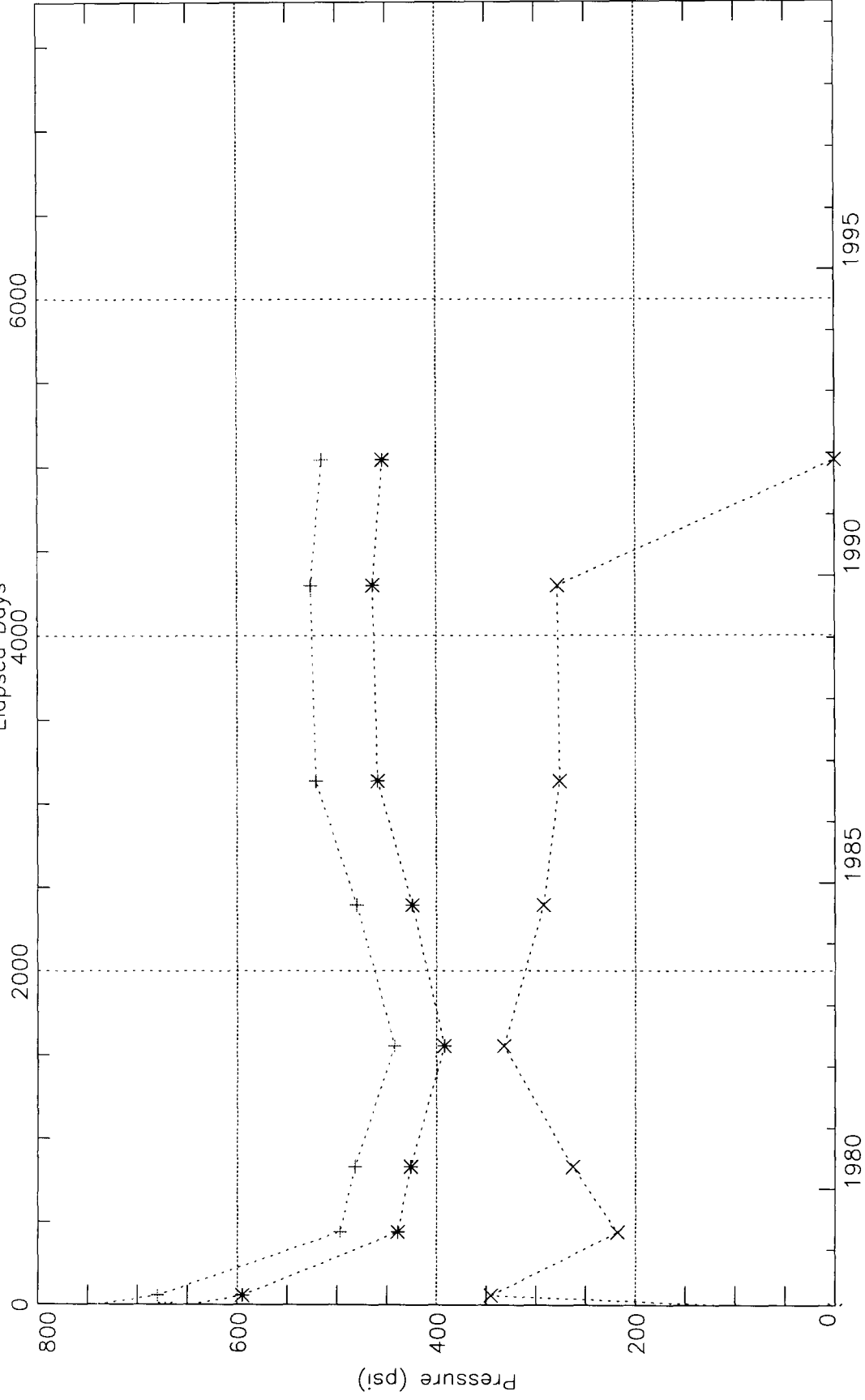
Reservoir: MESAVERDE

Operator: AMOCO PRODUCTION CO

User: zr06  
Owner: 2DMHF

# Single Well Gas3D

Description 1  
Thu May 29 11:28:16 1997



WH\_SIP (\*)  
BHP (+)  
WH\_FTP (x)

Date (Years)

