DHC 4-29.96

RCD 4-8-96



March 28, 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 Dryden LS 1A Well Unit I Section 28-T28N-R8W Blanco Mesaverde and Otero Chacra 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.

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

Sincerely, Pamela W. Staley

Enclosures

cc: Mark Rothenberg 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

N MEXICO OIL CONSERVATION COMMISION WELL LOCATION AND ACREAGE DEDICATION PLAT

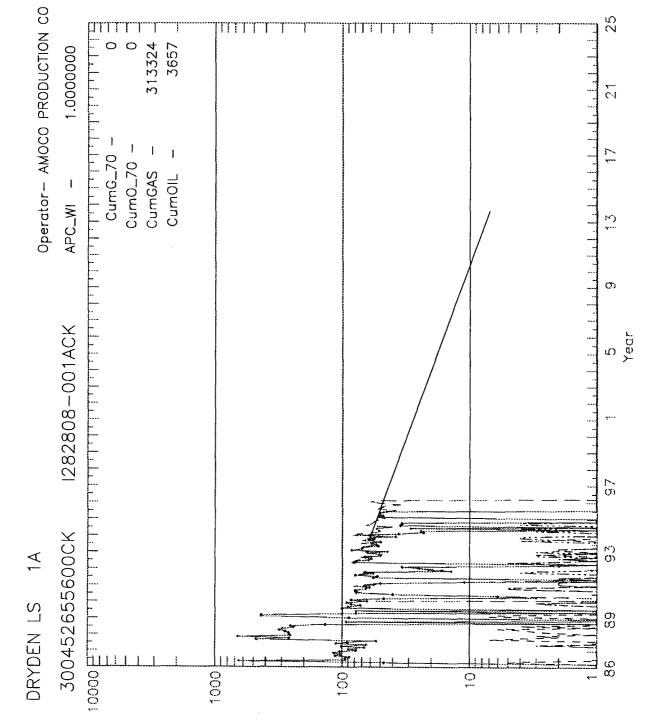
Form C-102 Supersedes C-12 Effective 1-1-65

All distances must be	from the outer	boundaries o	the Section.
-----------------------	----------------	--------------	--------------

.

