

DATE IN* 5/12/00	SUSPENSE 6/1/00	ENGINEER DC	LOGGED KV	TYPE DHC
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

213

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
Print or Type Name

Mary Corley
Signature

Sr. Business Analyst
Title

04/05/2000
Date



Amoco Exploration & Production

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



May 11, 2000

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

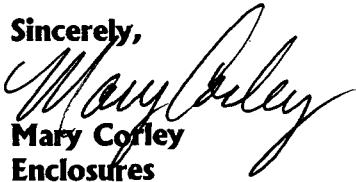
**Application for Exception to Rule 303-A- Downhole Commingling
Valencia Gas Com B No. 1
Unit O Section 18-T29N-R09W
Blanco Mesaverde and Basin Dakota Pools
San Juan County, New Mexico**

Enclosed please find an administrative application form (C-107-A) and attachments for downhole commingling for the captioned well. All working, overriding and royalty interests are identical in both zones, therefore, no notification of this application is required to be submitted via certified mail.

We respectfully request that this application for downhole commingling be approved within 20 days after the receipt of the application as all ownership is common in the zones to be commingled, waste will not occur, and correlative rights will not be violated.

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**

James Dean

Well File

PRODUCTION ALLOCATION RECOMMENDATION
Valencia Gas Com A No. 1

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
Valencia Gas Com A No. 1

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

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

OIL CONSERVATION DIVISION

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

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

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

APPLICATION FOR DOWNHOLE COMMINGLING

EXISTING WELLBORE

☒ YES ☐ NO

Amoco Production Company

PO Box 3092 Houston, TX 77253-3092

Operator Valencia Gas Com B	Well No. 1	Address O-18-29N-09W	County San Juan
Lease		Unit Ltr. - Sec Twp - Rge	

OGRID NO. 000778 Property Code 001192 API NO. 30-045-08203 Spacing Unit Lease Types: (check 1 or more)
Federal State (and/or) Fee X

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	Blanco Mesaverde 72319		Basin Dakota 71599
2. Top and Bottom of Pay Section (Perforations)	3735' - 4480' EST		6402' - 6578'
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: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated or Measured Original	a. (Current) 496 psig (est) b. (Original) 1923 psig (est)	a. b.	a. 719 psig b. 2853 psig
6. Oil Gravity (° API) or Gas BTU Content	1280 BTU		1155 BTU
7. Producing or Shut-In?	New zone		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:	Date: Rates:	3/10/2000 Date: Rates: 93 MCFD 1 BCPD 1 BWPD
8. Fixed Percentage Allocation Formula -% for each zone	Oil: % Gas %	Oil: % Gas %	Oil: % Gas %

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 NO FEDERAL OR STATE LANDS

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 Mary Corley TITLE Sr. Business Analyst DATE 04/05/2000
TYPE OR PRINT NAME Mary Corley TELEPHONE NO. (281) 366-4491

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised October 18, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco

Santa Fe, New Mexico 87505

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

311 South First, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

2040 South Pacheco, Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-08203	Pool Code 71599 & 72319	Pool Name Basin Dakota & Blanco Mesaverde
Property Code 001192	Property Name Valencia Gas Com B	Well Number 1
OGRID No. 000778	Operator Name AMOCO PRODUCTION COMPANY	Elevation 5631' GR

Surface Location

UL or lot no. UNIT O	Section 18	Township 29N	Range 9W	Lot. Idn	Feet from the 940'	North/South Line SOUTH	Feet from the 1670'	East/West Line EAST	County San Juan
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Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
Dedicated Acreage: 330.98		Joint or Infill		Consolidation Code		Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	OPERATOR CERTIFICATION	
	I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief	
	Signature <i>Mary Corley</i>	
	Printed Name Mary Corley	
	Position Sr. Business Analyst	
	Date 05/11/2000	
	SURVEY CERTIFICATION	
	I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.	
	01/01/2000	
	Date of Survey	
Signature & Seal of Professional Surveyor		
On File		
Certificate No.		

