



TONEY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION



1935 - 1985

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

August 4, 1986

Administrative Order No. DHC-622

Curtis J. Little
Box 1258
Farmington, New Mexico 87499-1258

Attention: A. R. Kendrick

Re: Schmitz No. 2-A Well, Unit G,
Sec. 16, T-25-N, R-3-W, NMPM,
Rio Arriba County, New Mexico
Blanco Mesaverde and Ojito Gallup-Dakota
Oil 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 50 barrels per day, and total water production from the well shall not exceed 100 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 allowable for each respective prorated gas pool as printed in the Division San Juan Gas Proration Schedule.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

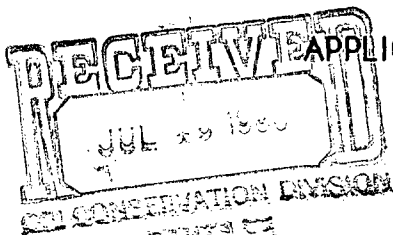
Mesaverde Pool: Oil 12%, Gas 89%
Gallup-Dakota Pool: Oil 88%, Gas 11%

Pursuant to Rule 303-C 5, the commingled authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.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



APPLICATION FOR DOWNHOLE COMMINGLING

ok EB
7-29-86

OPERATOR: Curtis J. Little, Box 1258, Farmington, New Mexico 87499-1258

WELL: Schmitz #2A, 1700' FNL 1850' FEL, G-16-T25N-R3W,
Blanco-Mesaverde Gas Pool and Ojito Gallup-Dakota Oil Pool.

PLAT: See attachment.

TEST: See attached Form C-116.

PRODUCTION GRAPH: See attachment.

BOTTOM HOLE PRESSURES: No bottomhole pressures have been measured due to production problems; the estimated pressures are 1500 psi for the Mesaverde formation and 2050 psi for the Gallup-Dakota zone.

FLUIDS DESCRIPTION: All petroleum products in the San Juan Basin from the Cretaceous formations are chemically compatible and form no precipitates.

VALUES: The value of combined stream of production from the subject well will not be impaired by commingling.

ALLOCATION FORMULA: Based on reserves of 10,000 barrels of oil and 3,000 MMcf gas in the Mesaverde zone and 75,000 barrels of oil and 3765 MMcf gas in the Gallup-Dakota zone, the proposed production split would be 12% of the oil and 89% of the gas to the Mesaverde zone and 88% of the oil and 11% of the gas for the Gallup-Dakota zone.

NOTIFICATIONS: A copy of this application is being mailed to all offset operators and to the Bureau of Land Management, the addresses of which are shown on an attachment.

APPLICATION FOR DOWNHOLE COMMINGLING IN THE
BLANCO MESAVERDE GAS POOL AND QUITO GALLUP-DAKOTA OIL POOL

CURTIS J. LITTLE
SCHMITZ #2A
G-16-T25N-R3W

RULE 303 C. DOWNHOLE COMMINGLING

1 (a) For Wells Involving Oil Zones:

- (1) The total combined oil production will not exceed 60 barrels of oil per day — the limit set for wells completed down to 8,999' (the range of the lowermost perforation).
- (2) The well will be produced by artificial lift.
- (3) The total water production is less than the oil limit set in (1) above.
- (4) The fluids are compatible in the two production zones.
- (5) The value of the commingled product will not be impaired by the commingling.
- (6) Ownership of all interests in the well are common.
- (7) The commingling will not jeopardize the efficiency of present or future secondary recovery operations in either of the zones to be commingled.

(b) For Wells Involving Gas Zones:

- (1) The downhole commingling is necessary to allow the recovery of products that would otherwise not be economically feasible to recover.
- (2) There will be no or minimal crossflow between zones.
- (3) There are no fluid-sensitive sands within the proposed completion zones.
- (4) The fluids are compatible and precipitates will not be formed which may damage the reservoir(s).
- (5) The ownership of all interests in the well are common.
- (6) The bottom hole pressure of the lower pressure zone is at least 50% of the pressure of the higher pressure zone when reduced to a common datum.

