Southern
Rockies
Business
Unit

June 12, 1996

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
2040 S. Pacheco Street
P. O. Box 6429
Santa Fe, NM 87505

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JUN 1995
OIL CON. DIV.
DIST. 3

Application for Exception to Rule 303-C - Downhole Commingling
Florance #2A Well
Unit O Section 20-T30N-R9W
Basin Fruitland Coal and Blanco Mesaverde Pools
San Juan County, New Mexico

Enclosed please find an administrative application form (C-107-A) and attachments for downhole commingling for the captioned well. By copy of this application by certified mail, return receipt requested, Amoco is notifying all offset operators in the formations captioned above as well as all affected interest owners if the ownership of those formations is not common. The Division Director may approve the proposed downhole commingling in the absence of a valid objection from any offset operator or any interest owner in those instances where ownership is not common in the zones to be commingled within 20 days after the receipt of the application if, in his opinion, waste will not result thereby, and correlative rights will not be violated.

Should there be questions concerning this matter, please contact me at (303) 830-5344.

Sincerely,

Pamela W. Staley

Enclosures
cc: Hiep Vu
Patty Haefele
Wellfile
Proration File
Frank Chavez, Supervisor
NMOCD District III
1000 Rio Brazos Road
Aztec, NM 87410

Duane Spencer
Bureau of Land Management
1235 La Plata Hwy.
Farmington, NM 87401

DISTRICT I
P.O. Box 1980, Hobbs NM 88241-1980

DISTRICT II
811 South First St., Artesia, NM 88210-2835

DISTRICT III
1000 Rio Brazos Rd. Aztec, NM 87410-1693

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505-6429

APPLICATION FOR DOWNHOLE COMMINGLING

Form C-107-A
New 3-12-96

APPROVAL PROCESS:
_x_ Administrative __ Hearing

EXISTING WELLBORE
_x_ YES __ NO

Amoco Production Company	P.O. Box 800	Denver, CO 80201
Operator	Address	

Florance	#2A	O-20-30N-9W	San Juan
Lease	Well No.	Unit Ltr. - Sec Twp - Rge	County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 000778 Property Code 000518 API NO. 30-045-22150 Federal x , State ___ , (and/or) Fee ___

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	Basin Fruitland Coal 71629		Blanco Mesaverde 72319
2. Top and Bottom of Pay Section (Perforations)	2440'-2610'		4307'-5049'
3. Type of production (Oil or Gas)	gas		gas
4. Method of Production (Flowing or Artificial Lift)	flowing		flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated or Measured Original	a. (Current) 143 PSI	a.	a. 112 PSI
	b. (Original) 1088 PSI	b.	b. 1083 PSI
6. Oil Gravity (° API) or Gas BTU Content	1140 BTU/mmcf		1216 BTU/mmcf 53 6 API
7. Producing or Shut-In?	producing		producing
Production Marginal? (yes or no)	yes		no
• If Shut-In, give data and oil/gas/water rates of last production Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data	Date: Rates:	Date: Rates:	Date: Rates:
• If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: 04/96 Rates: 80 mcfd 0 bopd 0.55 bwpd	Date: Rates:	Date: 04/96 Rates: 430 mcfd 0.21 bopd 0.22 bwpd
8. Fixed Percentage Allocation Formula -% for each zone	Oil: 0 %: Gas 15 %	Oil: %: Gas %	Oil: 100 %: Gas 85 %

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DIST. 3

9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.

10. Are all working, overriding, and royalty interests identical in all commingled zones? ___ Yes ___ No
If not, have all working, overriding, and royalty interests been notified by certified mail? ___ Yes ___ No
Have all offset operators been given written notice of the proposed downhole commingling? ___ Yes ___ No

11. Will cross-flow occur? ___ Yes _x__ No If yes, are fluids compatible, will the formations not be damaged, will any cross-flowed production be recovered, and will the allocation formula be reliable. ___ Yes ___ No (If No, attach explanation)

12. Are all produced fluids from all commingled zones compatible with each other? _x_ Yes ___ No

13. Will the value of production be decreased by commingling? ___ Yes __x_ No (If Yes, attach explanation)

14. If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application. _x_ Yes ___ No SF-078116 SF-077833

15. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S)._____

16. ATTACHMENTS:
- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of all offset operators.
- Notification list of working, overriding, and royalty interests for uncommon interest cases.
- Any additional statements, data, or documents required to support commingling.