Valencia Gas Com B #1 Pressure Data

DK	0.08	PC	0.04
MV	0.07	FT	0.04
		CK	0.04

WELL NAME: **Valencia Gas Com B #1**

FORMATION: **DK**

SURFACE PRESS: **200**

PERFS TOP: **6402**

BOTTOM: **6578**

$$(6402 + 6578) / 2 = 6490 \text{ Mid Perf}$$

$$6490 \times 0.08 = 519$$

$$519.2 + 200 = \boxed{719} \text{ Bottom Hole Pressure}$$

Initial Bottom Hole Pressure= **2853** est.

WELL NAME: **Valencia Gas Com #1**

FORMATION: **MV**

SURFACE PRESS: **173**

PERFS TOP: **3659**

BOTTOM: **4340**

$$(3659 + 4340) / 2 = 3999.5 \text{ Mid Perf}$$

$$3999.5 \times 0.07 = 280$$

$$279.97 + 173 = \boxed{453} \text{ Bottom Hole Pressure}$$

Initial Bottom Hole Pressure= **1907** est.

WELL NAME: **Valencia Gas Com B #1M**

FORMATION: **MV**

SURFACE PRESS: **260**

PERFS TOP: **3664**

BOTTOM: **4325**

$$(3664 + 4325) / 2 = 3994.5 \text{ Mid Perf}$$

$$3994.5 \times 0.07 = 280$$

$$279.62 + 260 = \boxed{540} \text{ Bottom Hole Pressure}$$

Initial Bottom Hole Pressure= **1939** est.

WELL NAME: **Valencia Gas Com B #1**

FORMATION: **MV**

$$\text{Initial Bottom Hole Pressure: } (1907 + 1939) / 2 = \boxed{1923}$$

$$\text{Bottom Hole Pressure: } (453 + 540) / 2 = \boxed{496} \text{ est.}$$

$$\text{Valencia GC 1 + Valencia GC B 1M BBLs } (187 + 135) / 2 = \boxed{161} \text{ est. annual production}$$

$$\text{Valencia GC 1 + Valencia GC B 1M MCF } (27234 + 22292) / 2 = \boxed{24763} \text{ est. annual production}$$

ALLOCATION: SUBTRACTION METHOD

VALENCIA GAS COM B #1 **Future Production Decline Estimate**

Month	Gas Volume
Jan-2000	93
Feb-2000	93
Mar-2000	93
Apr-2000	93
May-2000	92
Jun-2000	92
Jul-2000	92
Aug-2000	92
Sep-2000	91
Oct-2000	91
Nov-2000	91
Dec-2000	91
Jan-2001	90
Feb-2001	90
Mar-2001	90
Apr-2001	89
May-2001	89
Jun-2001	89
Jul-2001	89
Aug-2001	88
Sep-2001	88
Oct-2001	88
Nov-2001	88
Dec-2001	87
Jan-2002	87
Feb-2002	87
Mar-2002	87
Apr-2002	86
May-2002	86
Jun-2002	86
Jul-2002	85
Aug-2002	85
Sep-2002	85
Oct-2002	85
Nov-2002	84
Dec-2002	84

Month	Gas Volume
Jan-2003	84
Feb-2003	84
Mar-2003	83
Apr-2003	83
May-2003	83
Jun-2003	83
Jul-2003	82
Aug-2003	82
Sep-2003	82
Oct-2003	82
Nov-2003	81
Dec-2003	81
Jan-2004	81
Feb-2004	81
Mar-2004	81
Apr-2004	80
May-2004	80
Jun-2004	80
Jul-2004	80
Aug-2004	79
Sep-2004	79
Oct-2004	79
Nov-2004	79
Dec-2004	78
Jan-2005	78
Feb-2005	78
Mar-2005	78
Apr-2005	77
May-2005	77
Jun-2005	77
Jul-2005	77
Aug-2005	77
Sep-2005	76
Oct-2005	76
Nov-2005	76
Dec-2005	76