OFFSET OWNERSHIP PLAT

CURTIS J. LITTLE

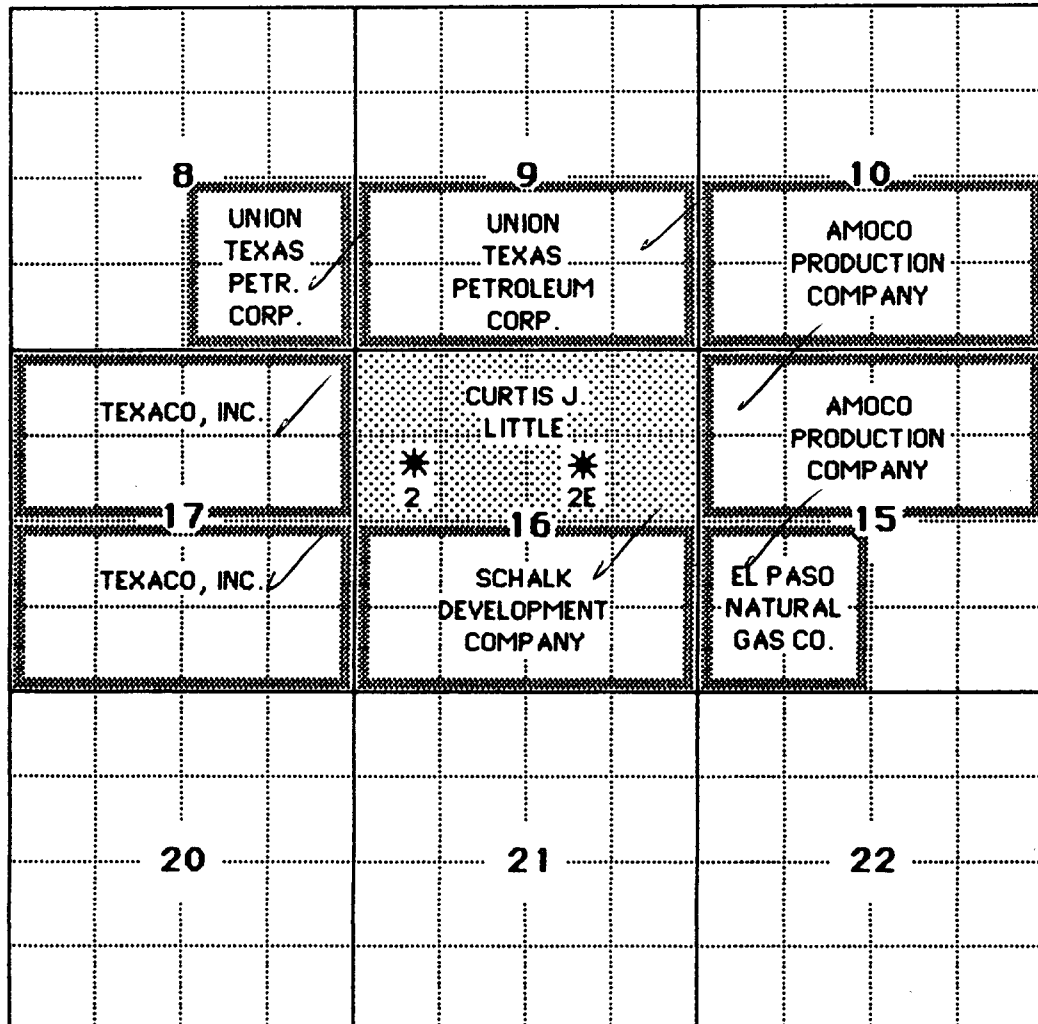
SCHMITZ #2E

G-16-T25N-R3W

BLANCO MESAVERDE POOL AND

OJITO GALLUP-DAKOTA POOL

R 3 W



WELLS AUTHORIZED FOR DOWNHOLE COMMINGLING

IN TOWNSHIP 25 NORTH, RANGE 3 WEST

BLANCO MESAVERDE GAS POOL AND
OJITO GALLUP-DAKOTA OIL POOL

LOCATION	OPERATOR	WELL	DHC ORDER NUMBER	ZONE	PRODUCTION SPLIT	
					OIL%	GAS%
A-10-25-3	AMOCO PROD. CO.	FRED PHILLIPS	R-7651	MV	16	24
				6-D	84	76
C-10-25-3	AMOCO PROD. CO.	FRED PHILLIPS	R-7651	MV	16	24
				6-D	84	76
I-10-25-3	AMOCO PROD. CO.	FRED PHILLIPS	R-7651	MV	16	24
				6-D	84	76
K-10-25-3	AMOCO PROD. CO.	FRED PHILLIPS	R-7651	MV	16	24
				6-D	84	76
E-15-25-3	AMOCO PROD. CO.	FRED PHILLIPS	R-7651	MV	16	24
				6-D	84	76
E-18-25-3	TEXACO, INC.	C. W. ROBERTS *6A	R-7139	MV	12	87
				6-D	88	13
L-18-25-3	TEXACO, INC.	C. W. ROBERTS *3A	R-7139	MV	12	87
				6-D	88	13
O-18-25-3	TEXACO, INC.	C. W. ROBERTS *3	R-5500	MV		
				6-D		
A-19-25-3	TEXACO, INC.	LYDIA RENTZ *4	R-5500	MV		
				6-D		
E-21-25-3	ELLIOTT OIL CO.	ORA *1	R6757	MV	9	70
				6-D	91	30
6-21-25-3	ELLIOTT OIL CO.	ORA *2	DHC-529	MV	5	10
				6-D	95	90

