

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

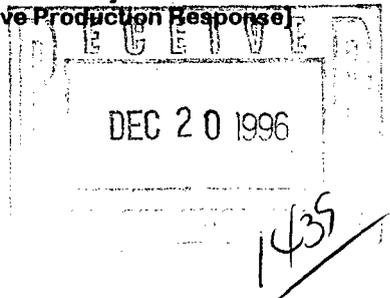
Bolack C LS #14

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location] [DD-Directional Drilling] [SD-Simultaneous Dedication] [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]



[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Directional Drilling
 NSL NSP DD SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

- [A] Working, Royalty or Overriding Royalty Interest Owners
[B] Offset Operators, Leaseholders or Surface Owner
[C] Application is One Which Requires Published Legal Notice
[D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
[E] For all of the above, Proof of Notification or Publication is Attached, and/or,
[F] Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

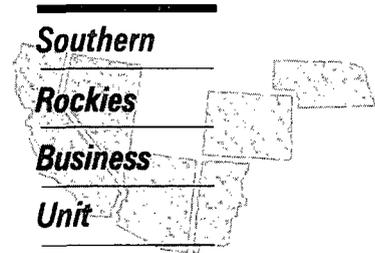
Note: Statement must be completed by an individual with supervisory capacity.

PAMELA W. STALEY
Print or Type Name

[Signature]
Signature

REGULATORY AFFAIRS ENGR.
Title

12/16/96
Date



December 16, 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-A- Downhole Commingling
Bolack C LS #14 Well
Unit B Section 30-T27N-R8W
South Blanco 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.

Sincerely,


Pamela W. Staley

Enclosures

cc: Mark Rothenberg
Pat Archuleta
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

OIL CONSERVATION DIVISION

APPROVAL PROCESS:

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

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

Administrative Hearing

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

APPLICATION FOR DOWNHOLE COMMINGLING

EXISTING WELLBORE
 YES NO

Amoco Production Company	P.O. Box 800 Denver, CO 80201		
Operator BOLACK C LS	Well No. 14	Address B-30-27N-8W	County San Juan
Lease			
Spacing Unit Lease Types: (check 1 or more)			
OGRID NO. <u>000778</u>	Property Code <u>000327</u>	API NO. <u>3004506281</u>	Federal <input checked="" type="checkbox"/> State <input type="checkbox"/> (and/or) Fee <input type="checkbox"/>

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	SOUTH BLANCO PICTURED CLIFFS 72439		BLANCO MESAVERDE 72319
2. Top and Bottom of Pay Section (Perforations)	2094' - 2150'		4362' - 4510'
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) 260 PSI	a.	a. 475 PSI
	b. (Original) 734 PSI	b.	b. 1027 PSI
6. Oil Gravity (° API) or Gas BTU Content	1173 BTU		1148 BTU / 49 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: Rates: 10/96 57 MCFD 0 BCPD 0 BWPD	Date: Rates:	Date: Rates: 10/96 0 MCFD(SEE ATTACHED) 0 BCPD 0 BWPD
8. Fixed Percentage Allocation Formula -% for each zone	Oil: 0 % Gas 33 %	Oil: % Gas %	Oil: 100 % Gas 67 %

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-079232

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. (SEE ATTACHED)
 - * 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 ENGR DATE 12/16/96
TYPE OR PRINT NAME PAMELA W. STALEY TELEPHONE NO. (303) 830-5344

Well Location and Acreage Dedication Plat

Section A.

Date **MARCH 4, 1958**

Operator **EL PASO NATURAL GAS COMPANY** Lease **BOLACK** SF **079232**
 Well No. **14-C (PM)** Unit Letter **B** Section **30** Township **27-N** Range **8-W** NMPM
 Located **800** Feet From **NORTH** Line, **1640** Feet From **EAST** Line
 County **SAN JUAN** G. L. Elevation **6090** Dedicated Acreage **320 & 160** Acres
 Name of Producing Formation **MESA VERDE & PICTURED CLIFF** Pool **BLANCO MV EXT. - SO. BLANCO P.C.**

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below?
 Yes No
2. If the answer to question one is "no", have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes No . If answer is "yes", Type of Consolidation.
3. If the answer to question two is "no", list all the owners and their respective interests below:

Owner	Land Description
-------	------------------

RECEIVED

MAR 7 1958

U. S. GEOLOGICAL SURVEY
FARMINGTON, N.M.

Section B.

