

DHC

6/20/96

1284

Southern

Rockies

Business

Unit

May 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
Lackey B LS #4 Well
Unit A Section 29-T28N-R9W
Otero Chacra 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: Steve Webb
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

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

State of New Mexico
Energy, Minerals and Natural Resources Department

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

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

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

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

OIL CONSERVATION DIVISION
APPLICATION FOR DOWNHOLE COMMINGLING

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE
☒ YES ☐ NO

Amoco Production Company		P.O. Box 800 Denver, CO 80201	
Operator	Lease	Address	County
Lackey B	4	A-29-28N-9W	San Juan
Well No.		Unit Ltr. - Sec Twp - Rge	

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 000778 Property Code 000784 API NO. 3004507220 Federal ☒ 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	OTERO CHACRA 82329		BLANCO MESAVERDE 72319
2. Top and Bottom of Pay Section (Perforations)	3224' - 3294'		4449' - 4562'
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: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated or Measured Original	a. (Current) 590 PSI b. (Original) 1082 PSI	a. b.	a. 639 PSI b. 1225 PSI
6. Oil Gravity (° API) or Gas BTU Content	1167 BTU		1331 BTU / 49.3 DEG API
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)	Date: 5/96 Rates: 17 MCFD 0 BCPD 0 BWPD	Date: Rates:	Date: 5/96 Rates: 50 MCFD <1 BCPD <1 BWPD
8. Fixed Percentage Allocation Formula -% for each zone	Oil: 0 % Gas 25 %	Oil: % Gas %	Oil: 100 % Gas 75 %

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 ☒ 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? ☒ Yes ☐ No
13. Will the value of production be decreased by commingling? ☐ Yes ☒ 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. ☒ Yes ☐ No SF-077106
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 Pamela W. Staley TITLE REGULATORY AFFAIRS REP DATE 5/23/96
TYPE OR PRINT NAME PAMELA W. STALEY TELEPHONE NO. (303) 830-5344

COMPANY EL PASO NATURAL GAS COMPANY

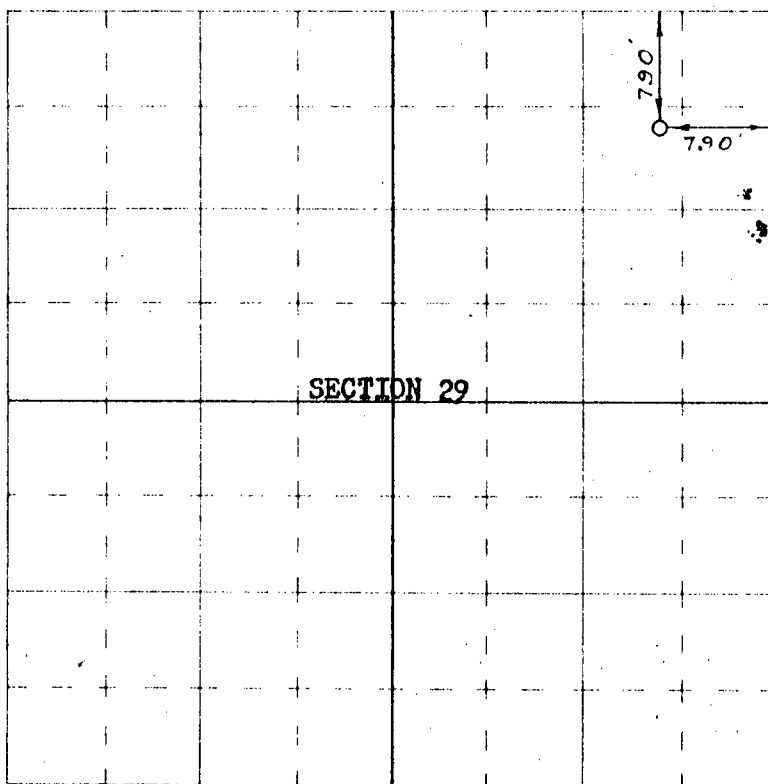
Well Name & No. LACKEY NO. 4-B Lease No. SF 077106