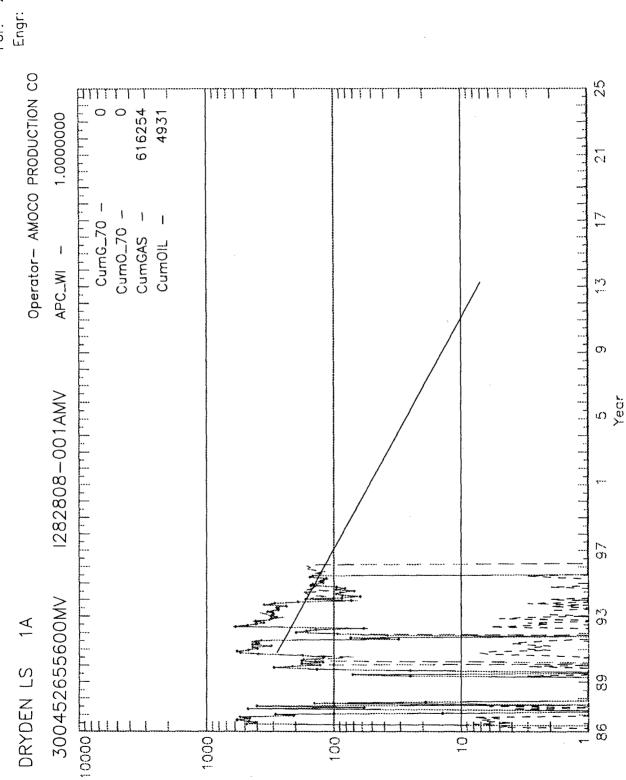
TENNECO OIL CORPANY INTERVISE IA To Litting Township 288 Response Constry San Juan Atom Persone Lossien of Will. 200 Feat free to the South South The Arrow South Persone South Dedicated Answard 2300 Feat free to the South South Inter Construction Persone Dedicated Answard Dedicated Answard East Inter 5311 Production of Will. Production South Persone Dedicated Answard East Inter 5324 Production South Persone Dedicated Answard East Inter 10 Outline the accessed dedicated to the well, eastine each and Identify the ownership thereo? (both as to working interest and regality). Interest and regality). Interest and regality. 3. If more than one lease of different ownership is dedicated to the well, well, have the interests of all owners been consolidated by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission. 1 Production of the well hore and the accesso of ball. Interest t	Operator					Lease					Well No.
T 28 28N 8N San Juan Inter the South the South the Max Mark South	TENNECO	OIL	COMPANY			·		· · · · · · · · · · · · · · · · · · ·			<u> </u>
Actual Foreiras Licenters of Well 2300 Issue model 790 test from the East to the set of the		Sectio			- 0++	Range		-	•		
2300 test mon the East Instruct Growned Level Elver Produce promotion Produce Produce Promotion Destinant to the service in the service in the plat below. 1. Outline the acreage dedicated to the subject well by colored pencil or bachure marks on the plat below. 1. 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 Yes Yes Yes No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, force-pooling, etc? 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 Commise allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or untils and the superior of the former of th					20N	<u>l</u>	8₩	j Sa	n Juan		
Ground Livel Elevi SB34 Pendacing remention Charga/Mesaverda Pend Undes. Chacga/Blanco Mesaverde Deducated Acrease: 160/320 1. Outline the acreage dedicated to the subject well by colored pencil or hackure marks on the plat below. 2. If more than one leave is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty). 3. If more than one leave of different ownership is dedicated to the well, have the interests of all owners been consoli- dated by communitization, unitization, force-pooling.etc? Yes Yan II nawer is "yes?" type of consolidation in the constraint of a non-standard unit, eliminating such interests, has been approved by the Commis- sion. No allowable will be assigned to the well until all interests have been consolidated (by communitization, until all interests, has been approved by the Commis- sion. RECEIVED AUG 2 2/1985 BUREAU OF LAND WANAGEMENT TARMINGTON REEDURCE AREA Sec. Yes 28 790' I hardy certify that the information con- toring detrained and plate. Sec. 28 0 1 hardy certify that the information con- toring detrained and plate. 1 hardy certify that the information con- toring detrained and plate. 1 hardy certify that the information con- toring detrained and plate. 1 foreneo 50% 28 1 fo	1			South			790 .		Fe	et.	
583h Charcra/Mpsaverde Undes. Charcra/Blanco Mesaverde 160/320 Acree 1. Outline the acreage dedicated to the subject well by colored pencil or hachare marks on the plat below. 1. Hore than one lease is dedicated to the well, outline cach 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 Yes Yes You If answer is "yes?" type of consolidation					line and	Pol	170 100	t from the			
 Outline the acreage dedicated to the subject well by colored pencil or hackure marks on the plat below. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty). 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 Yes No If answer is "no?" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if accessary). 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 usit, eliminating such interests, has been approved by the Commission. RECELVED AUG 2 2 [1985 BUREAU OF LAND MANAGEMENT Seec. Tenneco 50% Conoco 50% Conoco 50% Recent and provide and beils. Increding and beils.	1		-		_		s Chacra/	Blanco M	esaverde		0/320
 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 Yes Yes Yo 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 Commission. RECEIVED AUG 2 2/1985 BUREAU OF LAND MANAGEMENT Former of 011 Company Dore Conoco 50% Conoco 50	1		•	· · ·		••••••••••••••••••••••••••••••				·	
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 X Yes X If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if accessory). 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. RECEIVED AUG 2 2 [1985 BUREAU OF LAND MANAGEMENT Formeco 011 Company Frameco 50% 28 Tenneco 50% 28 Tenneco 50% 28 On one concert to the last of my how leads on blact for more appleted form the blact for more appleted form the blact of my how leads on blact for more appleted form the blact of my how leads on blact for more appleted former to the blact of my how leads on blact for more appleted form the blact of my how leads on blact for more appleted form the blact of my how leads on blact for my how leads	1. Outline th	e acre	eage dedica	ted to the	e subject w	ell by co	lored pencil	or hachure	marks on I	he pla	it below.
