

file

Memo

From
DAVID CATANACH
Petroleum Engineer

To

Frank.

Do you have a recommendation on this type of situation. It does not look like this would be a marginal producer, so economics may not be a factor.

Please advise

DAC

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AUG 12 1994

OIL CON. DIV.
DIST. 3

Sent E-mail recommendation for approval.

FE



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OIL CONSERVATION DIVISION
RECEIVED

'94 JUL 27 AM 8 50

Southern

Rockies

Business

Unit

July 22, 1994

Mr. William J. LeMay
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504

File: BRC-986.511

**Application for Exception to Rule 303-A Surface Commingle Production
Storey LS No. 4A Well, NW/4 Section 34, T28N-R8W**

Blanco Mesaverde Pool

Basin Dakota Pool

San Juan County New Mexico

Amoco Production Company hereby requests administrative approval for an exception to Rule 303-A to permit surface commingling of the production from the Blanco Mesaverde Pool and Basin Dakota Pool for the Storey LS No. 4A well located in the NW/4 of Section 34, T28N-R8W. The Storey LS No. 4A well was recently drilled and will be dually completed in the Mesaverde and Dakota formations. The surface commingling of the production will allow the use of a single train of production equipment to reduce operating costs from both formations. The actual commercial value of the commingled production will not be less than the sum of the values of the production from each of the common sources of supply.

The leases and ownership (WI, RI, ORRI) are common for the pools which are proposed for surface commingling.

The Mesaverde and the Dakota formations are expected to produce very small amounts of liquid hydrocarbon (condensate). The condensate from both formations have similar gravities ranging from 50° - 60° API. The commingled gravity is expected to be in this same range with the same value.

We plan to allocate the production on the basis of annual production tests.

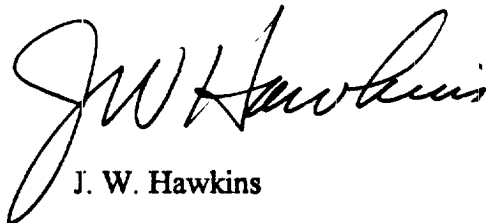
Mr. William J. LeMay
July 22, 1994
Page 2

Attached to aid in your review of this application are:

1. Plat showing location of the well proposed for surface commingling and other wells in the vicinity
2. C-128 Acreage Dedication Plat for the well
3. Schematic of the proposed installation

The 320 acre spacing units for the Basin Dakota and the Blanco Mesaverde are in the N/2 Section 34, T28N-R8W. This includes a 160 acre federal lease SF-078566. A copy of this application will be sent to the Bureau of Land Management requesting their consent for the surface commingling.

If additional information is required, please contact me at (303) 830-5072.