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

SIGNATURE [signature] TITLE Regulatory Affairs Engineer DATE 6/10/96

TYPE OR PRINT NAME Pamela W. Staley TELEPHONE NO. (303) 830-5344

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-102
Revised 10-1-78

All distances must be from the outer boundaries of the Section

Operator	Lease	Well No.
Amoco Production	Morance	2A

Unit Letter	Section	Township	Range	County
O	20	30N	9W	San Juan

Actual Footage Location of Well:
790 feet from the South line and 1475 feet from the E line

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage:
5985'	Fruitland	Basin Fruitland Coal Gas	320 E/2 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

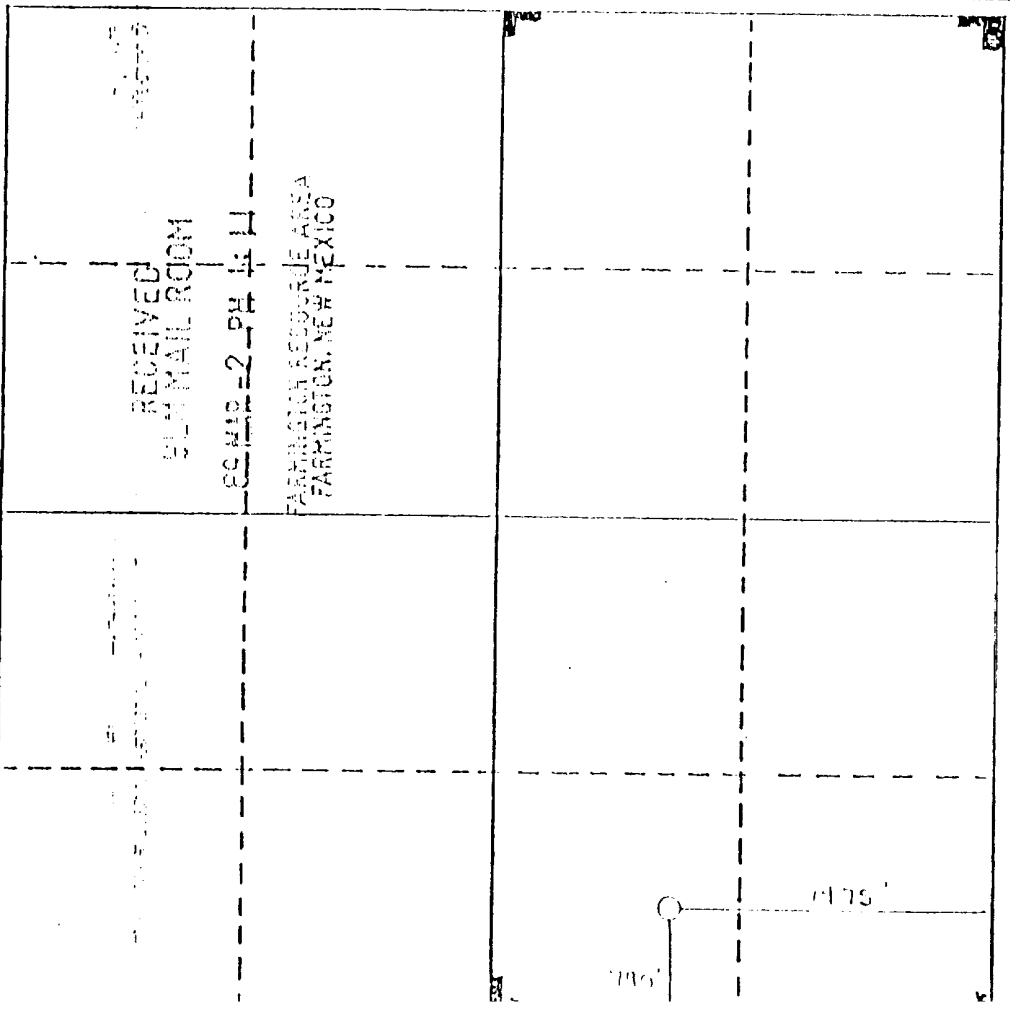
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, 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 communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.



