

BURLINGTON RESOURCES

SAN JUAN DIVISION

October 30, 1997

Mr. William LeMay
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Re: Kelly #2A
Unit J, 1720'FSL, 1630'FEL Section 35, T-30-N, R-10-W
San Juan County, New Mexico
Pictured Cliffs/Mesa Verde
30-045-23380

Dear Mr. LeMay:

This is a request for administrative approval for surface commingling the Pictured Cliffs and Mesa Verde natural gas production in the subject well.

Aztec (GAS) 71280
BLANCO (PRO GAS) 72319

To comply with the New Mexico Oil Conservation Division rules, Burlington is submitting the following for your approval of this commingling:

1. a schematic diagram of the proposed installation;
2. a plat showing the location of all wells on lease and pool of each producing well;
3. annual production for each formation

Latest production data was in 1996, which shows less than 1 BOPD and 1 BWPD from the Mesa Verde. The Pictured Cliffs makes no liquids. The two formations run through separate separation equipment. There is no concern with the liquid hydrocarbon commingling.

Please note on item #1 above, the "accepted for record" approval of the Bureau of Land Management Farmington District Office.

There will be no decrease in value by commingling in this well.

We will consult with the Supervisor of the Aztec District Office of the New Mexico Oil Conservation Division to establish an allocation formula.

Please let me know if you require additional data.

Sincerely,



Peggy Bradfield
Regulatory/Compliance Administrator

encs.

FARMINGTON DISTRICT OFFICE

BY BC

DPNO: 53115A
WELLNAME: KELLY
LEASE#: MNM04240
LOCATION: Unit: J Sec: 35
ORIGINAL: 02/15/1994

2A

Twn: 030N Rng: 010W
REVISED:

[illegible]

Tank S/T1 - S#1, D#1, SEALED - SHUT
Tank S/T2 -
Tank S/T3 -
Tank S/T4 -

FARMINGTON

ANNUAL PRODUCTION FOR 53115B

PHS020M1

KELLY 2A

BLANCO MESAVERDE (PRORATED GAS FIELD

MESAVERDE ZONE

===== OIL CUM =====

===== GAS CUM =====

===== WATER CUM =====

PC DATE

BBLs

PC DATE

MCF

DATE

BBLs

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YEAR      OIL      OIL CUM      GAS      GAS CUM      WATER      WATER CUM
1990      203      5196      60967     1205575      232        3641
1991      360      5556      57746     1263321      219        3860
1992      272      5828      71880     1335201      274        4134
1993      377      6205      79273     1414474      302        4436
1994      174      6379      53578     1468052      204        4640
1995      254      6633      77787     1545839      296        4936
1996      250      6883      76929     1622768      294        5230
1997      63       6946      35934     1658702      138        5368
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POSITION CURSOR BY YEAR AND PRESS ENTER TO DISPLAY MONTHLY PRODUCTION

ENTER - CONTINUES ANNUAL DISPLAY

PF3 - TRANSFER TO UPDATE

PF6 - RETURN TO WELL-INFO DISPLAY

PF9 - ANNUAL INJECTION DISPLAY

PF10 - HELP INFORMATION

FARMINGTON

ANNUAL PRODUCTION FOR 53115A

PHS020M1

KELLY 2A

AZTEC PICTURED CLIFFS (GAS) FIELD

PICTURED CLIFFS ZONE

===== OIL CUM =====

===== GAS CUM =====

===== WATER CUM =====

PC DATE

BBLs

PC DATE

MCF

DATE

BBLs

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=====
YEAR      OIL      OIL CUM      GAS      GAS CUM      WATER      WATER CUM
1990                9394      201712
1991                5009      206721
1992               10660      217381
1993               13268      230649
1994                8743      239392
1995               10119      249511
1996                8613      258124
1997                8366      266490
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POSITION CURSOR BY YEAR AND PRESS ENTER TO DISPLAY MONTHLY PRODUCTION

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PF3 - TRANSFER TO UPDATE

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PF9 - ANNUAL INJECTION DISPLAY

PF10 - HELP INFORMATION