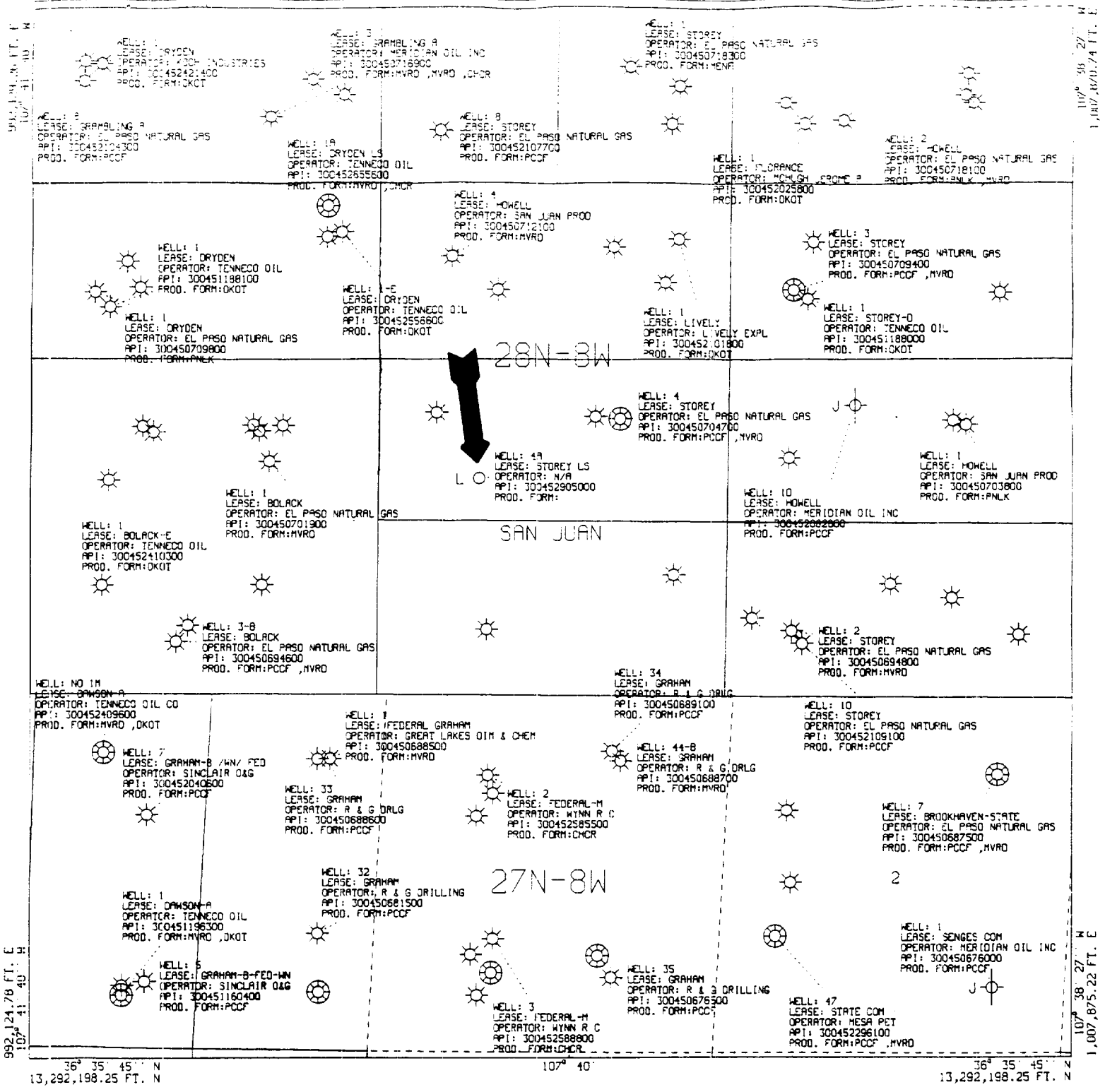


J. W. Hawkins

cc:
L. J. Kwartin - AB 1219

NMOCD District III
Attention: Frank Chavez
1000 Rio Brazos Road
Aztec, NM 87410

Bureau of Land Management
Attention: Duane Spencer
1235 La Plata Highway
Farmington, NM 87401



All geological and geophysical data, including the interpretation thereof, appearing on this map is the private and confidential property of Amoco Production Company. The publication or reproduction thereof without the written permission of said Company is strictly prohibited.

AMOCO PRODUCTION COMPANY
PLAT MAP

STOREY LS 4A OFFSET WELLS
SAN JUAN COUNTY NEW MEXICO

POLYGONIC CENTRAL MERIDIAN - 107° 40' 31" W LON
SPHEROID - 5

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form O-102
Revised 1-1-89

OIL CONSERVATION DIVISION

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

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Drazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator AMOCO PRODUCTION COMPANY			Lease Well No. NM # 10149	
Unit Letter F	Section 34	Township 28 NORTH	Range 8 WEST	County SAN JUAN
Actual Footage Location of Well: 1790 feet from the NORTH line and 1570 feet from the WEST line				
Ground level Elev. 5857	Producing Formation Basin Dakota	Pool Basin Dakota		Dedicated Acreage: N/2 320 Acres

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communalization, unitization, force-pooling, etc.?
☐ Yes ☐ No If answer is "yes" type of consolidation _____
If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)
No allowable will be assigned to the well until all interests have been consolidated (by communalization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature *DeAnne Tallant*
Printed Name **DeAnne Tallant**
Position **Staff Assistant**
Company **Amoco Production Co.**
Date **11-12-93**