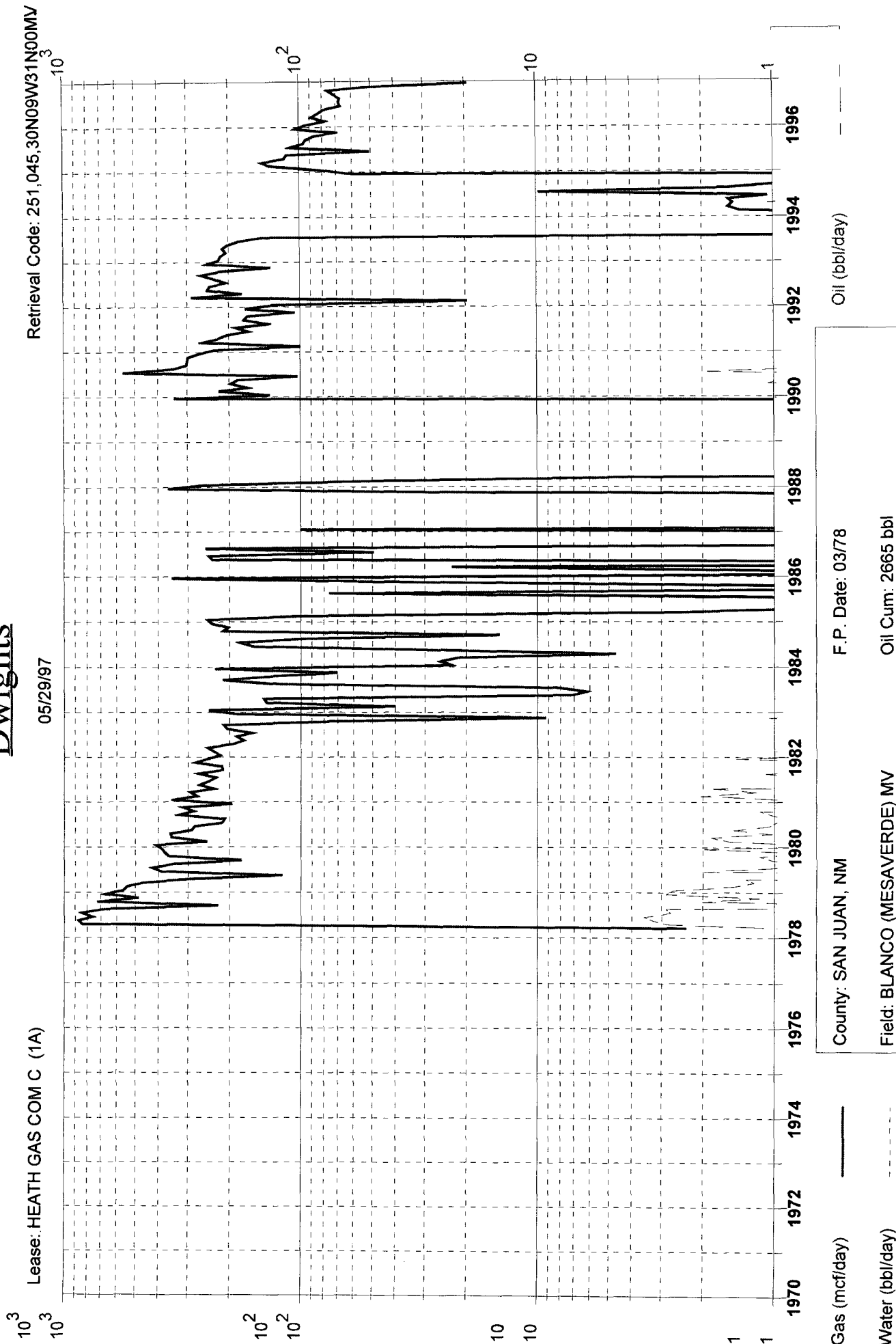
Well ID: 300452268200 604MVRD  
Well Name: HEATH, W D, /B/ A001131  
Operator: AMOCO PRODUCTION COMPANY

# Dwights

Lease: HEATH GAS COM C (1A)

05/29/97

Retrieval Code: 251,045,30N09W31N00MV



Gas (mcf/day)

Water (bbl/day)

Oil (bbl/day)

