



STATE OF NEW MEXICO  
**ENERGY AND MINERALS DEPARTMENT**  
OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE

GARREY CARRUTHERS  
GOVERNOR

1000 RIO BRAZOS ROAD  
AZTEC, NEW MEXICO 87410  
(505) 334-6178

March 17, 1987

Southland Royalty Co.  
P.O. Drawer 4289  
Farmington, NM 87499

Re: Whitley #7E F-09-27N-9W

Gentlemen:

My letter of September 17, 1986, inadvertently reversed the allocations of the commingled gas volumes for the referenced well. It should be as follows:

	<u>Gas</u>	<u>Oil</u>
Chacra	68%	0%
Mesaverde	32%	100%

Sincerely,

Frank T. Chavez  
District Supervisor

FTC/dj

xc: Santa Fe  
Well File



STATE OF NEW MEXICO  
**ENERGY AND MINERALS DEPARTMENT**  
 OIL CONSERVATION DIVISION  
 AZTEC DISTRICT OFFICE

TONY ANAYA  
 GOVERNOR

1000 RIO BRAZOS ROAD  
 AZTEC, NEW MEXICO 87410  
 (505) 334-6178

September 17, 1986

Southland Royalty Co.  
 P.O. Drawer 4289  
 Farmington, NM 87499

**RECEIVED**  
 MAR 12 1987  
 OIL CON. DIV.  
 DIST. 3

Re: Whitley #7E F-09-27N-09W

Gentlemen:

Your recommended allocation of commingled production from the referenced well is approved as follows:

	<u>Gas</u>	<u>Oil</u>
Chacra	32%	0%
Mesaverde	68%	100%

Sincerely,

Frank T. Chavez  
 District Supervisor

FTC/dj

xc: Santa Fe  
 Well File  
 Operator File

Mar 12, 1987

Frank,

It looks like the allocations on this memo from you appear to be reversed. On the attached memo to you, the tests showed 68% Chacra and 32% Mesaverde. Please reissue to reflect this or call me if there is a problem.

*Charles De...* 327-0251



**Southland Royalty Company**

April 29, 1986

**RECEIVED**  
MAY 01 1986  
OIL CON. DIV.  
DIST. 3

Mr. Frank Chavez  
New Mexico Oil Conservation Commission  
1000 Rio Brazos Road  
Aztec, New Mexico 87410

Subject: Administrative Order No. DHC-603  
Whitley #7E  
Section 9, T-27-N, R-9-W  
San Juan County, New Mexico  
Blanco Mesa Verde and Otero Chacra Pools

Dear Mr. Chavez:

In regard to Southland Royalty Company's request to commingle the Blanco Mesa Verde and Otero Chacra in the above referenced well, flow tests were run to determine the production allocation.

On April 24, 1986, an orifice flow prover was used to record a three-hour flow test on the Chacra formation during which time the well flowed 270 MCF/D of dry gas.

The Mesa Verde was then cleaned up and on April 26, 1986, a three-hour flow test was run on the Chacra and Mesa Verde, during which the combined flow was 398 MCF/D with a trace of liquids.

This gives the Mesa Verde 128 MCF/D. Based on the flow tests, 68% of the commingled zone's gas production should be attributed to the Otero Chacra Pool and 32% of the commingled zone's gas production should be attributed to the Blanco Mesa Verde Pool. All liquids should be attributed to the Blanco Mesa Verde Pool.

Very truly yours,

C. W. Dein  
Regional Drilling Engineer

CAR:oh

STATE OF NEW MEXICO  
**ENERGY AND MINERALS DEPARTMENT**  
OIL CONSERVATION DIVISION

50 YEARS



1935 - 1985

**TONEY ANAYA**  
GOVERNOR

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-5800

**Administrative Order No. DHC-603**

Southland Royalty Co.  
P. O. Box 4289  
Farmington, New Mexico 87499

Attention: Gary Brink

Re: Whitley No. 7-E Well, Unit F, Sec. 9,  
T-27 North, R-9 West, NMPM, San Juan  
County, New Mexico  
Blanco Mesaverde and Otero Chacra Pools

Gentlemen:

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 the production from both 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 two zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303.C.4., total commingled oil production from the subject well shall not exceed 20 barrels per day, and total water production from the well shall not exceed 40 barrels per day. 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 gas 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.

Pursuant to Rule 303-C 5, the commingled authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Very truly yours,



R. L. STAMETS,  
Director

cc: Gas Co. of N.M.  
OCD District Office - Aztec