1985 OIL PRODUCTION

CURTIS J. LITTLE
SCHMITZ #2A

GALLUP-DAKOTA

MESAVERDE

VOLUME - BARRELS

500

400

300

200

100

0

APR

MAY

JUN

JUL

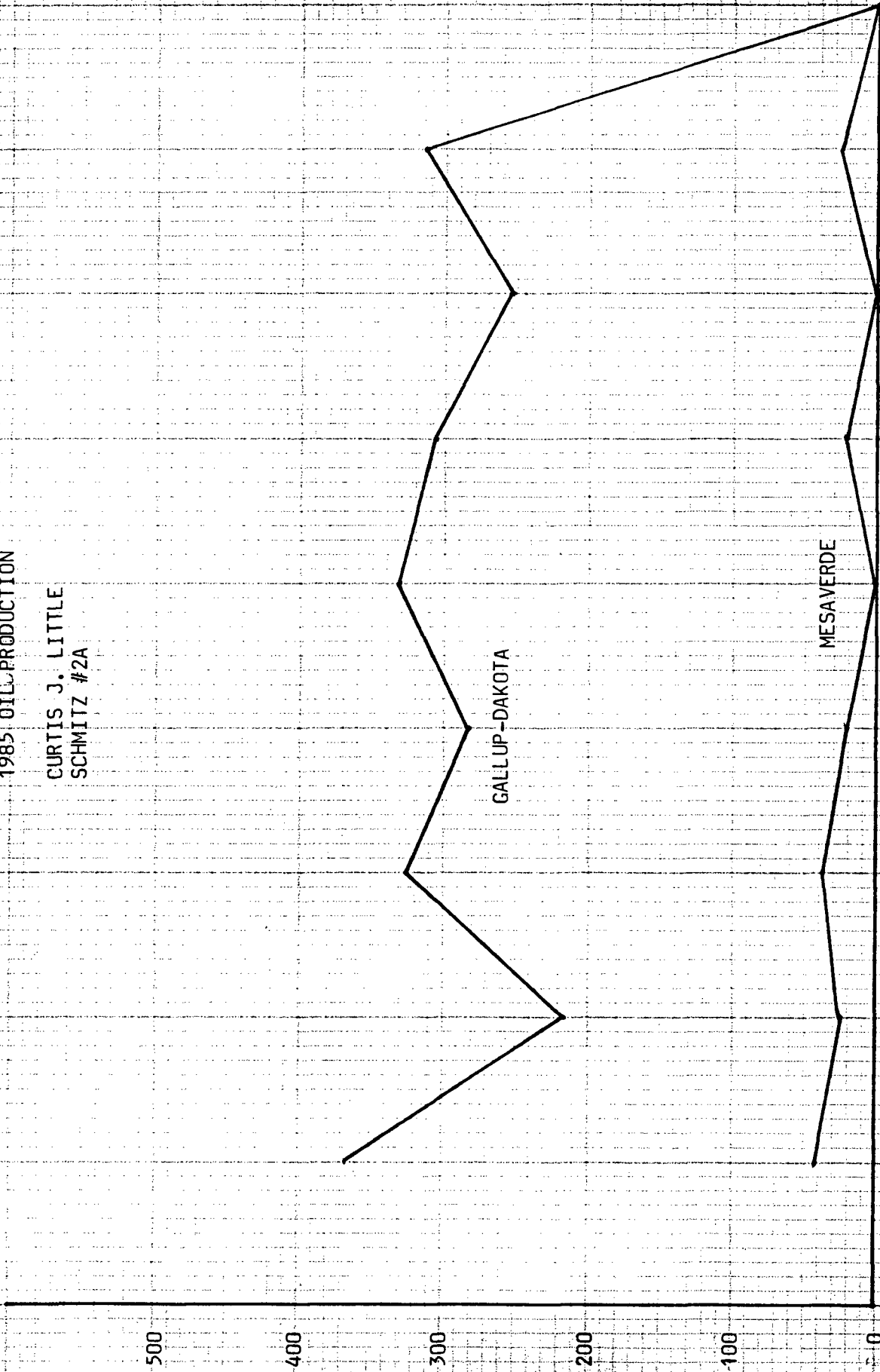
AUG

SEP

OCT

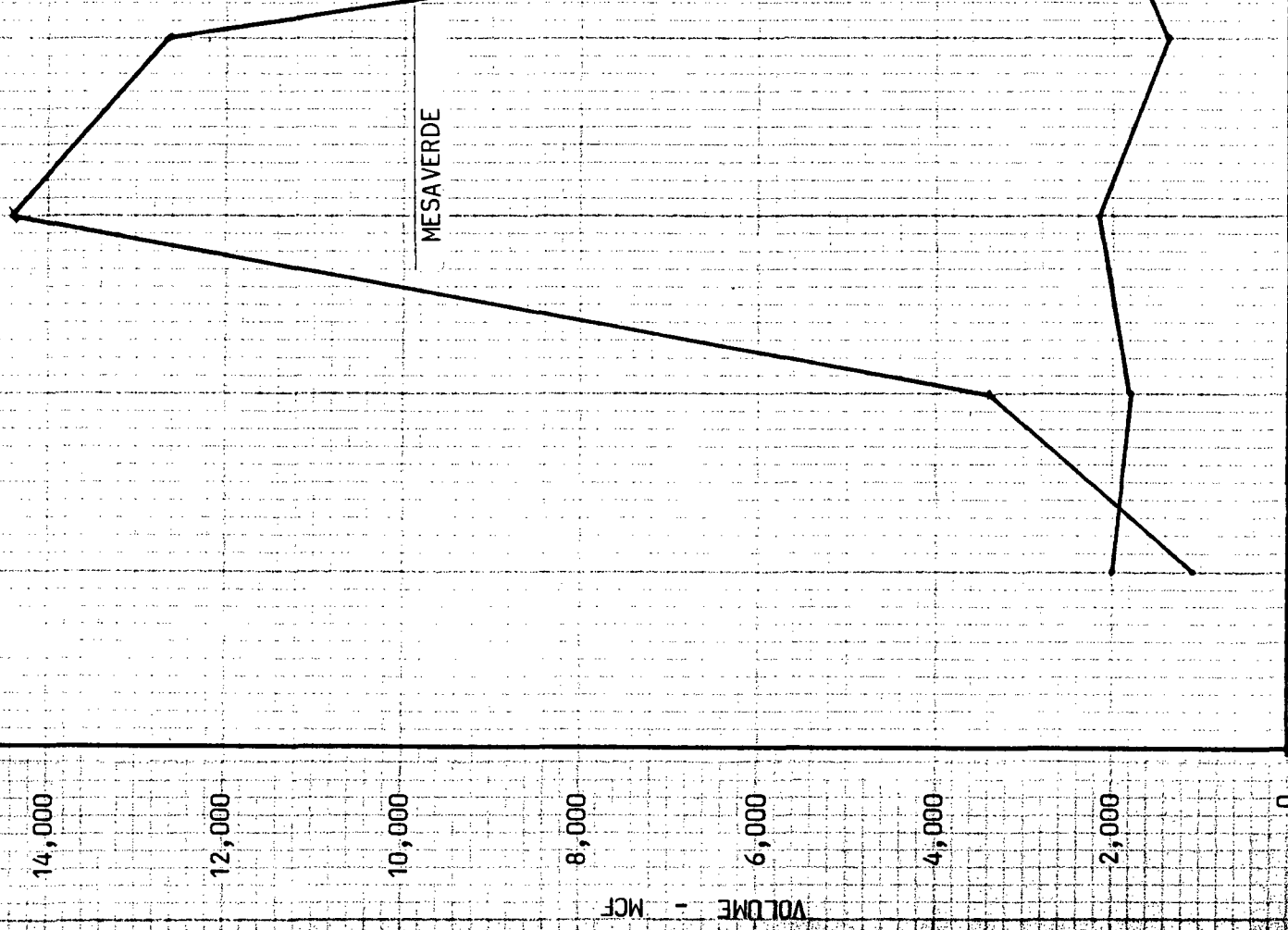
NOV

DEC



1985 GAS PRODUCTION

CURTIS J. LITTLE
SCHMITZ #2A



NAMES AND ADDRESSES OF OFFSET OPERATORS

Amoco Production Company
501 Airport Drive
Farmington, New Mexico 87401

El Paso Natural Gas Company
P.O. Box 990
Farmington, New Mexico 87499-0990

Schalk Development Company
P.O. Box 25825
Albuquerque, New Mexico 87125

Texaco, Inc.
P.O. Box 2100
Denver, Colorado 80201

Union Texas Petroleum Corporation
375 U.S. Highway 64
Farmington, New Mexico 87401

Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico 87410

Bureau of Land Management