Note: All distances must be from outer boundaries of section.

This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

El Paso Natural Gas Company

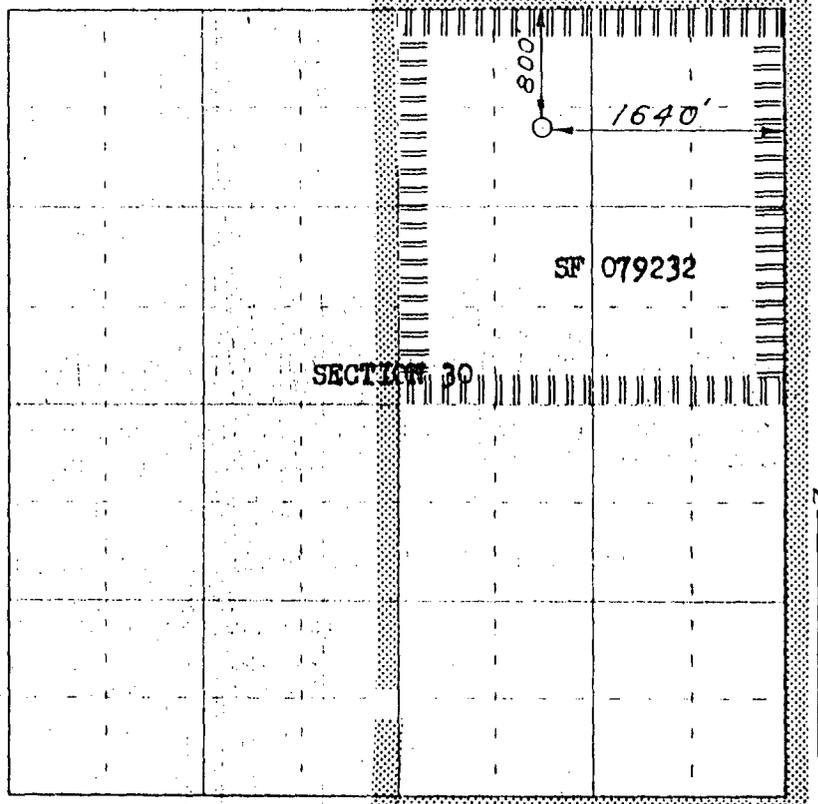
(Operator)
Original Signed **D. C. Johnston**

(Representative)

Box 997

(Address)

Farmington, New Mexico



0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

Scale 4 inches equal 1 mile

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.

Date Surveyed **FEBRUARY 26, 1958**

David O. Kilven
Registered Professional Engineer and/or Land Surveyor

(Seal)

