

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Tony Delfin
Acting Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



Administrative Order DHC-4178-A
Order Date: October 25, 2016
Application Reference Number: pMAM1627857112

BP AMERICAN PRODUCTION COMPANY
737 North Eldridge Parkway
Houston, Tx. 77079

Attention: Ms. Toya Colvin

Northeast Blanco Unit Well No. 303
API No. 30-039-23568
Unit P, Section 20, Township 31 North, Range 6 West, NMPM
Rio Arriba County, New Mexico

Pool	LAGUNA SECA GALLUP (GAS)	Gas	(79870)
Names:	BLANCO-MESAVERDE (PRORATED GAS)	Gas	(72319)
	BASIN DAKOTA (PRORATED GAS)	Gas	(71599)

Reference is made to your recent application for an exception to Division Rule 19.15.12.9A. NMAC of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appears that the subject well qualifies for approval for such exception pursuant to the provisions of Division Rule 19.15.12.11A. NMAC, and since 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 or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with Division Rule 19.15.12.11A. (6) NMAC, the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

As per the application, the assignment of allowable and allocation of production from the subject well shall be based on the analysis of the historical production from the three pools. Further, the Laguna Seca Gallup and Basin Dakota (Prorated Gas) formations allocation percentages are the based on Administrative Order DHC-4178.

Assignment of allowable and allocation of production from the well shall be as follows:

LAGUNA SECA GALLUP (GAS) Pool	Pct Oil: 0	Pct Gas: 1
BLANCO-MESAVERDE (PRORATED GAS) Pool	Pct Oil: 0	Pct Gas: 66
BASIN DAKOTA (PRORATED GAS) Pool	Pct Oil: 100	Pct Gas: 33

It is also understood that you have given due notice of this application, as defined in Division Rule 19.15.4.12A. (6) NMAC, to all owners of interest due to uncommon ownership of the zones to be commingled.

REMARKS: The operator shall notify the Aztec District office prior to implementation of the commingling operations.

This Order Supersedes Administrative Order DHC-4178, issued on April 4, 2009.

This Order is subject to like approval from the Bureau of Land Management.

Pursuant to Division Rule 19.15.12.11B. NMAC, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.



David R. Catanach
Director

DRC/mam

cc: Oil Conservation Division – Aztec District Office
Bureau of Land Management – Farmington
Well File – 30-039-23568