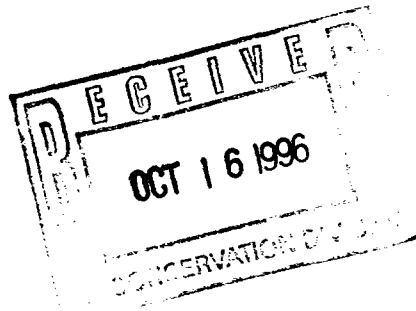




Southern

Rockies

Business

Unit

October 14, 1996

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
2040 S. Pacheco Street
P.O. Box 6429
Santa Fe, NM 87505

Case 11644

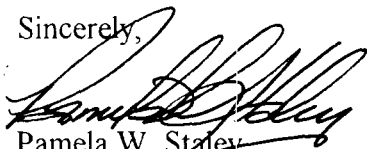
Application for Exception to Rule 303-A Surface Commingling
Atlantic A LS 9A
1185' FNL & 1575' FWL, Unit C Section 27-T31N-R10W
Blanco Mesaverde and Blanco Pictured Cliffs Pools
San Juan County, New Mexico

Amoco Production Company hereby makes application for exception to NMOCD general rule 303(A) to permit surface commingling of production from the Blanco Mesaverde Pool and the Blanco Pictured Cliffs Pool for the Atlantic A LS 9A Well located in Unit C of Section 27-T31N-R10W, San Juan County, New Mexico. In support of this application, Amoco states the following:

1. Amoco is the operator of the Blanco Mesaverde Pool underlying the west half of Section 27-T31N-R10W, San Juan County, New Mexico currently dedicated to the Atlantic A LS 9A Well.
2. Amoco is the operator of the Blanco Pictured Cliffs Pool underlying the northwest quarter of Section 27-T31N-R10W, San Juan County, New Mexico currently dedicated to the Atlantic A LS 9A Well.
3. The ownership (WI, RI, ORRI) is common for the pools which are proposed for surface commingling.
4. The surface commingling will offer an economical method of production using a single train of production equipment.
5. The actual commercial value of the commingled production will not be less than the sum of the values of the production from each of the common sources of supply.
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 requests that this application be set for examiner hearing of the Oil Conservation Division on November 7, 1996. These wells are on federal lease number NM0606 and a copy of the application will be sent to the Bureau of Land Management.

Sincerely,



Pamela W. Staley

Attachments

cc: Pat Archuleta
wellfile
proration files

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



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

September 10, 1996

Amoco Production Company
P.O. Box 800
Denver, Colorado 80201

Attention: Ms. Parnela W. Staley

Case 11644

Dear Ms. Staley:

I have reviewed your recent application to surface commingle Blanco-Mesaverde and Blanco-Pictured Cliffs Gas Pool production from the dually completed Atlantic A "LS" Well No. 9A located in Section 27, Township 31 North, Range 10 West, NMPM, San Juan County, New Mexico. The data submitted in your application indicates that the well is currently producing at rates of approximately 416 and 276 MCFG per day, respectively, from the Mesaverde and Pictured Cliffs zones.

The Division views surface commingling as a method of economically producing two or more zones which may otherwise not be economically producible. It does not appear that this well would qualify pursuant to current Division policy. If you have additional data you wish us to consider in reviewing this application, please submit.

If you have any questions, please contact me at (505) 827-8184.

Sincerely,

A handwritten signature in dark ink, appearing to read "David Catanach", written over a horizontal line.

David Catanach
Engineer

xc: William J. LeMay

Case No. 11644

OK

Application of Amoco Production
Company for Surface Commingling,
San Juan County, New Mexico.

Applicant, ~~in the above styled cause,~~ seeks authority to surface commingle Blanco-Mesaverde and Blanco-Pictured Cliffs Gas Pool production from its dually completed Atlantic A "LS" Well No. 9A located 1185 feet from the North line and 1575 feet from the West line (Unit C) of Section 27, Township 31 North, Range 10 West, NMPM, San Juan County, New Mexico. Said well is located approximately 4 miles southeast of Cedar Hill, New Mexico.