Farmington, New Mexico

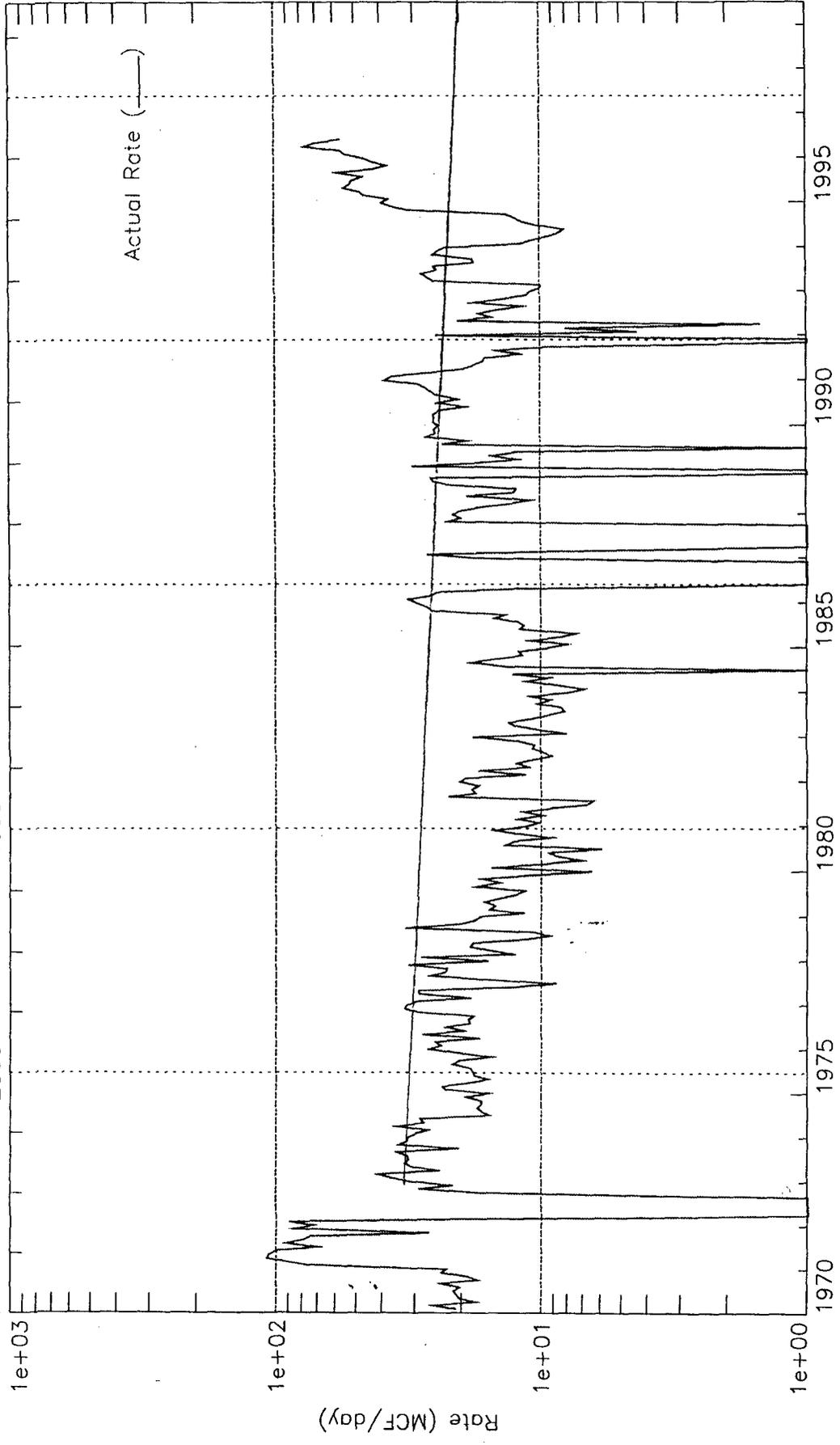
User: zmdr16
Owner: 2DMHF

Single Well Gas3D

Description 1
Mon Oct 28 09:37:18 1996

Elapsed Days

10000
8000
6000
4000
2000
0



Cum Gas= 204.62 MMCF

Date (Years)

