ile

CORPORATION

SUITE 2000 ONE NORWEST CENTER/1700 LINCOLN STREET/ DENVER/CO 80203-4520

303/837-5000

April 18, 1994

New Mexico Oil Conservation Division P.O. Box 2088 Santa Fe, New Mexico 87504-2088

Attn: Director

MW Petroleum Corporation Bobby Poirrier Jr. 1700 Lincoln, Suite 2000 Denver, CO 80203-9911 MAY 1 2 1994

OIL COM. DIV.

Dear Director:

MW Corporation is submitting this application to seek an exception to Rule 303-A concerning segregation of production from pools.

We are requesting approval to commingle the Gallup/Dakota and the Mesa Verde in the Jicarilla Apache Al18-15 well.

OPERATOR:

MW Petroleum Corporation (Managed by Apache Corp.) 1700 Lincoln, Suite 2000

Denver, CO 80203-9911

WELL:

Jicarilla Apache A118-15

SESE Sec. 25 T26N R3W

Rio Arriba County, NM

Gallup/Dakota and Mesa Verde

Plat of lease ownership and offset wells: See Attachment 'A'

Form C-116:

See Attachment 'B'

Production decline curve:

The Gallup-Dakota was completed on October 18, 1985. The Mesa Verde was recompleted and began sales on October 6, 1993. It has been isolated from the Gallup-Dakota with a packer.

Mesa Verde production averages:

10/93 93 mcfd, 33 bwpd, bopd 11/93 97 mcfd, 1 bopd 14 bwpd, mcfd, bwpd, 0 bopd 12/93 66 14 1/94 62 mcfd, 0 bwpd, 3 bopd (See attachment 'C' for Gallup/Dakota decline curve)

Well resume and proposed commingling schematic: See Attachment 'D'

Estimated bottomhole pressures: See Attachment 'E'

Description of the fluid characteristics: See Attachment 'F'

Value of the commingled production, as of January, 1994

Jicarilla A118-15Gallup-DakotaGas\$2.12/mcfOil\$13.75/bbl

Jicarilla A118-15 Mesa Verde Gas \$2.12/mcf Oil \$13.75/bbl

Formula for Allocation:

The allocation for production will be based on prior production from the Gallup/Dakota of 1500 mcf/m and current production from the Mesa Verde of 1900 mcf/m, or 55% Mesa Verde and 45% Gallup/Dakota.

Statements of notification ot offset operators and the BLM: See Attachment 'G'

Ownership of the zones is common: See Attachment 'H'

This should complete all information needed to meet the requirements for the commingling approval. If further information is required, please contact me.

Thank you,

Bobby Poirrier Jr. Production Engineer Tech.

Mark McCool Production Superintendent

cc: Division Director, Santa Fe Office (3 copies)
Etnie Bush, Aztec Office (2 copies)