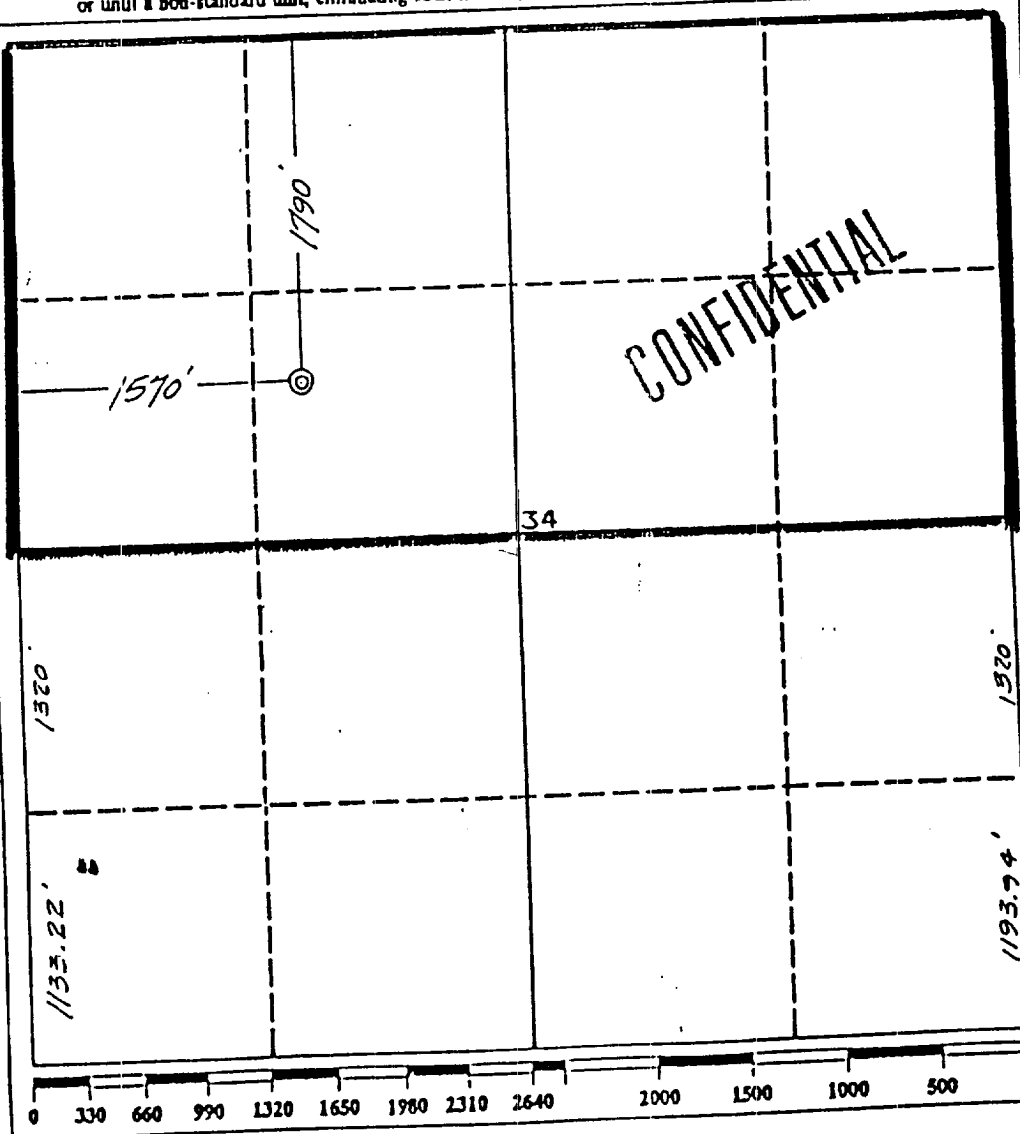
SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed **September 29, 1993**

Signature & Seal of Professional Surveyor

GARY D. VANN
7016
GARY
7016
REGISTERED PROFESSIONAL LAND SURVEYOR



DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

1000 Rio Brazos Rd., Aztec, NM 87410 All Distances must be from the outer boundaries of the section

Operator AMOCO PRODUCTION COMPANY			Lease Reference		Well No. # 10149
Unit Letter F	Section 34	Township 28 NORTH	Range 8 WEST		County SAN JUAN

Actual Footage Location of Well:
1790 feet from the **NORTH** line and **1570** feet from the **WEST** line

Ground level Elev. 5859	Producing Formation Mesaverde	Pool Mesaverde	Dedicated Acreage: N/2 320 Acres
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Signature DeAnne Tallant
 Printed Name
 DeAnne Tallant
 Position **Staff Assistant**
 Company **Amoco Production Co.**
 Date **11-12-93**