Well ID: 300450628100 604PCCF

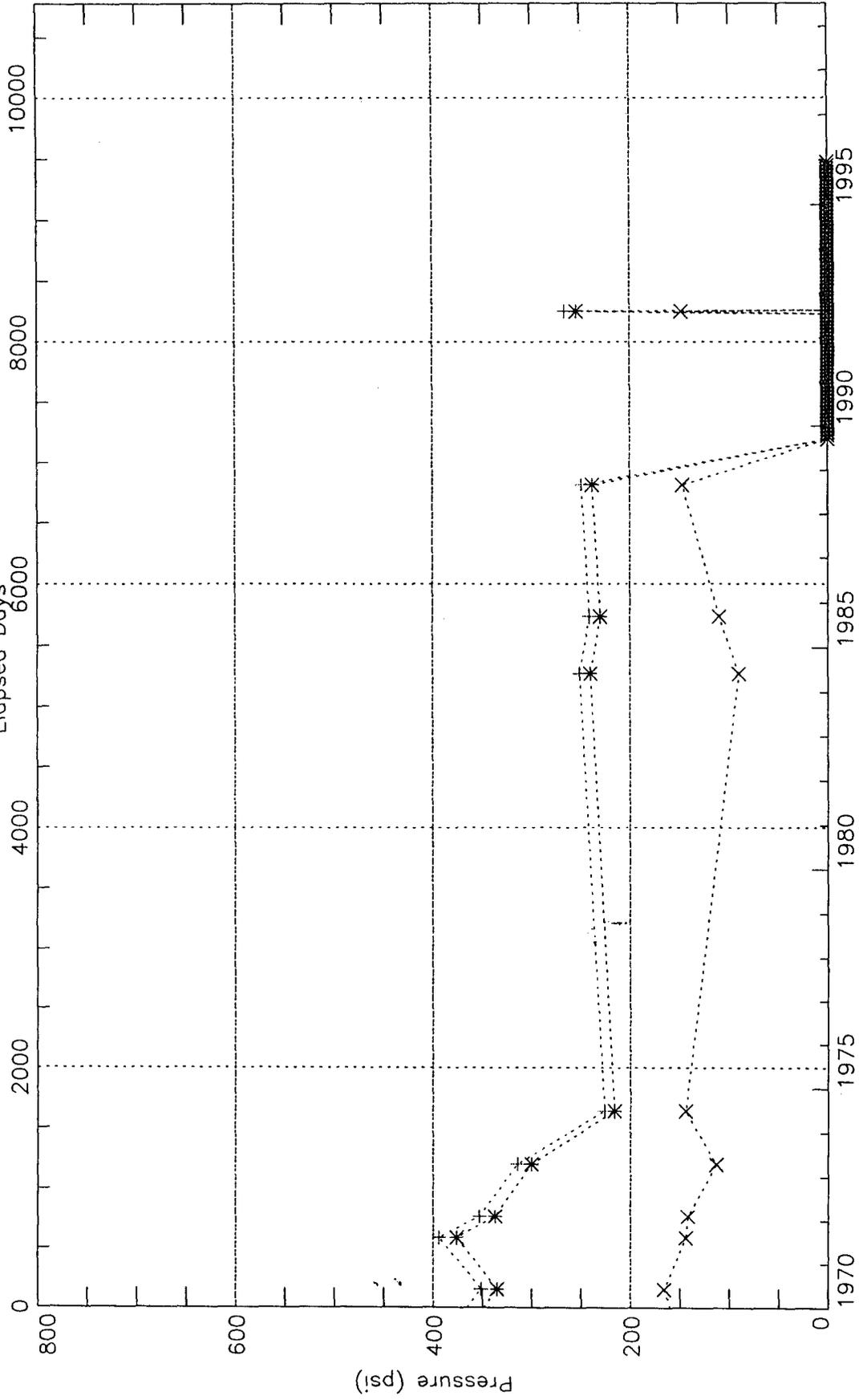
Well Name: BOLACK C LS 1-9,11-14 /PC/ 014B30

Operator: AMOCO PRODUCTION COMPANY

User: zmdr16
Owner: ZDMHF

Single Well Gas3D

Description 1
Mon Oct 28 09:37:21 1996



WH_SIP (*)
BHP (+)
WH_FTP (x)

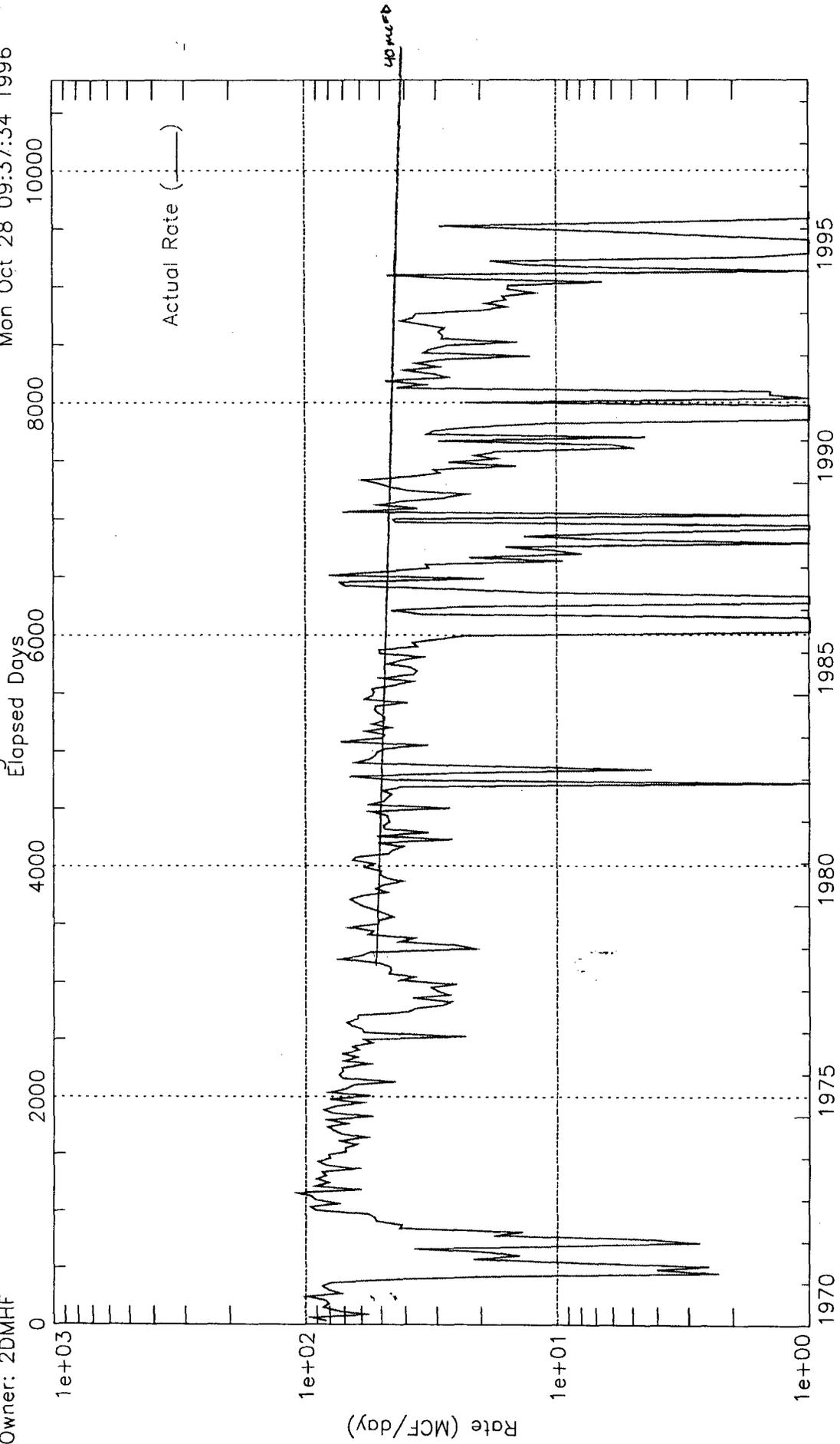
Date (Years)