F.P. Date: 03/78

County: SAN JUAN, NM

Field: BLANCO (MESAVERDE) MV

Oil Cum: 2665 bbl

Gas Cum: 1084 mmcf

Reservoir: MESAVERDE

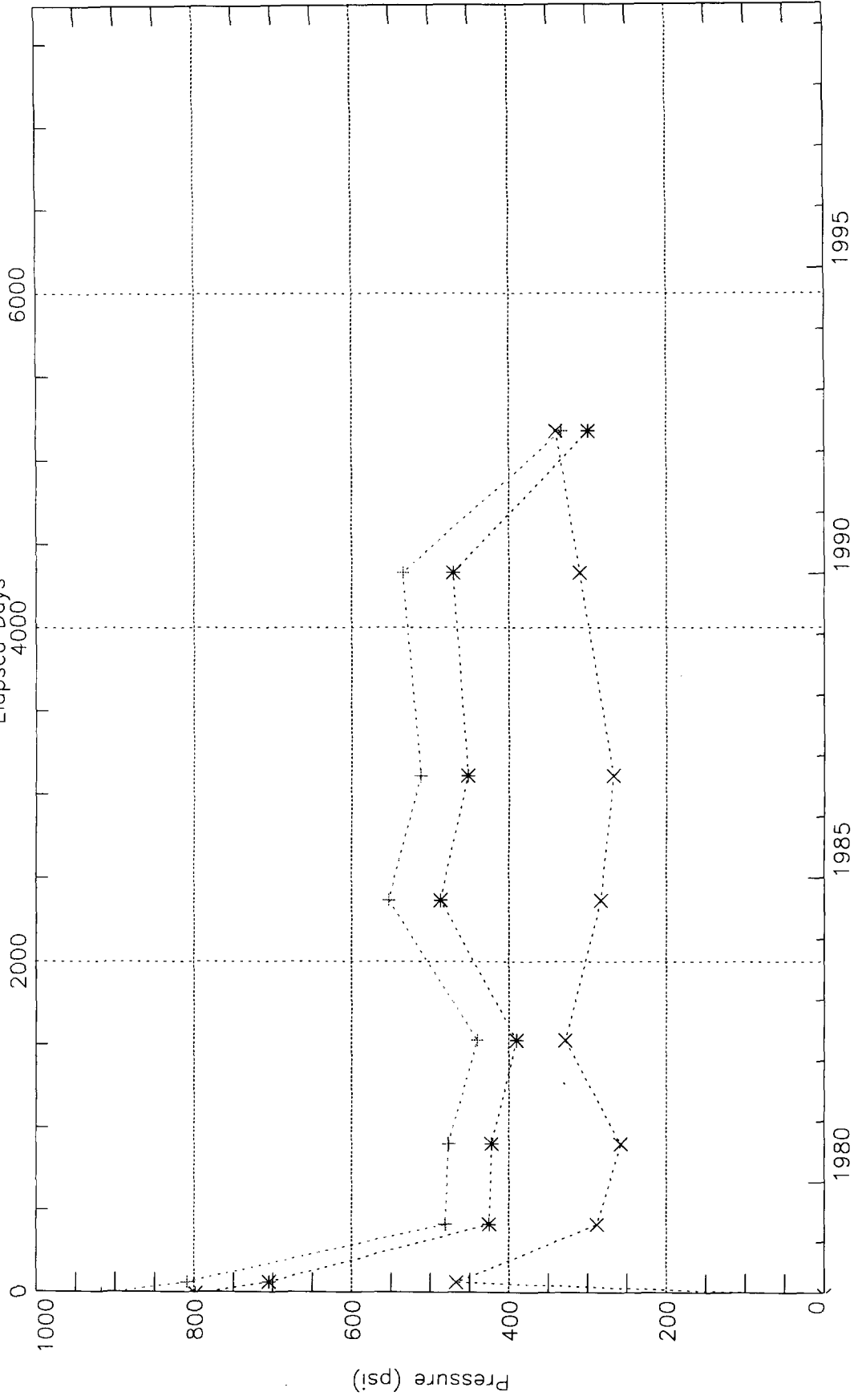
Location: 31N 30N 9W

Operator: AMOCO PRODUCTION CO

User: zr06  
Owner: 2DMHF

# Single Well Gas3D

Description 1  
Thu May 29 11:28:30 1997



Well ID: 300452276100 604MVRD  
Well Name: HEATH GAS COM /C/ A001N31  
Operator: AMOCO PRODUCTION COMPANY

