

GOVERNOR

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE

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

February 3, 1986

Mr. A.R. Kendrick P.O. Box 516 Aztec, NM 87410

Re: B.H. and M.N. Keys

Ransom #1M O-13-29N-11W

Dear Al:

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

Gas

Farmington

63%

Fruitland

37%

If the well makes any hydrocarbon liquids, an allocation will be required.

Frank T. Chavez District Supervisor

FTC/dj

XC:

Santa Fe

Well File

Operator File

January 31, 1986

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

Re: Order R-8134, Downhole Commingling B. H. and M. N. Keyes, Trustees Ransom #1M 0-13-T29N-R11W

Dena Mr. Chavez:

Rule 3 of the subject order requires that a new approach to the production allocation percentages be established.

After reviewing the production history of the nearest offset wells in the Farmington and Fruitland formations to the subject well, please revise our request for production percentages from 65% for the Farmington formation and 35% for the Fruitland formation to the following:

Farmington formation Fruitland formation 63% 37%

These percentages will be for gas production. The well does not produce any oil or condensate.

If further information is needed, please contact me.

Yours very truly.

A. R. Kendrick

xc: B. H. and M. N. Keyes, Trustees 103 North Main

Aztec, New Mexico 87410

Manana Gas, Inc. Box 36990

Albuquerque, New Mexico 87176

JAN 3 1 1986

OIL CON. DIV.

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