Caller Service 4104
Farmington, New Mexico 87499-4104

A. R. KENDRICK

BOX 516 • AZTEC, NEW MEXICO 87410 • (505) 334-2555

July 15, 1986

Mr. David Catanach
Oil Conservation Division
Box 2088

Santa Fe, New Mexico 87504-2088

RECEIVED
JUL 17 1986

OIL CONSERVATION DIVISION
SANTA FE

Re: Application for Downhole Commingling Order
Curtis J. Little
Schmitz #2A

Dear Dave:

The enclosed Form C-116 was overlooked in the haste of filing the referenced application. Please attach it to the application.

Yours very truly,



A. R. Kendrick

Enclosure

GAS-OIL RATIO TESTS

Operator		Pool		County											
CURTIS L. LITTLE		Ojito Gallup Dakota		Rio Arriba											
P. O. Box 1258, Farmington, NM 87499				TYPE OF TEST - (X)											
LEASE NAME				SCHEDULED <input type="checkbox"/> SPECIAL <input type="checkbox"/>											
WELL NO.	LOCATION				DATE OF TEST	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW. ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST			GAS - OIL RATIO CU.FT./BBL.		
	U	S	T	R						WATER BBL.S.	CHAV. OIL BBL.S.	GAS M.C.F.			
Schmitz	2-A	G	16	25	3	6-14-86	P	64/64	168	24	10	45	12	34	2833

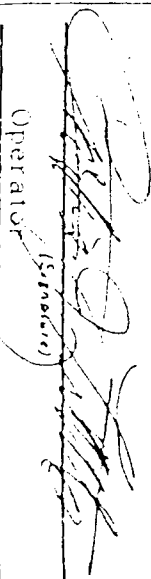
No well will be assigned an allowable greater than the amount of oil produced on the official test.
During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowable when authorized by the Division.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Division in accordance with Rule 301 and applicable pool rules.

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


Operator (Signature)