CERTIFICATION

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

B D Shaw

Name: B. D. Shaw
Position: Adm. Supv
Company: Amoco
Date: 2-25-89

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.

On file
Date Surveyed

Registered Professional Engineer and/or Land Surveyor

NEW MEXICO OIL CONSERVATION COMMISSION

WELL LOCATION AND ACREAGE DEDICATION PLAT

All distances must be from the outer boundaries of the Section

Operator	Lease	Well No.
TENNECO OIL COMPANY	FLORANCE	2-A

Unit Letter	Section	Township	Range	County
P-O	20	30 NORTH	9 WEST	SAN JUAN

Actual Footage Location of Well: 790 feet from the SOUTH line and 1475 feet from the EAST line

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage
5985	Blanco Mesa Verde	Blanco Mesa Verde	320 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

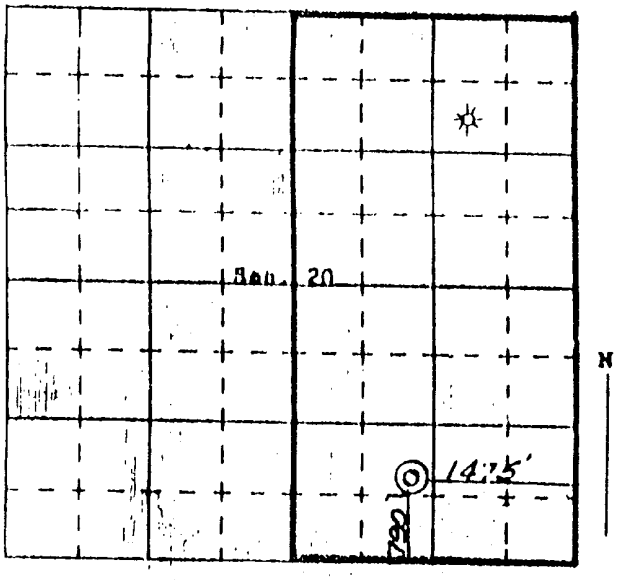
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling etc?

[X] Yes [ ] No If answer is "yes" type of consolidation Communitization

If answer is "no," list the owners and tract descriptions which have actually consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Name Ted L. Drake

Position Production Clerk

Company Tenneco Oil Company

Date July 29, 1976

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.