dated by communitization, unitization, force-pooling, etc? Yes X3 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 Commis- aion. RECEIVED AUG 22,1985 BUREAU OF LAND WANGEMENT FARMINGTON RESDURCE AREA Sec. Tennecco 50% Tennecco 50% Z8 790 New Hellow Hellow Hellow Hellow Hellow Hellow Hellow Hellow Hellow New Hellow				dedicate	d to the wel	ll, outline	each and id	entify the o	ownership	thereo	l (both as to working
If snewer 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 Commission. RECEIVED AUG 22,1985 BUREAU OF LAND MINAGEMENT FARMINGTON RESOURCE AREA Sec. Tenneco 50% Conoco 50% 28 770' None State of the two and fract the well location is two and complete to the second temperature of the second complete to the second complete to the second complete to the second policit. Hence 50% Conoco 50% Conoco 50% Conoco 50% None State of the second fract to the location of the second fraction of the second fraction. Bureau of LAND MINAGEMENT FARMINGTON RESOURCE AREA Conoco 50% Conoco 50% C	dated by c	commu	nitization, u	nitization	n, force-pool	ing. etc?		, have the i	interests o	f all (owners been consoli-
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 Commis- sion. CERTIFICATION I hards verify that the information con- tained hards is true and complete to the bear of my handledge and belief. Mana Sec. Sec. Conoco 50% Conoco 50% Cono	Yes	XX I	No Ifar	newer is '	"yes," type	of consoli	dation			·	
this form if neccessary.) 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 Commis- sion. CERTIFICATION I hardy certify that the information con- tained hardin is true and complete to the beer st proceedings and belief. Name Scott McKinney Position Sec. Tenneco 50% Conoco 50% C	· · ·	• • •	•• •• • •		1				••		/**
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 haveby certify that the information contrained during the set of the formation of the point of the set of the formation of the formation of the set of the formation of the formation of the formation of the set of the formation of the formation of the formation of the set of the formation of the set of the formation of the set of the formation of the formation of the set of the set of the formation of the set of the s				owners a	nd tract des	criptions	which have a	ctually be	en consolio	lated.	(Use reverse side of
forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commina- sion. CERTIFICATION RECEIVED RECEIVED AUG 2 2,1985 I hereby certify that the information con- tained barenin is true and complete to the beer of monoledge and by itef. BUREAU OF LAND MANAGEMENT FARMINGTON RESDURCE AREA Soft MCKinney Sec. Sec. BUREAU OF LAND MANAGEMENT FARMINGTON RESDURCE AREA Soft MCKinney Sec. 28 Tennecco 011 Company Date June 18, 1985 I hereby certify that the well location above on this plat was plated from their on this plat was plated from their mote and carries to the based of my knowledge and balled. O None	1		•	1	11 1		·····		1 (1		• • • • • •
Sec. 28 770' CERTIFICATION I haraby certify that the information con- tained herein is true and complete to the bases of my harachedge and balled. Name Sec. Sec. 28 770' Conoco 50% Conoco 50% Cono											
CERTIFICATION RECEVED AUG 2 2,1985 BUREAU OF LAND MANAGEMENT FARMINGTON RESOURCE AREA Sec. Sec. 28 790 1 hereby certify that the unformation con- tained based of the tail of		ling, o	r otnerwise)	or until a	non-standa	ra unit, ei	liminating su	ch interest	s, has bee	n appr	oved by the Commis-
RECEIVED AUG 22 1985 BUREAU OF LAND MANAGEMENT FARMINGTON RESDURCE AREA Sec. 28 770' 1 hareby certify that the information contained harein is true and complete to the base of any knowledge and belief. Name Sec. 28 770' 1 hareby certify that the information contained harein is true and complete to the base of any knowledge and belief. Name Sec. 28 770' 1 hareby certify that the well location shown on this plat was plotted from field motes of actual surveys mode by me or no this plat was plotted from the derived normal surveys mode by me or no this plat was plotted from the derived surveys mode by me or no the plat was plotted from the derived surveys mode by me or no the plat was plotted from the derived surveys and by the certify that the same last of my knowledge and belief. 0 None 0 None <td< td=""><td>BION.</td><td></td><td>·</td><td></td><td><u></u></td><td></td><td></td><td><u></u></td><td></td><td></td><td></td></td<>	BION.		·		<u></u>			<u></u>			