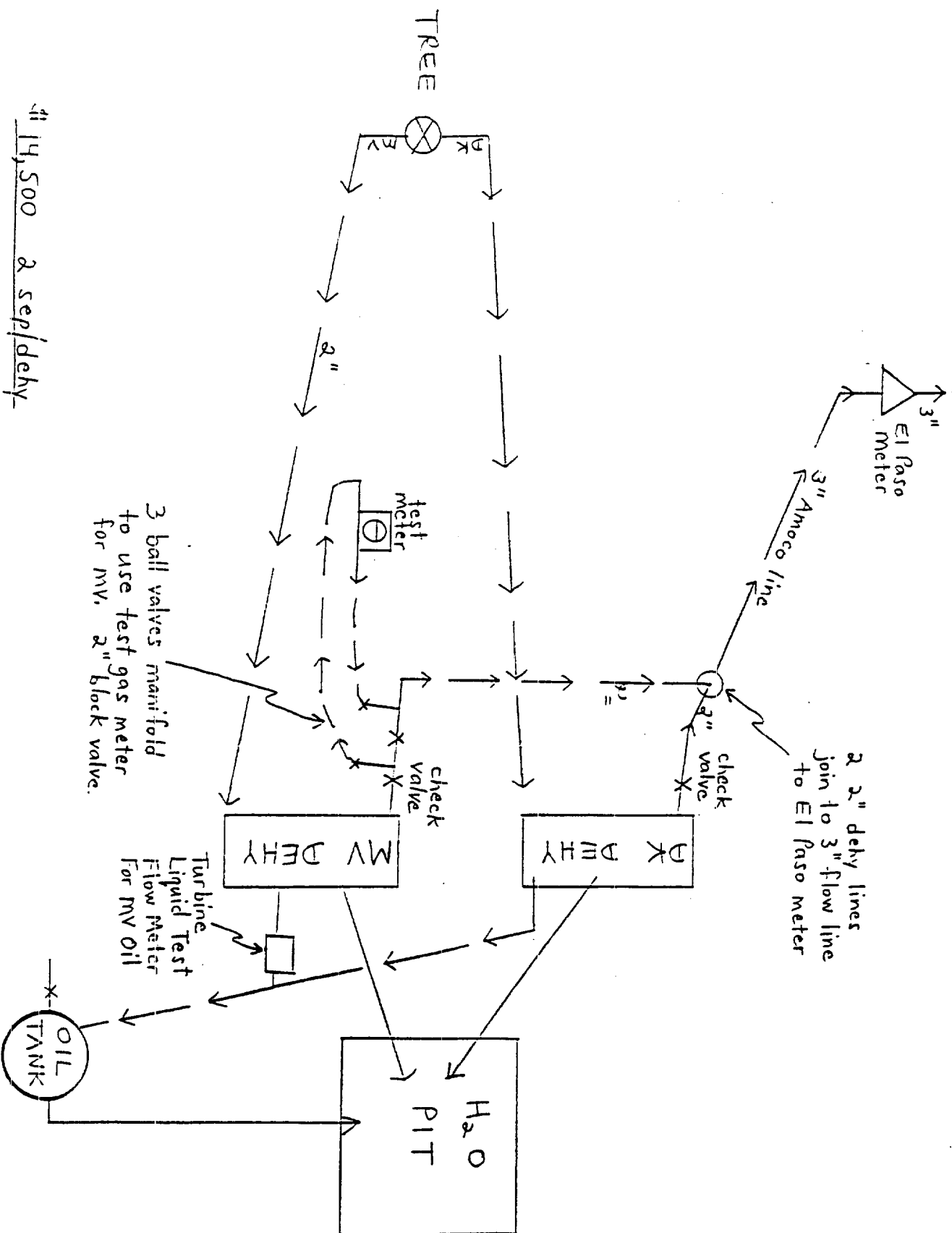
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Date Surveyed **September 29, 1993**
 Signature & Seal of Professional Surveyor

GARY D. VANN
NEW MEXICO
REGISTERED
7016
Vann

 Gary D. Vann
 7016
REGISTERED PROFESSIONAL LAND SURVEYOR

STOREY LS #4A (COMMINGLE OPTION)



4" 14,500 2 sep/dehy