Month	Gas Volume
Jan-2006	75
Feb-2006	75
Mar-2006	75
Apr-2006	75
May-2006	74
Jun-2006	74
Jul-2006	74
Aug-2006	74
Sep-2006	74
Oct-2006	73
Nov-2006	73
Dec-2006	73
Jan-2007	73
Feb-2007	72
Mar-2007	72
Apr-2007	72
May-2007	72
Jun-2007	72
Jul-2007	71
Aug-2007	71
Sep-2007	71
Oct-2007	71
Nov-2007	71
Dec-2007	70
Jan-2008	70
Feb-2008	70
Mar-2008	70
Apr-2008	69
May-2008	69
Jun-2008	69
Jul-2008	69
Aug-2008	69
Sep-2008	68
Oct-2008	68
Nov-2008	68
Dec-2008	68

Month	Gas Volume
Jan-2009	68
Feb-2009	67
Mar-2009	67
Apr-2009	67
May-2009	67
Jun-2009	67
Jul-2009	66
Aug-2009	66
Sep-2009	66
Oct-2009	66
Nov-2009	66
Dec-2009	65
Jan-2010	65
Feb-2010	65
Mar-2010	65
Apr-2010	65
May-2010	64
Jun-2010	64
Jul-2010	64
Aug-2010	64
Sep-2010	64
Oct-2010	63
Nov-2010	63
Dec-2010	63
Jan-2011	63
Feb-2011	63
Mar-2011	63
Apr-2011	62
May-2011	62
Jun-2011	62
Jul-2011	62
Aug-2011	62
Sep-2011	61
Oct-2011	61
Nov-2011	61
Dec-2011	61

VALENCIA GAS COM B #1 Future Production Decline Estimate

Month	Gas Volume
Jan-2012	61
Feb-2012	61
Mar-2012	60
Apr-2012	60
May-2012	60
Jun-2012	60
Jul-2012	60
Aug-2012	59
Sep-2012	59
Oct-2012	59
Nov-2012	59
Dec-2012	59
Jan-2013	59
Feb-2013	58
Mar-2013	58
Apr-2013	58
May-2013	58
Jun-2013	58
Jul-2013	58
Aug-2013	57
Sep-2013	57
Oct-2013	57
Nov-2013	57
Dec-2013	57
Jan-2014	56
Feb-2014	56
Mar-2014	56
Apr-2014	56
May-2014	56
Jun-2014	56
Jul-2014	55
Aug-2014	55
Sep-2014	55
Oct-2014	55
Nov-2014	55
Dec-2014	55

Month	Gas Volume
Jan-2015	54
Feb-2015	54
Mar-2015	54
Apr-2015	54
May-2015	54
Jun-2015	54
Jul-2015	54
Aug-2015	53
Sep-2015	53
Oct-2015	53
Nov-2015	53
Dec-2015	53
Jan-2016	53
Feb-2016	52
Mar-2016	52
Apr-2016	52
May-2016	52
Jun-2016	52
Jul-2016	52
Aug-2016	51
Sep-2016	51
Oct-2016	51
Nov-2016	51
Dec-2016	51
Jan-2017	51
Feb-2017	51
Mar-2017	50
Apr-2017	50
May-2017	50
Jun-2017	50
Jul-2017	50
Aug-2017	50
Sep-2017	49
Oct-2017	49
Nov-2017	49
Dec-2017	49

Month	Gas Volume
Jan-2018	49
Feb-2018	49
Mar-2018	49
Apr-2018	48
May-2018	48
Jun-2018	48
Jul-2018	48
Aug-2018	48
Sep-2018	48
Oct-2018	48
Nov-2018	47
Dec-2018	47
Jan-2019	47
Feb-2019	47
Mar-2019	47
Apr-2019	47
May-2019	47
Jun-2019	46
Jul-2019	46
Aug-2019	46
Sep-2019	46
Oct-2019	46
Nov-2019	46
Dec-2019	46
Jan-2020	45
Feb-2020	45
Mar-2020	45
Apr-2020	45
May-2020	45
Jun-2020	45
Jul-2020	45
Aug-2020	45
Sep-2020	44
Oct-2020	44
Nov-2020	44
Dec-2020	44

