

**Tenneco Oil**  
A Tenneco Company

Penthouse  
720 South Colorado Blvd.  
Denver, Colorado 80222  
(303) 758-7130



September 25, 1978

New Mexico Oil Conservation Commission  
1000 Rio Brazos Road  
Aztec, New Mexico 87401

Attention: Mr. A. R. Kendrick

Re: Order R-5707, Downhole Commingling  
Jicarilla C #4  
Sec. 24, T26N, R5W  
Rio Arriba County, New Mexico

Gentlemen:

The above order authorized downhole commingling of the Basin Dakota and Blanco Mesa Verde pools in seven wells located in T26N, R5W of Rio Arriba County, New Mexico. Included in the order was a provision requiring testing of the Jicarilla C-4 to determine an allocation formula for the produced hydrocarbons during commingling operations.

The Jicarilla C-4 was commingled September 9, 1978, after deadweight pressure measurement showed a tubing (Dakota) pressure of 780 psi and an annulus (Mesa Verde) pressure of 670 psi. Commingled production stabilized at 430 MCFD September 15, 1978. No significant change in oil production was noted. It is recommended that 52% of the commingled gas production be allocated to the Mesa Verde, and 48% to the Dakota. This ratio is based on a projected September production of 207 MCFD from the Dakota, with all incremental gas attributed to the Mesa Verde. As no appreciable change was noted in total condensate production, it is recommended that all liquid hydrocarbons be attributed to the Dakota. A curve showing Dakota production and the present commingled rate is attached for your information.

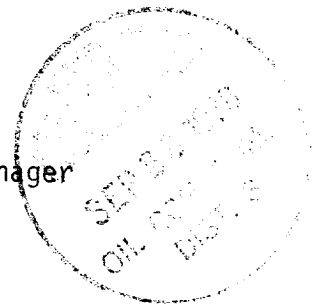
If you require additional information regarding the above, please do not hesitate to call.

Sincerely yours,

TENNECO OIL COMPANY

*D. D. Myers*

D. D. Myers  
Division Production Manager



JTB  
DDM/JTB/vc  
attachment