



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

ADMINISTRATIVE ORDER DHC-1299

Amoco Production Company
P.O. Box 800
Denver, Colorado 80201-0800

Attention: Ms. Pamela Staley

Administrative Order #27

VCU Well No. 27
Unit M, Section 22, Township 28 North, Range 4 West, NMPM,
Rio Arriba County, New Mexico.
Basin Fruitland Coal (Gas - 71629) and
Choza Mesa Pictured Cliffs (Gas - 74960) Pools

RECEIVED
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OIL CON. DIV.
DIST. 2

Dear Ms. Staley:

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the subject well to commingle production from multiple pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303.C., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the subject zones is hereby placed in abeyance.

The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated pool as printed in the Division's San Juan Basin Gas Proration Schedule.

In accordance with the provisions of Rule 303.C., the supervisor of the Aztec District Office of the Oil Conservation Division shall determine the proper allocation of production from the subject well following its completion.

REMARKS: The operator shall notify the Aztec District Office of the Division upon implementation of the commingling process.

Pursuant to Rule 303.H., the commingling authority granted by the order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Administrative Order DHC-1299

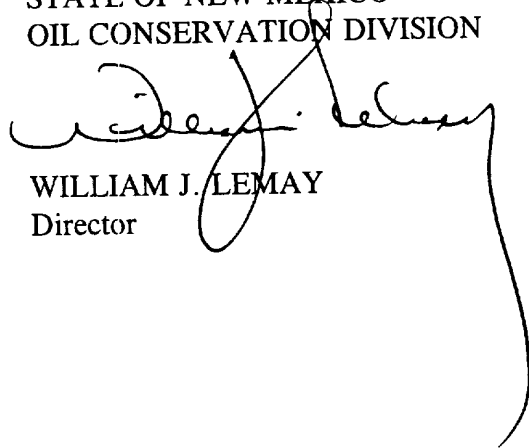
Amoco Production Company

July 17, 1996

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Approved at Santa Fe, New Mexico on this 17th day of July, 1996.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A large, stylized handwritten signature in black ink, which appears to read "William J. Lemay". The signature is written over the printed name and title of the official.

WILLIAM J. LEMAY
Director

S E A L

WJL/BES

cc: Oil Conservation Division - Aztec ✓
Bureau of Land Management - Farmington