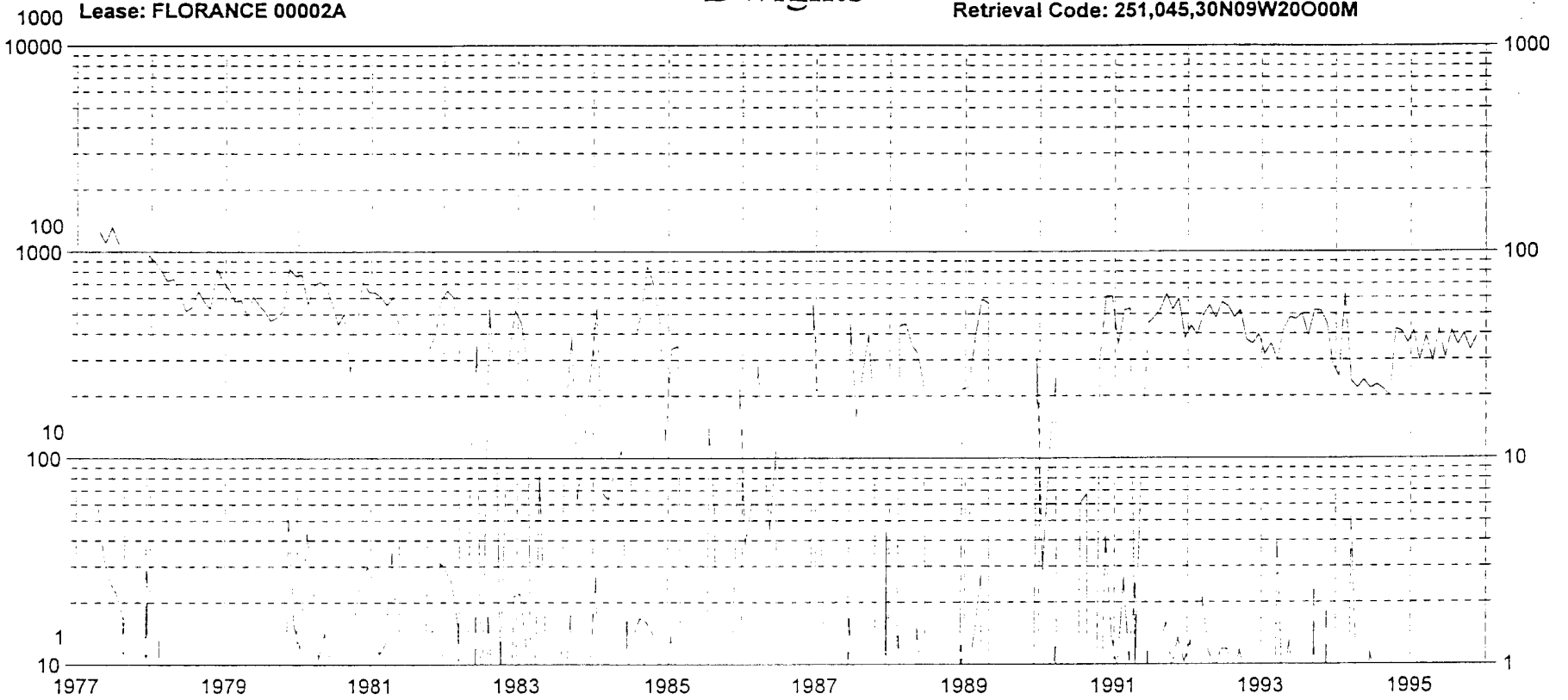
25 June, 1976
Date Surveyed

James P. Leese
Registered Professional Engineer and/or Land Surveyor

James P. Leese

1463
Certificate No.

Dwights

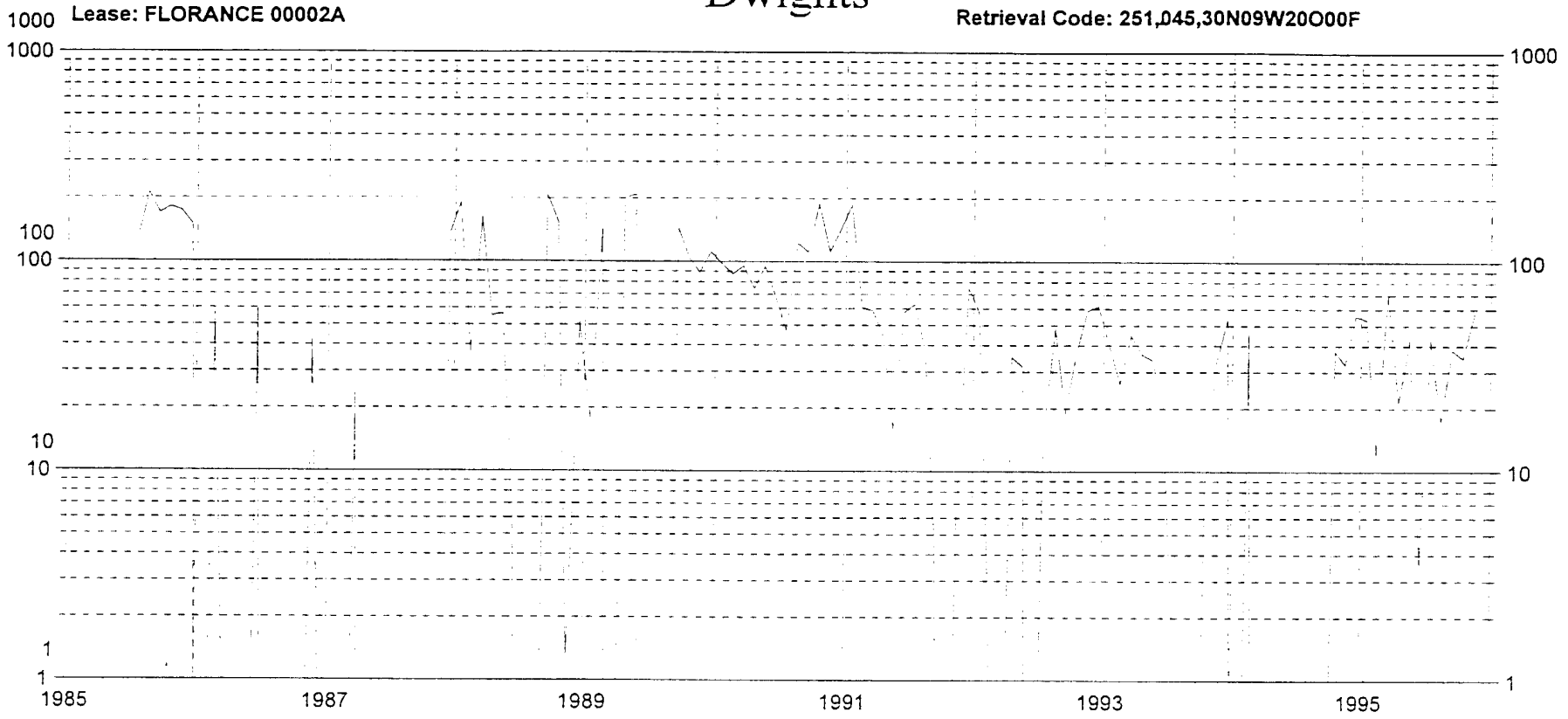


Lease: FLORANCE 00002A

Retrieval Code: 251,045,30N09W20O00M

County: SAN JUAN	**State: NM**	**F.P. Date: 04/77**	**Date: 03/27/96**
Field: BLANCO (MESAVERDE) MV	**Oil Cum: 5291 bbl**		
Reservoir: MESAVERDE	**Gas Cum: 2295 mmcf**	Water (bbl/day)	
Operator: AMOCO PRODUCTION CO	**Location: 20O 30N 9W**	Gas (mcf/day)	Oil (bbl/day)

Dwights



County: SAN JUAN	State: NM	F.P. Date: 07/85		Date: 03/27/96	
Field: BASIN (FRUITLAND COAL) FT	Oil Cum: 410 bbl				
Reservoir: FRUITLAND COAL	Gas Cum: 193176 mcf	Water (bbl/day)	- - - -		
Operator: AMOCO PRODUCTION CO	Location: 20O 30N 9W	Gas (mcf/day)	——	Oil (bbl/day)	— — —