X

DHC

9/3/96



Southern

Rockies

Business

Unit

August 9, 1996

Mr. Benjamin E. Stone
New Mexico Oil Conservation Division
2040 S. Pacheco Street
P. O. Box 6429
Santa Fe, NM 87505

Case 11644

Application for Exception to Rule 303-A
Downhole Commingling
Atlantic A LS #9A
Blanco Mesaverde and Blanco Pictured Cliffs Pools
San Juan County, New Mexico

Enclosed please find a copy of the referenced application. As we discussed, this application was reviewed and approved by the BLM last year, however it appears that the application never made its way to your office. We would like to proceed with this commingling project as soon as possible and would appreciate your assistance in expediting approval.

Should you have questions or wish to discuss this further, do not hesitate to contact me at (303) 830-5344.

Sincerely,

Pamela W. Staley

Enclosures



June 28, 1995

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
2040 S. Pacheco Street
P.O. Box 6429
Santa Fe, NM 87505

Southern

Rockies

Business

Unit

Case 11644

**Application for Exception to Rule 303-A- Surface Commingling
Atlantic A LS 9A Well
1185' FNL & 1575' FWL, Unit C Section 27-T31N-R10W
Blanco Mesaverde and Blanco Pictured Cliffs Pools
San Juan County, New Mexico**

Amoco Production Company hereby requests administrative approval to surface commingle production from the Atlantic A LS 9A well completed in the Blanco Mesaverde and the Pictured Cliffs formations. This well is currently completed as a dual well and if the two horizons were surface commingled they could easily share common facilities. The ownership (WI, RI ORRI) of these pools is identical. Surface commingling will offer an economical method of production using a single train of production equipment to produce from both wells. The actual commercial value of the commingled production will not be less than the sum of the values of the production from each of the common sources of supply.

The Atlantic A LS 9A well (Mesaverde) is currently producing about 416 MCFD while the Pictured Cliffs is producing about 276 MCFD. Based on this we propose to allocate gas production 60% to the Mesaverde formation and 40% to the Pictured Cliffs formation in this well. The Pictured Cliffs formation has not historically produced condensate, and as such we propose to allocate liquid production 100% to the Mesaverde. This fluid has historically exhibited an API gravity of approximately 59 degrees.

Attached to aid in your review are plats showing the location and acreage dedicated to the well by formation, historical production and recent testing information, and a schematic of the proposed commingling installation. This spacing unit is on a federal lease NM-0606. A copy of the application will be sent to the BLM requesting their consent for the surface commingling.