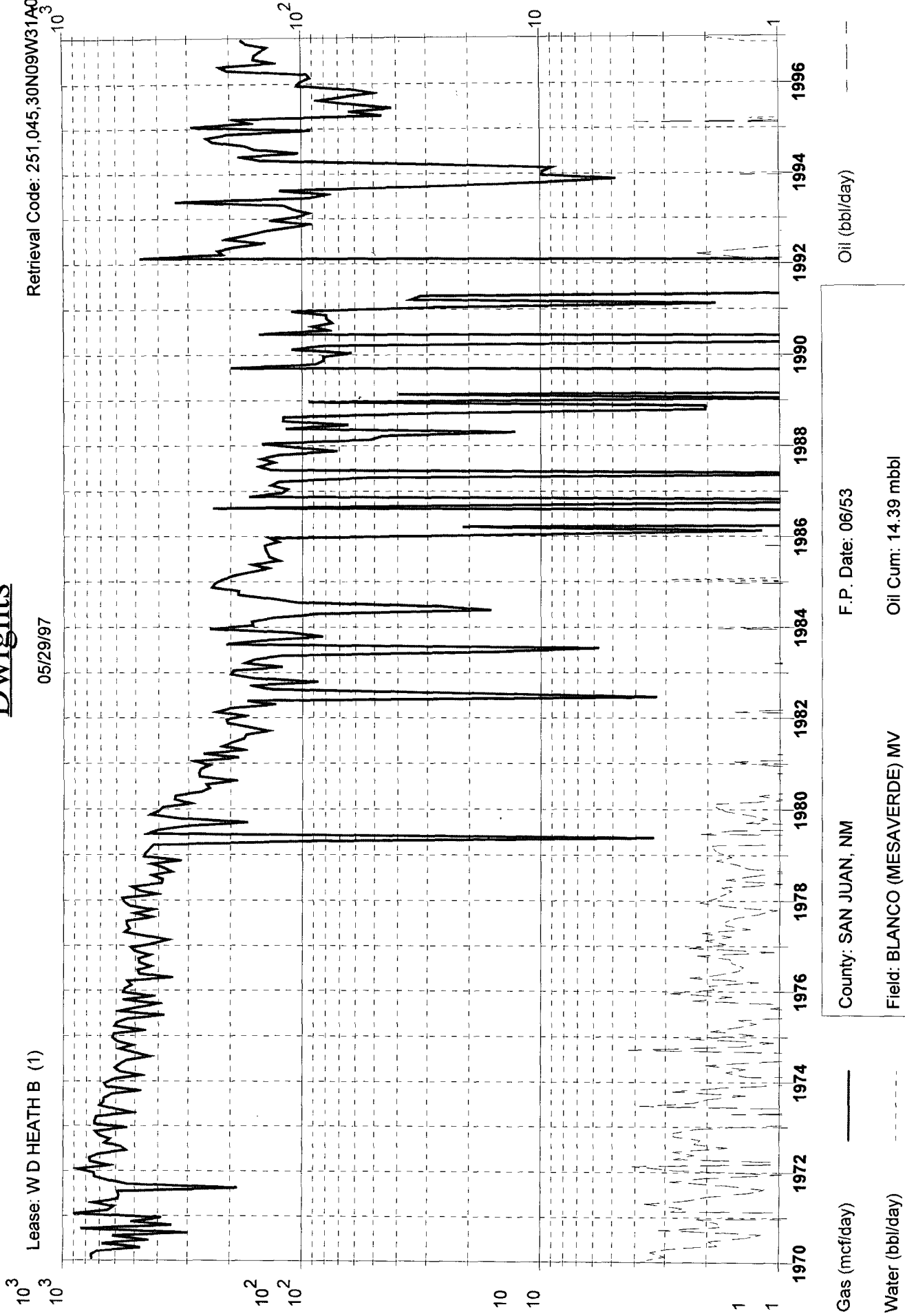
WH\_SIP (\*)  
BHP (+)  
WH\_FTP (x)

# Dwights

Lease: W D HEATH B (1)

05/29/97

Retrieval Code: 251,045,30N09W31A00MV



Gas (mcf/day)

Oil (bbl/day)

Water (bbl/day)