Month	Gas Volume
Jan-2021	44
Feb-2021	44
Mar-2021	43
Apr-2021	43
May-2021	43
Jun-2021	43
Jul-2021	42
Aug-2021	42
Sep-2021	42
Oct-2021	42
Nov-2021	42
Dec-2021	41
Jan-2022	41
Feb-2022	41
Mar-2022	41
Apr-2022	41
May-2022	40
Jun-2022	40
Jul-2022	40
Aug-2022	40
Sep-2022	40
Oct-2022	39
Nov-2022	39
Dec-2022	39
Jan-2023	39
Feb-2023	39
Mar-2023	38
Apr-2023	38
May-2023	38
Jun-2023	38
Jul-2023	38
Aug-2023	37
Sep-2023	37
Oct-2023	37
Nov-2023	37
Dec-2023	37

VALENCIA GAS COM B #1 Future Production Decline Estimate

Month	Gas Volume
Jan-2024	37
Feb-2024	36
Mar-2024	36
Apr-2024	36
May-2024	36
Jun-2024	36
Jul-2024	35
Aug-2024	35
Sep-2024	35
Oct-2024	35
Nov-2024	35
Dec-2024	35
Jan-2025	34
Feb-2025	34
Mar-2025	34
Apr-2025	34
May-2025	34
Jun-2025	34
Jul-2025	33
Aug-2025	33
Sep-2025	33
Oct-2025	33
Nov-2025	33
Dec-2025	33
Jan-2026	32
Feb-2026	32
Mar-2026	32
Apr-2026	32
May-2026	32
Jun-2026	32
Jul-2026	31
Aug-2026	31
Sep-2026	31
Oct-2026	31
Nov-2026	31
Dec-2026	31

Month	Gas Volume
Jan-2027	31
Feb-2027	30
Mar-2027	30
Apr-2027	30
May-2027	30
Jun-2027	30
Jul-2027	30
Aug-2027	29
Sep-2027	29
Oct-2027	29
Nov-2027	29
Dec-2027	29
Jan-2028	29
Feb-2028	29
Mar-2028	28
Apr-2028	28
May-2028	28
Jun-2028	28
Jul-2028	28
Aug-2028	28
Sep-2028	28
Oct-2028	27
Nov-2028	27
Dec-2028	27
Jan-2029	27
Feb-2029	27
Mar-2029	27
Apr-2029	27
May-2029	27
Jun-2029	26
Jul-2029	26
Aug-2029	26
Sep-2029	26
Oct-2029	26
Nov-2029	26
Dec-2029	26

Month	Gas Volume
Jan-2030	25
Feb-2030	25
Mar-2030	25
Apr-2030	25
May-2030	25
Jun-2030	25
Jul-2030	25
Aug-2030	25
Sep-2030	24
Oct-2030	24
Nov-2030	24
Dec-2030	24
Jan-2031	24
Feb-2031	24
Mar-2031	24
Apr-2031	24
May-2031	23
Jun-2031	23
Jul-2031	23
Aug-2031	23
Sep-2031	23
Oct-2031	23
Nov-2031	23
Dec-2031	23
Jan-2032	23
Feb-2032	22
Mar-2032	22
Apr-2032	22
May-2032	22
Jun-2032	22
Jul-2032	22
Aug-2032	22
Sep-2032	22
Oct-2032	22
Nov-2032	21
Dec-2032	21

Month	Gas Volume
Jan-2033	21
Feb-2033	21
Mar-2033	21
Apr-2033	21
May-2033	21
Jun-2033	21
Jul-2033	21
Aug-2033	20
Sep-2033	20
Oct-2033	20
Nov-2033	20
Dec-2033	20
Jan-2034	20
Feb-2034	20
Mar-2034	20
Apr-2034	20
May-2034	20
Jun-2034	19
Jul-2034	19
Aug-2034	19
Sep-2034	19
Oct-2034	19
Nov-2034	19
Dec-2034	19
Jan-2035	19
Feb-2035	19
Mar-2035	19
Apr-2035	19
May-2035	18
Jun-2035	18
Jul-2035	18
Aug-2035	18
Sep-2035	18
Oct-2035	18
Nov-2035	18
Dec-2035	18

