



# United States Department of the Interior

DHC-1865

## BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO:

NMSF079160 (WC)  
3162.7 (07400)

April 15, 1998

Ms. Heather Dahlgren  
Union Oil Company of California (UNOCAL)  
1004 N. Big Spring  
Midland, Texas 79702

RE: Downhole Commingling Application  
57E Rincon Unit  
790' FSL & 1825' FEL  
Sec. 1, T26N, R7W  
Lease No. NMSF079160  
Rio Arriba County, NM

Dear Ms. Dahlgren:

We have reviewed your Application for Downhole Commingling on the above referenced well. The production volumes were analyzed for the Gallup and Dakota Formations. It was found that a great disparity exists in the decline rates between the formations. Because of the difference in the decline rates, fixed allocation factors are not acceptable. Therefore, your Downhole Commingling Application for this well is rejected.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the orders described above. Such request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such requests shall not result in a suspension of the order(s) unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CAR 3165.4 and 43 CAR 4.400 et seq.

If you have any questions please contact Wayne Townsend with this office at (505) 599-6359.

Sincerely,

**/s/ Duane W. Spencer**

Duane Spencer  
Team Leader, Petroleum Management Team

cc:  
NMOCD, Santa Fe  
NMOCD, Aztec  
Well file  
DOMR  
07400:WTownsend:4/15/98