F.P. Date: 06/53

County: SAN JUAN, NM

Oil Cum: 14.39 mbbl

Field: BLANCO (MESAVERDE) MV

Gas Cum: 5543 mmcf

Reservoir: MESAVERDE

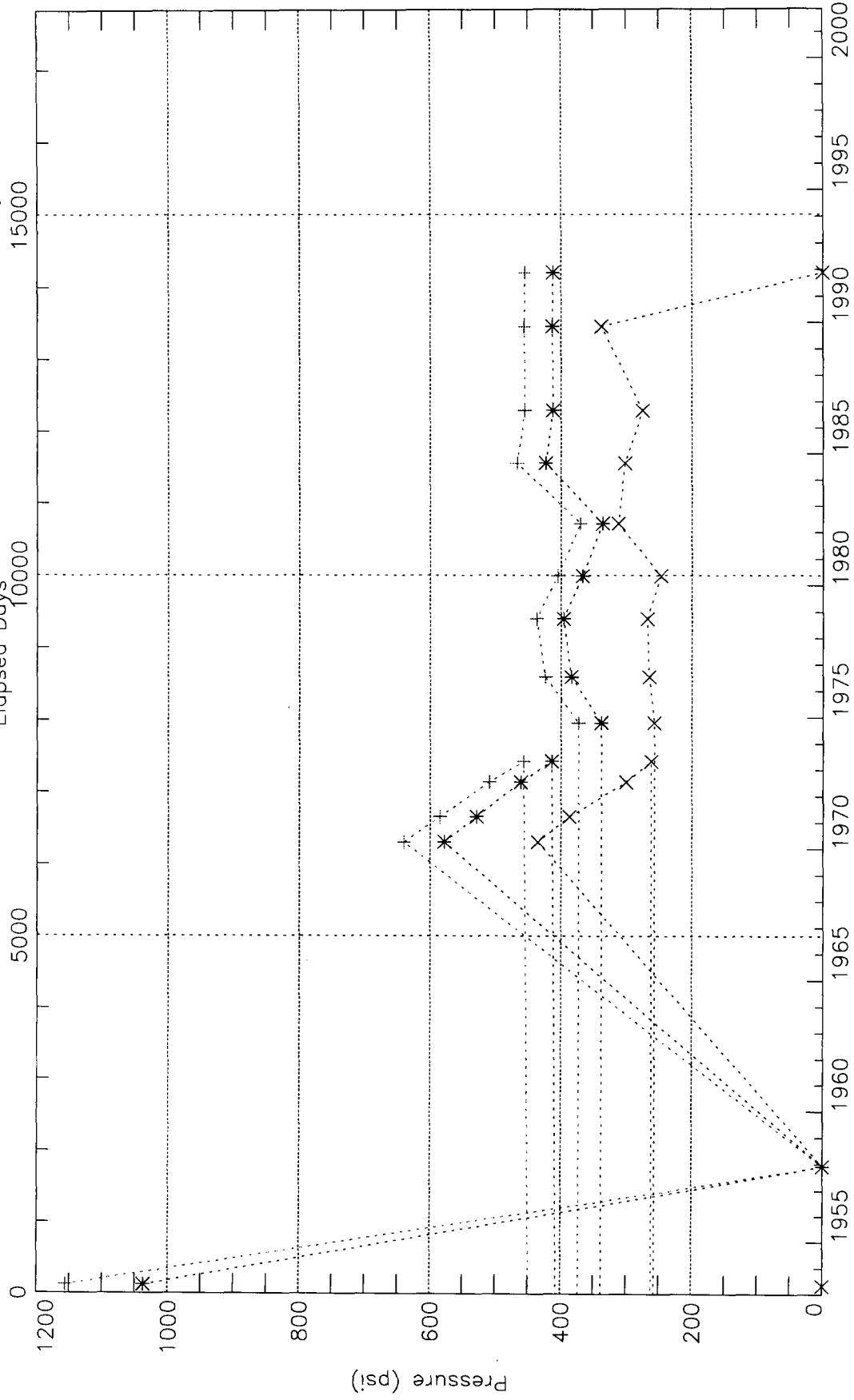
Location: 31A 30N 9W

Operator: AMOCO PRODUCTION CO

User: zr06  
Owner: 2DMHF

# Single Well Gas3D

Description 1  
Thu May 29 11:27:32 1997



WH\_SIP (\*)  
BHP (+)  
WH\_FTP (x)

Date (Years)

Well ID: 300450904200 604MVRD  
Well Name: HEATH, W D, /B/ 001A31  
Operator: AMOCO PROD

# Dwights

Lease: FLORANCE (10A)