Well ID: 300450628100 604PCCF
Well Name: BOLACK C LS 1-9,11-14 /PC/ 014B30
Operator: AMOCO PRODUCTION COMPANY

User: zmdr16
Owner: 2DMHF

Single Well Gas3D

Description 1
Mon Oct 28 09:37:34 1996



Cum Gas= 393.20 MMCF

Date (Years)

Well ID: 300450628100 604MVRD

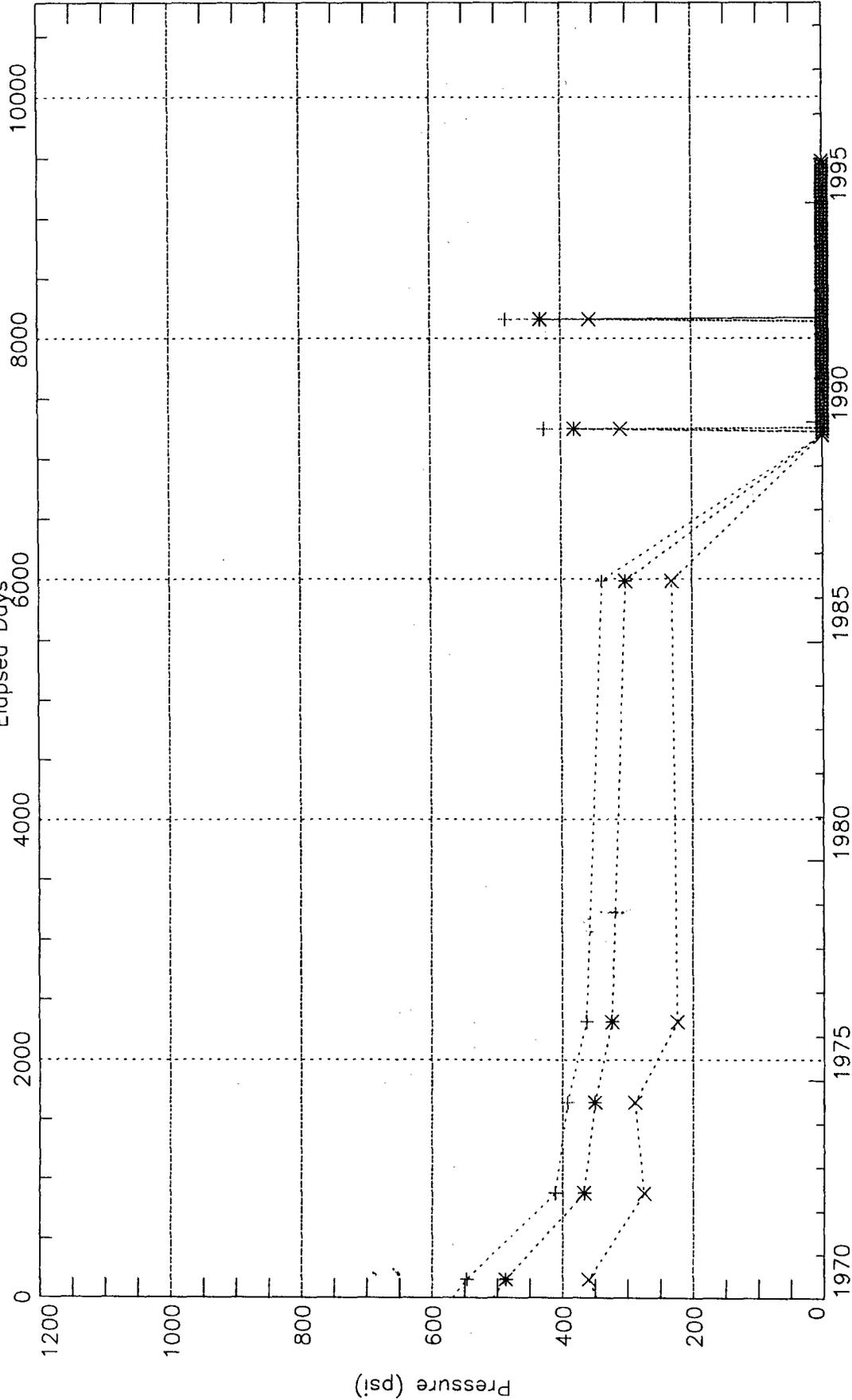
Well Name: BOLACK C 9-16,12A,14A,15A /MV/ 9 014B30

