

DATE IN 11/5/99	SUSPENSE 11/29/99	ENGINEER DC	LOGGED RW	TYPE AMEND DHC
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

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]

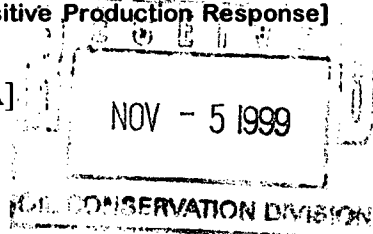
[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

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

Check One Only for [B] and [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 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.

Mary Corley		Sr. Business Analyst	10/19/99
Print or Type Name	Signature	Title	Date



Amoco Exploration & Production

501 Westlake Park Blvd.
Post Office Box 3092
Houston, TX 77079

October 19, 1999

**Ms. Lori Wrotenbery, Director
New Mexico Oil Conservation Division
2040 S. Pacheco Street
P. O. Box 6429
Santa Fe, NM 87505**

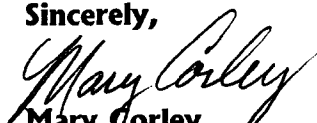
**Request to Amend Allocation Formula
Administrative Order DHC - 2482
Wilch A #3
Unit B Section 23-T29N-R8W
Blanco Mesaverde and Basin Dakota Pools
San Juan County, New Mexico**

Amoco Production Company respectfully request an amendment to the allocation formula approved under Administrative Order DHC - 2482 dated October 13, 1999. Original production allocation recommended was to be based on utilizing existing production test for the Dakota formation and estimated production from Mesaverde utilizing immediate offset production. It has been brought to our attention that a more accurate allocation of the production for this well would be to allocate based on the subtraction method using the future projection for production from the Dakota. That production shall serve as a base for production subtracted from total production for the commingled well. The balance of production will be attributed to the Blanco Mesaverde. Attached is the future production decline estimate for the Dakota. Also attached is a copy of Form C-107-A for your information.

All working, overriding and royalty interests are identical in both zone, therefore, no notification of this application is required to be submitted via certified mail. By copy of this application, Amoco is notifying all offset operators in the formations captioned above.

Should you have questions regarding this application, do not hesitate to call me at 281-366-4491.

Sincerely,


Mary Corley
Enclosures

cc: 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

James Dean

Well File

OFFSET OPERATORS
Wilch A #3

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

Conoco Inc.
10 Desta Drive, Suite 100 West
Midland, TX 79705-4515

PRODUCTION ALLOCATION RECOMMENDATION
Wilch A #3

Production is proposed to be allocated based on the subtraction method using the future projection of production for production from the Dakota. That production shall serve as a base for production subtracted from total production for the commingled well. The balance of the production will be attributed to the Blanco Mesaverde. Attached is the future production decline estimate for the Dakota.

WORKING, OVERRIDING, and ROYALTY INTEREST OWNERS NOTIFICATION
Wilch A #3

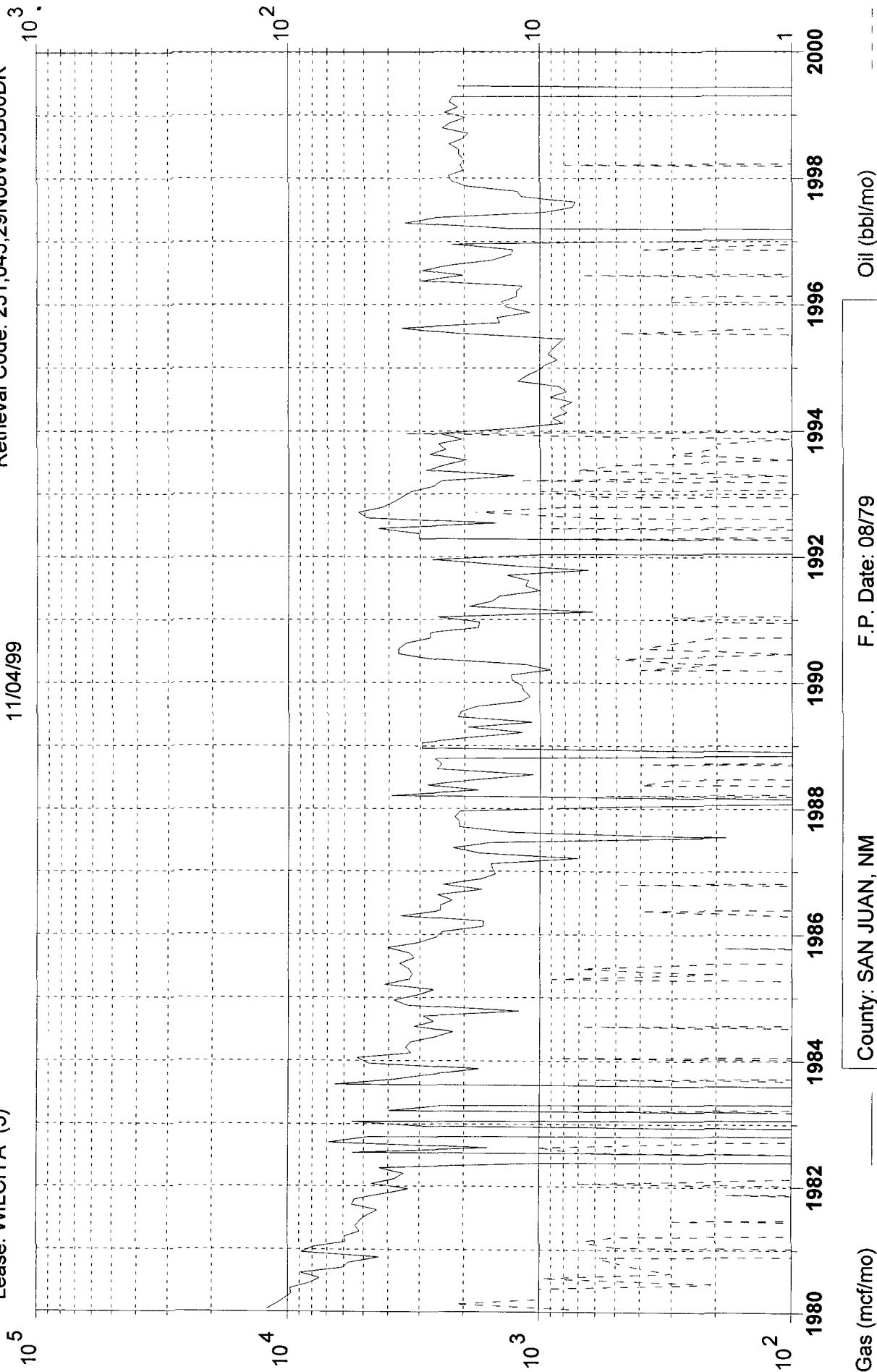
All of the working, overriding, and royalty interest are identical in both proposed commingled zones.