Location 790 FEET FROM THE NORTH LINE, 790 FEET FROM THE EAST LINE

Being in NE/4 OF THE NE/4

Sec. 29, T 28 N., R. 9 W., N.M.P.M., SAN JUAN COUNTY, NEW MEXICO

Ground Elevation 5975^{2.8}



RECEIVED
JAN 9 1956
U. S. GEOLOGICAL SURVEY
FARMINGTON, NEW MEXICO

Scale -- 4 inches equals 1 mile

Surveyed MARCH 25, 19 52

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

C. O. Walker

Registered Professional
Engineer and Land Surveyor.

Seal:

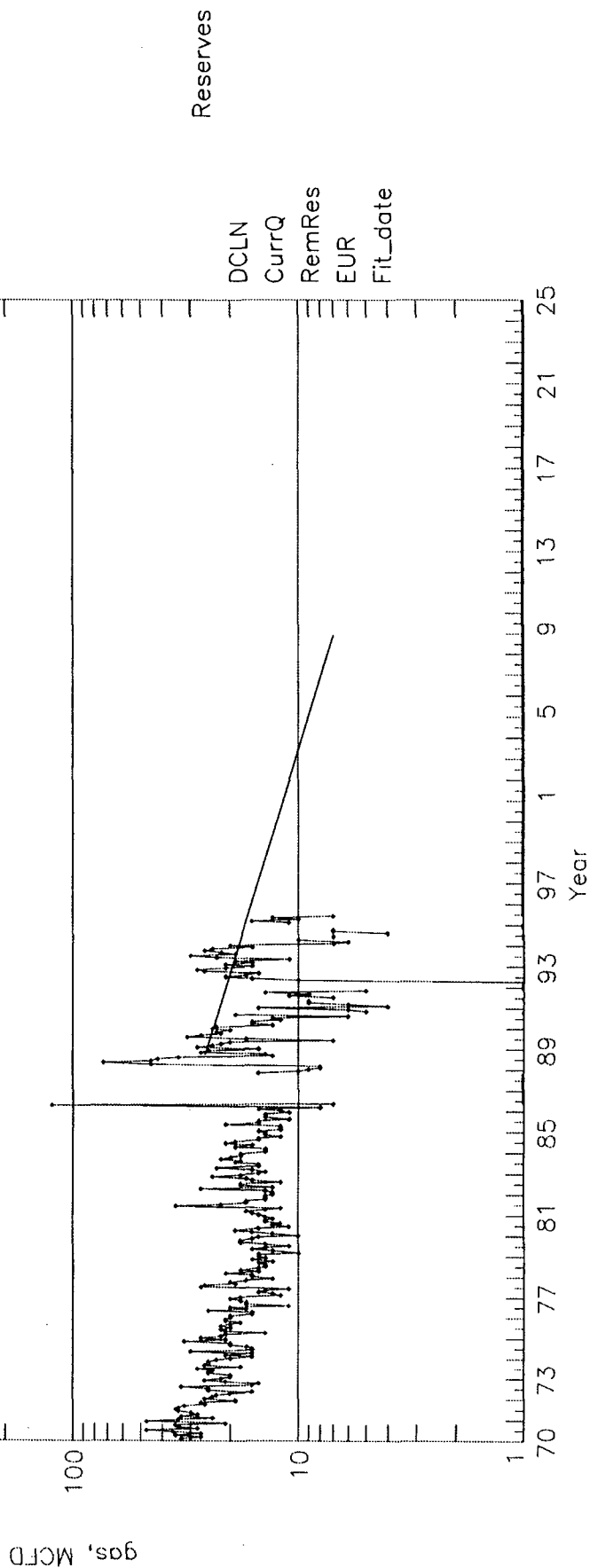
Farmington, New Mexico

320 ACRES, N/2 SECTION (PLAT)

