



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Farmington District Office  
1235 La Plata Highway  
Farmington, New Mexico 87401

IN REPLY REFER TO:  
NM-014110 (WF)  
3162.7-3 (07327)

September 5, 1996

Mr. Lance F. Harmon  
Land Manager  
Koch Exploration Company  
P.O. Box 2256  
Wichita, KS 67201-2256

RE: Federal Lease NM-014110  
Communitization Agreement 14080011184  
Downhole Commingling Application  
Blanco Pictured Cliffs and Blanco Mesaverde Pools  
No. 1R Walker  
990' FNL & 950' FEL, Section 13-T31N-R10W  
San Juan County, New Mexico

Dear Mr. Harmon:

The Farmington District Office (FDO) of the Bureau of Land Management (BLM) has received your letter dated July 19, 1996, for downhole commingling of the Blanco Pictured Cliffs and Blanco Mesaverde Pools in the above referenced well.

Presently, the Pictured Cliffs formation is estimated to produce 300 MCFD and 0 BCPD with a BTU value of 1127, and the Mesaverde is producing 381 MCFD, 1.5 BCPD, and 0.4 BWPD with a BTU value of 1161. Corrected bottom hole pressures are 454 psi for the Mesaverde and 350 psi for the Pictured Cliffs. The estimated allocation method is to extrapolate out the Mesaverde decline and then attribute any gas production over this amount to the Pictured Cliffs formation. Condensate production will be allocated at 100% to the Mesaverde formation.

This method of allocation is acceptable for this well and approval for downhole commingling is hereby granted.

If you have further questions regarding this matter, please contact Brian W. Davis at (505) 599-6367 or (505) 599-8900.

Sincerely,

**/s/ Duane Spencer**

Duane W. Spencer  
Team Leader, Petroleum Management

bcc:  
NMOCD, Santa Fe ✓