-- FLOWBHP --
-- Pwf with correction for liquids --

Douglas M Boone

Version 3.0M

09-Apr-96

Well Name:	**Florance #2A MV**				
Gas Gravity:	**0.8**				
Condensate (yes=1):	**1**				
Reservoir Temp:	**126.1**	F	% N2	**0.00**	%
Surface Temp:	**70**	F	% CO2	**0.00**	%
Depth of Zone:	**4678**	Feet	% H2S	**0.00**	%
TVD:	**4678**	Feet			
Tubing ID:	**1.995**	inches			
Oil Production	**0.21**	Bopd			
Oil Gravity	**53.6**	API			
Water Production	**0.22**	Bwpd			
Water SG	**1**				

FTP	Rate	Pwf	Z	Pwf/Z
Psia	Mcfd	psia		
75	**430**	112	0.978	114

			BHT	SURFT
GAS Ghc =	0.80	A =	0.0642	0.0642
Tchc =	405.51	B =	0.1239	0.0869
Pchc =	657.45	C =	-0.9191	-0.9741
CWA =	0.00	D =	1.3753	1.3062
Tavg =	557.72	E =	0.3603	0.3995
Tc' =	405.51	F =	0.6845	0.6845
Pc' =	657.45	Tr =	1.375	1.306
Pc =	657.45	Tavg	559.05	
Tc =	405.51	F	0.01494	