Sincerely,

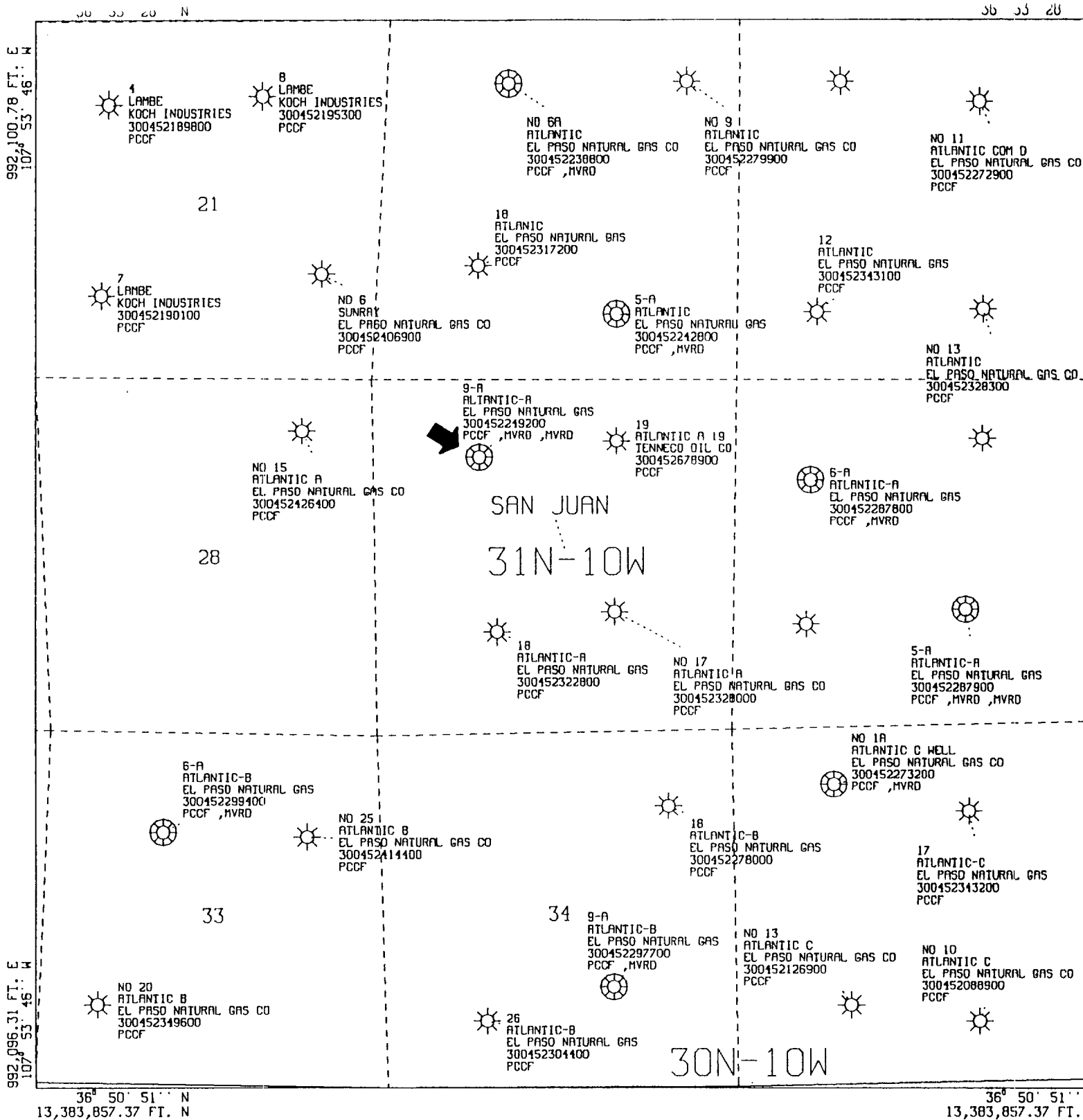
Pamela W. Staley

cc: Mike Kutas
Patty Haefle

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

AMOCO PRODUCTION COMPANY
PLAT MAP
Atlantic A LS 9A
Mesaverde



All geological and geophysical data, including the interpretation thereof, appearing on this map is the private and confidential property of Amoco Production Company. The publication or reproduction thereof without the written permission of said Company is strictly prohibited.