Operator: AMOCO PRODUCTION COMPANY

User: zmdr16
Owner: 2DMHF

Single Well Gas3D

Description 1
Mon Oct 28 09:37:37 1996



Date (Years)

WH_SIP (*)
BHP (+)
WH_FTP (x)

Well ID: 300450628100 604MVRD

Well Name: BOLACK C 9-16,12A,14A,15A /MV/ 9 014B30

Operator: AMOCO PRODUCTION COMPANY

UWI	FM	Press Rec date	test code	SICP	SI days
300450628100	MVRD	580508	ISIP	1027	0
300450628100	MVRD	700604	DEL	487	7
300450628100	MVRD	720601	DEL	367	7
300450628100	MVRD	720629	BH		
300450628100	MVRD	740701	DEL	350	7
300450628100	MVRD	760503	DEL	324	7
300450628100	MVRD	860520	DEL	302	7
300450628100	MVRD	871116	PLT	221	
300450628100	MVRD	891107	DEL	380	7
300450628100	MVRD	900514	PLT	212	
300450628100	MVRD	920505	DEL	431	7
300450628100	MVRD	920629	BH		
300450628100	MVRD	950519	PLT	190	
300450628100	PCCF	580508	ISIP	734	0
300450628100	PCCF	700604	DEL	335	7
300450628100	PCCF	710810	DEL	376	7
300450628100	PCCF	720209	DEL	337	7
300450628100	PCCF	730417	DEL	300	7
300450628100	PCCF	740701	DEL	216	7
300450628100	PCCF	840604	DEL	240	7
300450628100	PCCF	850913	DEL	230	7
300450628100	PCCF	880901	DEL	238	7
300450628100	PCCF	920806	DEL	254	7

OFFSET OPERATORS
Bolack C LS #14

Burlington Resources Oil and Gas Co.
P.O. Box 4289
Farmington, NM 87499

Snyder Oil Corp.
1625 Broadway
Denver, Co. 80202

ALLOCATION EXPLANATION

Recent production tests are misleading due to a packer leak. Following the workover it is expected that the well will return to its natural decline as indicated on the historic production plots.

Rates estimated from historic production are as follows:

	<u>MV</u>	<u>PC</u>
GAS	40 MCFD (67%)	20 MCFD (33%)
OIL	1 BCPD (100%)	0 BCPD (0%)
WATER	1 BWPD (100%)	0 BWPD (0%)

These rates are also consistent with offsetting production.