For: zalc14
Engr: zrar06

LACKEY B LS 4 Operator- AMOCO PRODUCTION CO
300450722000CK A292809-004 CK APC_WI - 0.50000000

CumG_70 -	216719
CumO_70 -	55
CumGAS -	375813
CumOIL -	322



Last Op. Forecast by zrar06 in 07/1995

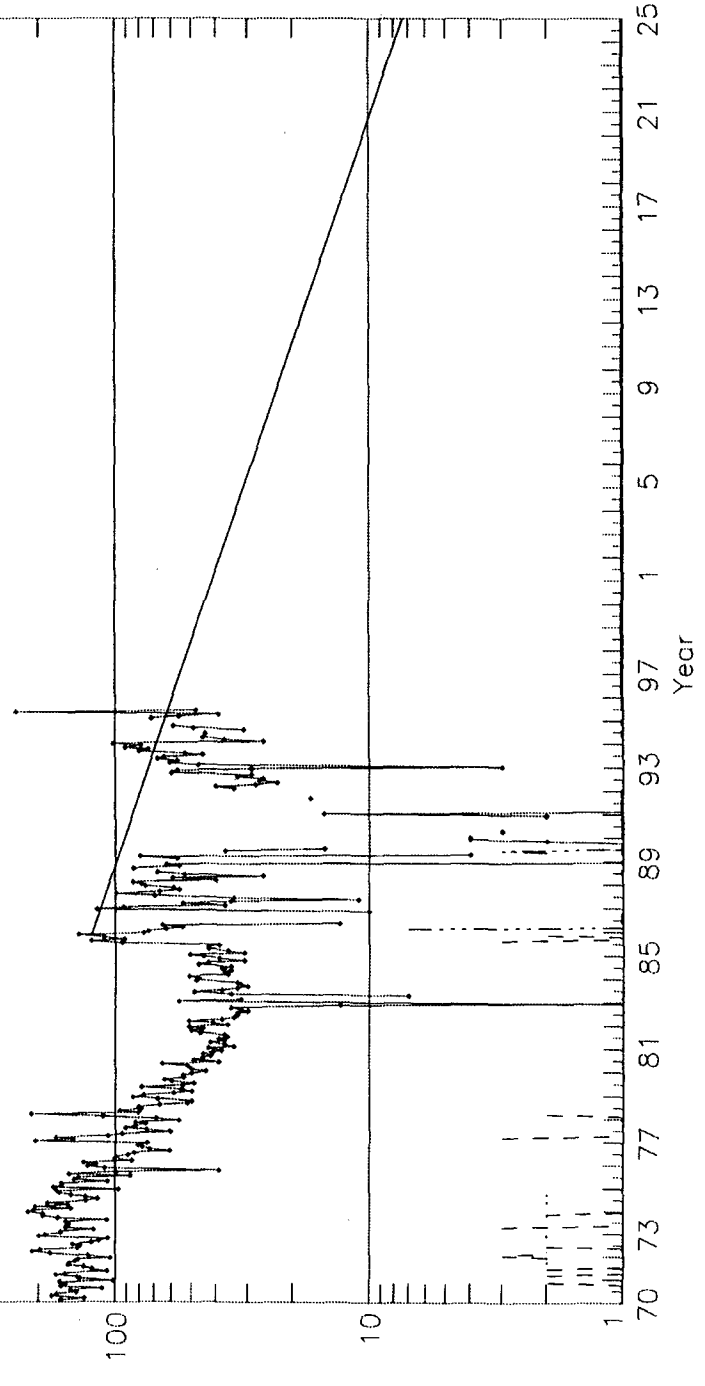
For: zalc14
Engr: zrar06

LACKEY B LS 4 Operator- AMOCO PRODUCTION CO

300450722000MV A292809-004 MV APC_WI - 0.50000000

CumG_70 -	1178371
CumO_70 -	8413
CumGAS -	1837859
CumOIL -	11525

gas, MCFD



OFFSET OPERATORS
Lackey B LS #4

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