05/29/97

Retrieval Code: 251,045,30N09W30I000MV

10<sup>3</sup>  
10<sup>3</sup>

10<sup>2</sup>  
10<sup>2</sup>

10  
10

1  
1

Gas (mcf/day)

Water (bbl/day)

Oil (bbl/day)

F.P. Date: 12/77

County: SAN JUAN, NM

Oil Cum: 5418 bbl

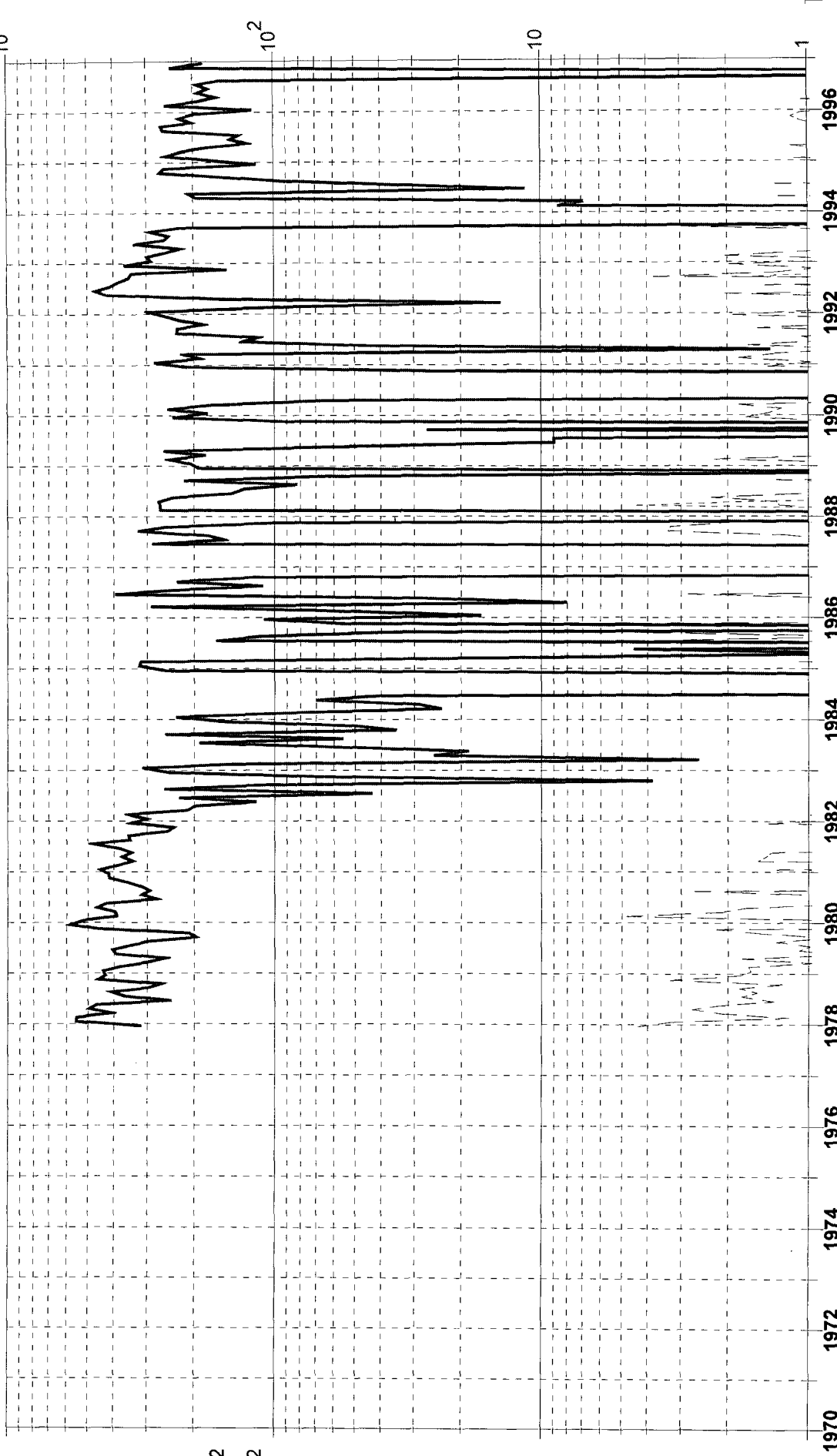
Field: BLANCO (MESAVERDE) MV

Gas Cum: 1343 mmcf

Reservoir: MESAVERDE