GOR - water	1,954,545	cf/Bbl liqui
GOR - oil	2,047,619	cf/Bbl liqui
GOR total	1,000,000	cf/Bbl liqui
Mo	128	
Oil Grav	0.764	
SG wg	0.801	
Mix Grav	0.885	
SG mix	0.803	
G	797	
Rate corr	430	
Gas Grav cor	0.803	

Pr	G	pro	f(pr)	f(pr)'	pro'	Z	Pwf	Zavg	A
0.114	0.031	0.024	0.000	1.260	0.024	0.982	84		
0.127	0.034	0.025	0.000	1.330	0.025	0.983	112	0.983	0.256
0.170	0.046	0.034	0.000	1.314	0.034	0.978	112	0.980	0.257
0.170	0.046	0.034	0.000	1.314	0.034	0.978	112	0.980	0.257
0.170	0.046	0.034	0.000	1.314	0.034	0.978	112	0.980	0.257

INSTRUCTIONS:

1) Enter the shut-in tubing or flowing pressure.

2) Press [F9] to calculate the BHP and Z factor

3) Press [Ctrl][Home] to return to information screen.

Calculations based on Cullender-Smith with corrections
for condensate and water production. The is also a correction
for the gas equivalent of the condensate.

Version 3.0M
04-Apr-96

-- FLOWBHP --
-- Pwf with correction for liquids --

Well Name:	**Florance #2A FRT**				
Gas Gravity:	**0.8**				
Condensate (yes=1):	**0**				
Reservoir Temp:	**100**	F	% N2	**0.00**	%
Surface Temp:	**70**	F	% CO2	**0.00**	%
Depth of Zone:	**2500**	Feet	% H2S	**0.00**	%
TVD:	**2500**	Feet			
Tubing ID:	**1.38**	inches			
Oil Production	**0**	Bopd			
Oil Gravity	**0**	API			
Water Production	**0.55**	Bwpd			
Water SG	**1**				

FTP	Rate	Pwf	Z	Pwf/Z
Psia	Mcfd	psia		
90	**80**	143	1.000	143

GAS Ghc =	0.01		BHT	SURFT	GOR - water	145,455	cf/Bbl liqui
Tchc =	170.29	A =	0.0642	0.0642	GOR - oil	10	cf/Bbl liqui
Pchc =	677.10	B =	1.0998	1.0527	GOR total	10	cf/Bbl liqui
CWA =	0.00	C =	-0.0954	-0.1264	Mo	-1031	
Tavg =	544.67	D =	3.1984	3.1103	Oil Grav	0.000	
Tc' =	170.29	E =	0.0666	0.0705	SG wg	0.007	
Pc' =	677.10	F =	0.6845	0.6845	Mix Grav	1.000	
Pc =	677.10	Tr =	3.198	3.110	SG mix	4.059	
Tc =	170.29	Tavg	546		G	0	
		F	0.01618		Rate corr	80	
					Gas Grav cor	4.059	

Pr	G	pro	f(pr)	f(pr)'	pro'	Z	Pwf	Zavg	A
0.133	0.036	0.012	0.000	3.108	0.012	1.000	96		
0.141	0.038	0.012	0.000	3.197	0.012	1.000	143	1.000	0.697
0.211	0.057	0.018	0.000	3.196	0.018	1.000	143	1.000	0.697
0.211	0.057	0.018	0.000	3.196	0.018	1.000	143	1.000	0.697
0.211	0.057	0.018	0.000	3.196	0.018	1.000	143	1.000	0.697

INSTRUCTIONS:

1) Enter the shut-in tubing or flowing pressure.

2) Press [F9] to calculate the BHP and Z factor

3) Press [Ctrl][Home] to return to information screen.

Calculations based on Cullender-Smith with corrections
for condensate and water production. The is also a correction
for the gas equivalent of the condensate.

OFFSET OPERATORS

Meridian Oil, Inc.
P.O. Box 4289
Farmington, NM 87499