RECEIVED

APR 1 8 1996

OIL CONSERVATION DIV. SANTA FF

	DNC 5.7.96
	12.62
Southern Bockies	
Business	
Unit	

April 10, 1996

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

Application for Exception to Rule 303-C - Downhole Commingling Lackey B LS #8 Well Unit M Section 20-T28N-R9W **Aztec Pictured Cliffs 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.

Sincerety ml

Pamela W. Staley

Enclosures Steve Webb cc: Gail Jefferson 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

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

State of New Mexico Energy, Minerals and Natural Resources Department

New 3-12-96 APPROVAL PROCESS:

Form C-107-A

XYES __NO

OIL CONSERVATION DIVISION

DISTRICT II

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

1000 Rio Brazos Rd, Aztec, NM 87410-1693

DISTRICT III

Lease

2040 S. Pacheco Santa Fe, New Mexico 87505-6429 X Administrative ___ Hearing EXISTING WELLBORE

APPLICATION FOR DOWNHOLE COMMINGLING

M-20-28N-9W

Amoco Production Company

P.O. Box 800 Denver, CO 80201

San Juan

- portation			
Lackey	В	LS	

Spacing Unit Lease Types: (check 1 or more)

(and/or) Fee Federal <u>x</u> State 000784 API NO. 3004513254 OGRID NO. 000778 Property Code

8

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	AZTEC PICTURED CLIFFS 71280		BLANCO MESAVERDE 72319
2. Top and Bottom of Pay Section (Perforations)	2040' - 2082'		4288' - 4424'
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	(Current) 242 PSI a.	a.	^{a.} 409 PSI
Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated or Measured Original	(Original) 1258 PSI b.	b.	^{b.} 1249 PSi
6. Oii Gravity (° API) or Gas BTU Content	1117 BTU		1288 BTU
7. Producing or Shut-In?	PRODUCING		PRODUCING
Production Marginal? (yes or no)	YES		YES
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)	3/96 Date: 80 MCFD Rates: 0 BCPD 0 BWPD	Date: Rates:	3/96 Date: 30 MCFD Rates: 0.77 BCPD 0 BWPD
8. Fixed Percentage Allocation Formula -% for each zone	Oil: 0 Gas 73 _%	Oil: Gas %: %	^{Oil:} 100 ^{Gas} 27 _%

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?
	If not, have all working, overriding, and royalty interests been notified by certified mail?
	Have all offset operators been given written notice of the proposed downhole commingling?

_X_Yes ___No ___Yes ___No _X_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-077106

15. NMOCD Reference Cases for Rule 303(D) Exceptions:

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 TSniph Blig	TITLE	REGULATORY AFFAIRS REP	DATE 4/11/96
TYPE OR PRINT NAME PAMELA W. STALEY		TELEPHONE NO. (_303)	830-5344

ORDER NO(S).

	•
WELL LOCATION AND/OR GAS PROPATION PLAT	•
DATE JANUARY 7.	1957
OPERATOR EL PASO NATURAL GAS COMPANY DEASE LACKEY "B" SF 077106	
WELL NO. 8 (PN) SECTION 20 TOWNSHE 28 N RANGE 9 W	NNIP?L1
LOCÁTELD 890 FEET FROM SOUTH LINE 990 FEET FROM WEST	LINE
SAN JUAN COEPER, NEW MEXICO G.L. ELEVATED 5861	OAC. PC
NAME OF PRODUCING FORMATION & MESA VERDE FOOL BLANCO N.V. EDICATED ACREAGE 32	20 AC, MV
Note: All distances must be from outer boundaries of section.	PLAT)
SF 077106 U.S. GERMANNETUN, T	
SF 077106	
U.S. GEO. I.	and the factor
2. Wighter	
SECTION 20	
	· · · ·
SF 077106	NOTE
	is section of
	m is to be used gas wells only
O C B	
Scale 4 inches equal 1 mile	¥
This is to certify that the above plat was prepared from 1. Is this well a Dual Co field notes of actual surveys made by me or under my - Yes	
supervision and that the same are true and correct to the 2. If the answer to Questio	•
best of my knowledge and belief. is yes, are there any oth completed wells within t	1 · · · · · · · · · · · · · · · · · · ·
DECEMBER 17, 1956 dedicated acreage.	
6. O. Walker	
Registered Professional Engineer and/or Land Surveyor	TD E.S. OBERET
Position Petroleum:	
Representing El Pas	o Natural Gas Co.
Address _ Box 997, F	armington, N.M.
(Seal)	

Formingtin, New Mexico.

/

•





• ..

OFFSET OPERATORS Lackey B LS #8

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