RECEIVED AUG 2 2 1985 BUREAU OF LAND MANAGEMENT FARMINGTON RESOURCE AREA Sec. BUREAU OF LAND MANAGEMENT FARMINGTON RESOURCE AREA Sec. 1 Nome 28 770' 1 Neme 28 770' 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	1		1		l'		l			CEF	RTIFICATION
RECEIVED AUG 2 2 1985 BUREAU OF LAND MANAGEMENT FARMINGTON RESOURCE AREA Sec. BUREAU OF LAND MANAGEMENT FARMINGTON RESOURCE AREA Sec. 1 Nome 28 770' 1 Neme 28 770' 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1			L.			proved to a	1				•
RECEIVED AUG 2 2 1985 BUREAU OF LAND MANAGEMENT FARMINGTON RESOURCE AREA Sec. Sec. Sec. 28 770' 1 hereby certify that the well location shown on this plot was plotted from field notes of actual surveys mode by me or under my supervision, and that the same is true and certect to the last of my hnowledge and ballet. 0 0			l	•			1		1 hereby	certify	that the information con-
AUG 2 2 1985 BUREAU OF LAND MANAGEMENT FARMINGTON RESOURCE AREA Sec. Sec. Sec. 28 790' Tenneco 50% Conoco			I			~ =	NEM		tained h	erein is	true and complete to the
BUREAU OF LAND MANAGEMENT FARMINGTON RESOURCE AREA Scott McKinney Sec. Sec. Sec. Sec. 28 790' Tenneco 50% I hereby certify that the well location shown on this plat was plotted from theild motes of actual surveys mode by me or under my supervision, and that the set of my knowledge and belief. 0 0 0 0			t		RE	CE	VED		bestofi	ny knov	ledge and belief.
BUREAU OF LAND MANAGEMENT FARMINGTON RESOURCE AREA Scott McKinney Sec. Sec. Sec. Sec. 28 790' Tenneco 50% I hereby certify that the well location shown on this plat was plotted from theild motes of actual surveys mode by me or under my supervision, and that the set of my knowledge and belief. 0 0 0 0			1				1		1 12	1 1	$\gamma \mathcal{V}$
BUREAU OF LAND MANAGEMENT FARMINGTON RESOURCE AREA Scott McKinney Sec. Sec. Sec. Sec. Sec. Sec. Variation Sec. Sec. Sec. Sec. <td></td> <td></td> <td>1</td> <td></td> <td></td> <td>AUG 22</td> <td>1985</td> <td></td> <td>Sher</td> <td>CI</td> <td>1= Kining</td>			1			AUG 22	1985		Sher	CI	1= Kining
Sec. Position Sec. Sec. Tenneco 50% 28 Conoco 50% 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 bellef. Date 0 No 0			<u> </u>								
Sec. Sec. Sec. Sec. Sec. Sec. Tenneco 011 Company Dote June 18, 1985 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 bast of my knowledge and bellef. O N O N O N			1		BUREAU	J OF LAND	MANAGEMENT			McKin	ney
Sec. Sec. 28 790' Tenneco 50% Conoco			1	. :	FARMI	NGTON RES	SOURCE AREA				ony Analyst
Sec. 28 Tenneco 50% Conoco]				1		_	yurai	UTY ANALYSE
Sec. 28 Tenneco 50% Conoco			1			•• • • •	1		1	n Oil	Company
Sec. June 18, 1985 I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys mode by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief. Date Surveyed, M. E. MA444 Date Surveyed, M. E. MA444 N. M. S.			-	·			1				Company
28 790' I hereby certify that the well location shown on this plat was plotted from field notes of ectual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief. 0 0			• •	Sec.					1	8, 19	85
28 770' I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys, mode by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief. 0 0 0 0 0 0			1			•.	I				
Tenneco 50% Conoco 50% Conoco 50% O N Date Survered N N Date Survered N N N Hettor Conoco 50% Conoco 5							·/ <u>/ / / / / / / / / / / / / / / / / / </u>				
Tenneco 50% shown on this plat was plotted from field Conoco 50% under my supervision, and that the same is true and correct to the best of my knowledge and bellel. O N Date Survered NM ME to The survey of the su	N		1		28		1	790'	hereby	certil	y that the well location
Conoco 50% Conoco 50%			Tannaaa	E0%				<u>//</u>	shown o	n this p	lat was plotted from field
CONDECT 50% Is true and correct to the best of my knowledge and belief. Date Survered. N Date Survered. N Registered Professional Engineer and Add Survetter 466 Solution N N N N N N N N N N N N N			1 renneco	50%			1	N	notes of	octual	surveys mode by me or
O N N N N N N N N N N N N N	8		Conoco	50%		•	1	Ň	under m	, super	vision, and that the same
O N Date Survey ed. N Date Survey ed. N M Date Survey ed. N M Date Survey ed. N M D D D D D D D D D D D D D			1	50%			i		is true	ond co	prest to the best of my
O M N Date Survered N H H H H H H H H H H H H H H H H H H			1				ł.		knowled	ye and i	bellef. Sta
O M N Date Survered N H H H H H H H H H H H H H H H H H H	N		<u>-</u>				+				
Proglatered Pholescional Pholes	8		1				8				E. MAL
and Land Surve #48466		0	1				n m		Date Surve	-aAt	N MENTE
and Land Surve #49466		0	l							<u> </u>	15-250/21
			1		·		۱. I			Ploie	#10ng1 Engineer
A A A A A A A A A A A A A A A A A A A							1	Ň		a Purv	
Source and a second and a second and a second and the second and t			I .		1		1		$ /\Lambda$	2	M UEVT
Certilicaie Ne. POFFEEDMAN		LT / LST)		CT 1 DY , DT ,		at / at / A		aria. S.	U/AD	No An	cice of