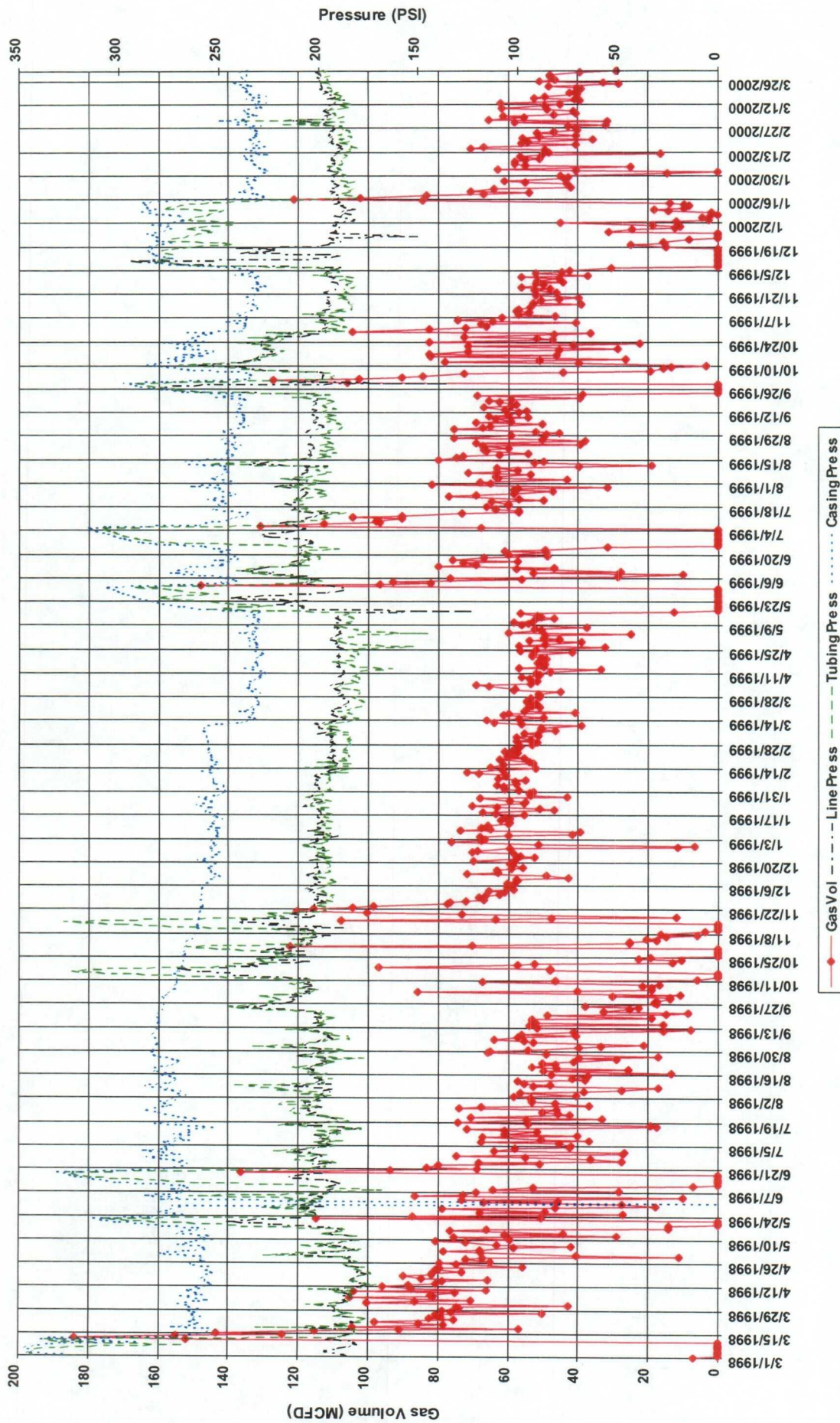
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Flacwell: 84254301

