



OIL CONSERVATION DIVISION
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Southern

Rockies

Business

Unit

August 22, 1994

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
310 Old Santa Fe Trail
Santa Fe, NM 87501

*Case File -
11093*

**Application of Amoco Production Company
For Downhole Commingling
Roy Sullivan A #1 Well, Section 28, T29N-R10W
San Juan County, New Mexico**

AMOCO PRODUCTION COMPANY ("Amoco") hereby makes application for exception to NMOCD general rule 303 (c) to downhole commingle Dakota and Gallup production in the Roy Sullivan A #1 well. The Roy Sullivan A #1 well is located 940 FSL and 1450 FWL, Section 28, T29N-R10W, San Juan County, New Mexico. In support of this application, Amoco states the following:

1. Amoco is the operator of the Gallup formation, Armenta Gallup Pool underlying the SESW Section 28, T29N-R10W, San Juan County, New Mexico, currently dedicated to the Roy Sullivan A #1 well.
2. Amoco is the operator of the Dakota formation, Basin Dakota Pool underlying the S/2 Section 28, T29N-R10W which will be dedicated to the Roy Sullivan A #1 well after recompletion.
3. The ownership of the Dakota Formation and Gallup formation which are proposed for commingling are not common.
4. Production from the Gallup Formation in the Roy Sullivan A #1 is now marginal and the economic life of the production will be extended if it is downhole commingled with production from the Dakota Formation.
5. The Roy Sullivan A #1 well cannot be dually completed because of mechanical conditions and therefore downhole commingling is necessary to economically produce the Dakota and Gallup formations.
6. Approval of this application will otherwise be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

Amoco Production Company requests that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on September 15, 1994. A copy of this application will be sent to each of the operators of spacing units offsetting the well and to each of the owners in the well (working interest, royalty interest and overriding royalty interest) by certified mail, return receipt requested.

Sincerely,

J. W. Hawkins
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