Last Op. Forecast by zljk06 in 06/1994

das, MCFD



For: zcsw10 Engr: zrar06

dae' WCED

Last Op. Forecast by zrar06 in 08/1995

DISTRICT 1 P.O. Box 1980, Hobbs NM 88241-1980

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

1000 Rio Brazos Rd. Aztec, NM 87410-1693

DISTRICT II

DISTRICT III

State of New Mexico Energy, Minerals and Natural Resources Department

2040 S. Pacheco

Santa Fe, New Mexico 87505-6429

OIL CONSERVATION DIVISION

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

APPROVAL PROCESS:

X Administrative Hearing

EXISTING WELLBORE XYES __NO

APPLICATION FOR DOWNHOLE COMMINGLING

Amoco

Amoco Production Company		P.O. Box 800 Denver, CO 80201			
Operator	1	Address 1-28-28N-R8W	San Juan		
Dryden LS					
Lease	Well No.	Unit Lir Sec Twp - Rge	County		

Spacing Unit Lease Types: (check 1 or more

_ State API NO. 3004526556 (and/or) Fee OGRID NO. 000778 Property Code 000432 Federal x

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone		
1. Pool Name and Pool Code	OTERO CHACRA 82329		BLANCO MESAVERDE 72319		
2. Top and Bottom of Pay Section (Perforations)	3165' - 3176'		3880' - 4454'		
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	^(Current) 654 PSI (EST) a.	a .	^{a.} 833 PSI		
	(Original) 956 PSI (EST) b.	b.	^{b.} 1278 PSI		
6. Oil Gravity (° API) or Gas BTU Content	1162 BTU		1255 BTU / 49.9 DEG API		
7. Producing or Shut-In?	NEW		PRODUCING		
Production Marginal? (yes or no)	NO		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)	1/96 Date: 54 MCFD Rates: 0 BCPD 0 BWPD	Date: Rates:	1/96 Date: 153 MCFD Rates: 0.84 BCPD 0 BWPD		
8. Fixed Percentage Allocation Formula -% for each zone	^{Oil:} 0 %: ^{Gas} 26 %	Oil: Gas %: %	^{Oil:} 100 ^{Gas} 74 _%		

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?

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) 11. Will cross-flow occur?

- 12. Are all produced fluids from all commingled zones compatible with each other?
- 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 Untied States Bureau of Land Management has been notified in writing of this application. _X_Yes _

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 TEMBERSTATIS	TITLE	REGULATORY AFFAIRS REP DATE 3/25/96	
TYPE OR PRINT NAME PAMELA W. STALEY		TELEPHONE NO. (303) 830-5344	

X Yes ___ ___ Yes ___ _X_ Yes ___ No No _ No

__ No

ORDER NO(S).

NM-012200

_X_Yes ___No

LIST OF OFFSET OPERATORS

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

.