Location: 30I 30N 9W

Operator: AMOCO PRODUCTION CO



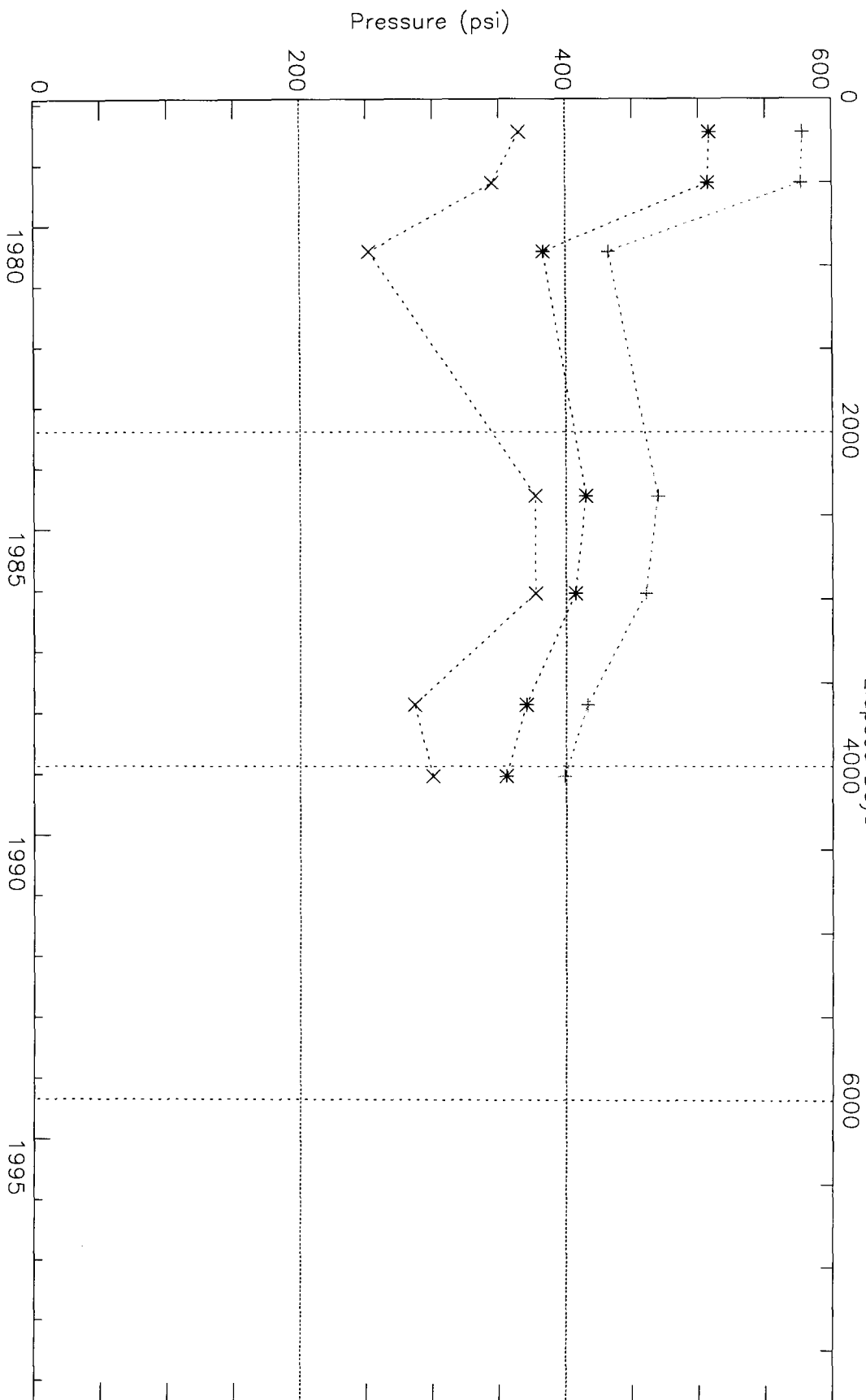


User: zr4r06  
Owner: 2DMHF

# Single Well Gas3D

Eapsed Days

Description 1  
Thu May 29 11:31:09 1997



Well ID: 300452227800 604MVRD

Well Name: FLORANCE 10,10A /MV/ 10A /FT/ A010130

Operator: AMOCO PRODUCTION COMPANY

Date (Years)

WH\_SIP (\*)  
BHP (+)  
WH\_FTP (x)