API: 300452495200

Amoco - OIDB/Synergy Data

Daily Well Production

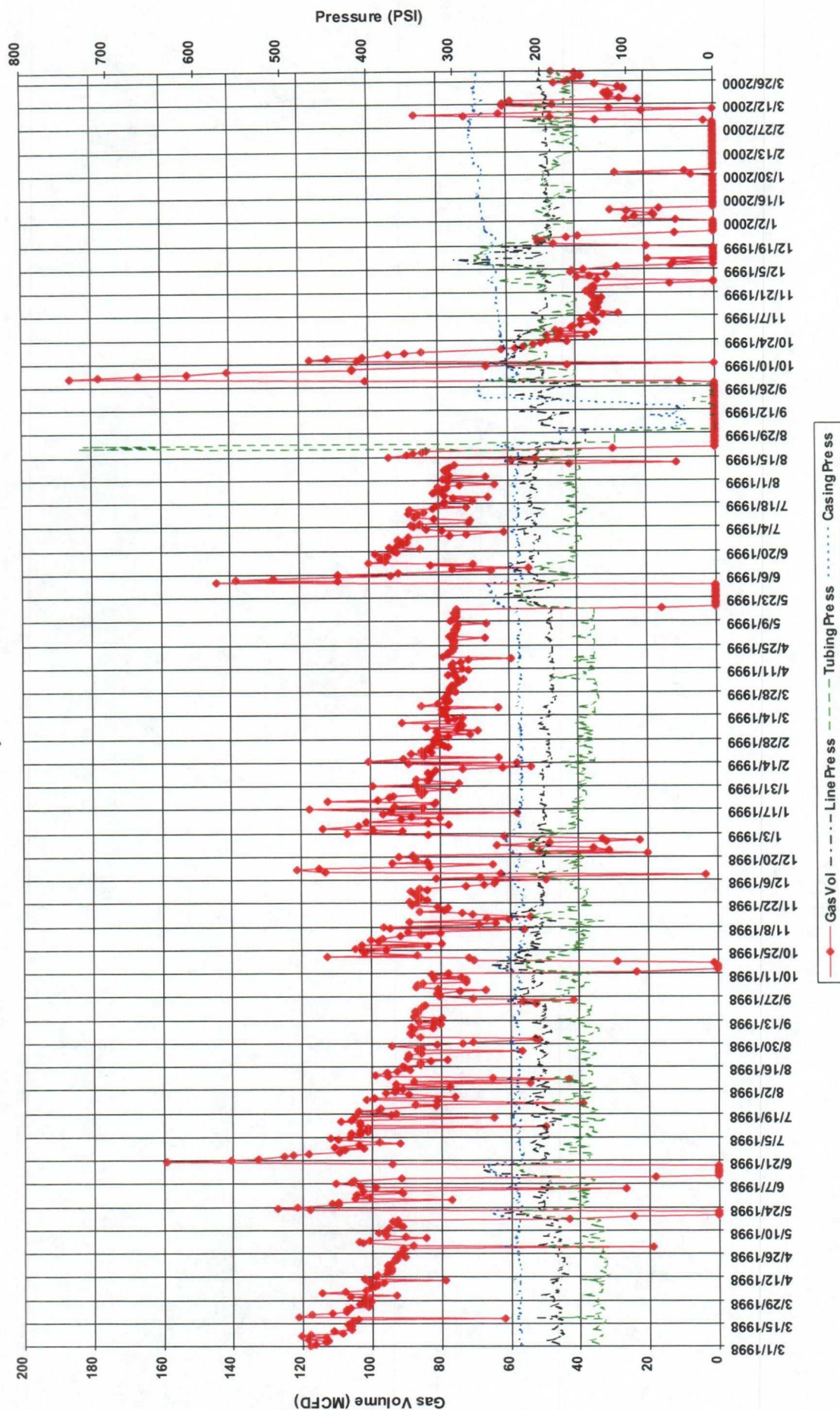


Wellname: VALENCIA GC 001-MV

Flacwell: 92448601 API: 300450826400

Amoco - OIDB/Synergy Data

Daily Well Production



Wellname: VALENCIA GC B 001-DK

Flacwell: 93516701

API: 300450820300

Amoco - OIDB/Synergy Data

Daily Well Production