Dwights

11/04/99

Lease: WILCH A (3)

Retrieval Code: 251,045,29N08W23B00DK



Gas (mcf/mo)

Oil (bbl/mo)

County: SAN JUAN, NM

F.P. Date: 08/79

Field: BASIN (DAKOTA) DK

Oil Cum: 475 bbl

Reservoir: DAKOTA

Gas Cum: 684.4 mmcf

Operator: AMOCO PRODUCTION CO

Location: 23B 29N 8W

Wilch A No. 3 Future Production Decline Estimate

Month	Gas Volume
Jan-2000	63
Feb-2000	63
Mar-2000	63
Apr-2000	62
May-2000	62
Jun-2000	62
Jul-2000	62
Aug-2000	62
Sep-2000	61
Oct-2000	61
Nov-2000	61
Dec-2000	61
Jan-2001	61
Feb-2001	60
Mar-2001	60
Apr-2001	60
May-2001	60
Jun-2001	60
Jul-2001	59
Aug-2001	59
Sep-2001	59
Oct-2001	59
Nov-2001	59
Dec-2001	58
Jan-2002	58
Feb-2002	57
Mar-2002	57
Apr-2002	57
May-2002	56
Jun-2002	56
Jul-2002	55
Aug-2002	55
Sep-2002	55
Oct-2002	54
Nov-2002	54
Dec-2002	53

Month	Gas Volume
Jan-2003	53
Feb-2003	53
Mar-2003	52
Apr-2003	52
May-2003	51
Jun-2003	51
Jul-2003	51
Aug-2003	50
Sep-2003	50
Oct-2003	49
Nov-2003	49
Dec-2003	49
Jan-2004	48
Feb-2004	48
Mar-2004	47
Apr-2004	47
May-2004	47
Jun-2004	46
Jul-2004	46
Aug-2004	45
Sep-2004	45
Oct-2004	45
Nov-2004	44
Dec-2004	44
Jan-2005	43
Feb-2005	43
Mar-2005	43
Apr-2005	42
May-2005	42
Jun-2005	41
Jul-2005	41
Aug-2005	41
Sep-2005	40
Oct-2005	40
Nov-2005	39
Dec-2005	39

Month	Gas Volume
Jan-2006	39
Feb-2006	38
Mar-2006	38
Apr-2006	37
May-2006	37
Jun-2006	37
Jul-2006	36
Aug-2006	36
Sep-2006	35
Oct-2006	35
Nov-2006	35
Dec-2006	34
Jan-2007	34
Feb-2007	33
Mar-2007	33
Apr-2007	33
May-2007	32
Jun-2007	32
Jul-2007	31
Aug-2007	31
Sep-2007	31
Oct-2007	30
Nov-2007	30
Dec-2007	29
Jan-2008	29
Feb-2008	29
Mar-2008	28
Apr-2008	28
May-2008	27
Jun-2008	27
Jul-2008	27
Aug-2008	26
Sep-2008	26
Oct-2008	26
Nov-2008	25
Dec-2008	25
Jan-2009	25