AMOCO PRODUCTION COMPANY
PLAT MAP
Atlantic A LS 9A
Pictured Cliffs

POLYCONIC CENTRAL MERIDIAN - 107° 52' 9" W LON
SPHEROID - 6

LOCATION AND ACREAGE DEDICATION PLAT

Form C-162
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

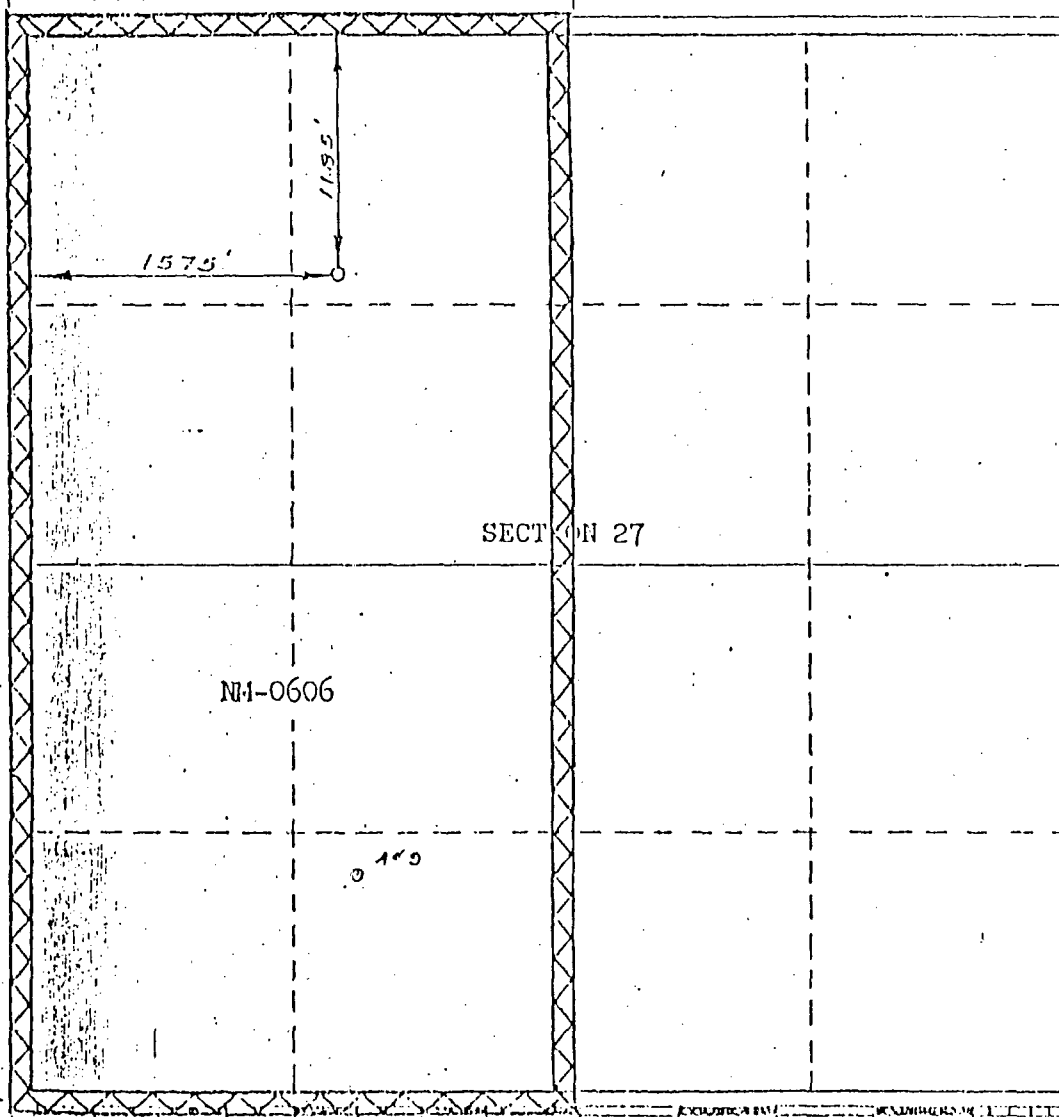
Owner EL PASO NATURAL GAS COMPANY		Lease ATLANTIC A (NM-0606)		Well No. 9A
Well Letter C	Section 27	Township 31-N	Range 10-W	County SAN JUAN
Actual Location Location of Well				
1185 feet from the NORTH		1575 feet from the WEST		Line
Ground Level Elev. 6144	Producing Formation MESA VERDE	Pool BIANCO MESA VERDE	Dedicated Acreage: 322.90 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

A. G. Biscoe

Name

Drilling Clerk

Position

El Paso Natural Gas Company

Company

April 11, 1977

Date

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.

Date Surveyed

MARCH 29, 1977

Registered Professional Engineer
and/or Land Surveyor

David W. Biscoe

Certificate No.

1760

WELL LOCATION AND ACREAGE DEDICATION AT

Effective 1-1-65

All dimensions must be from the outer boundaries of the Section

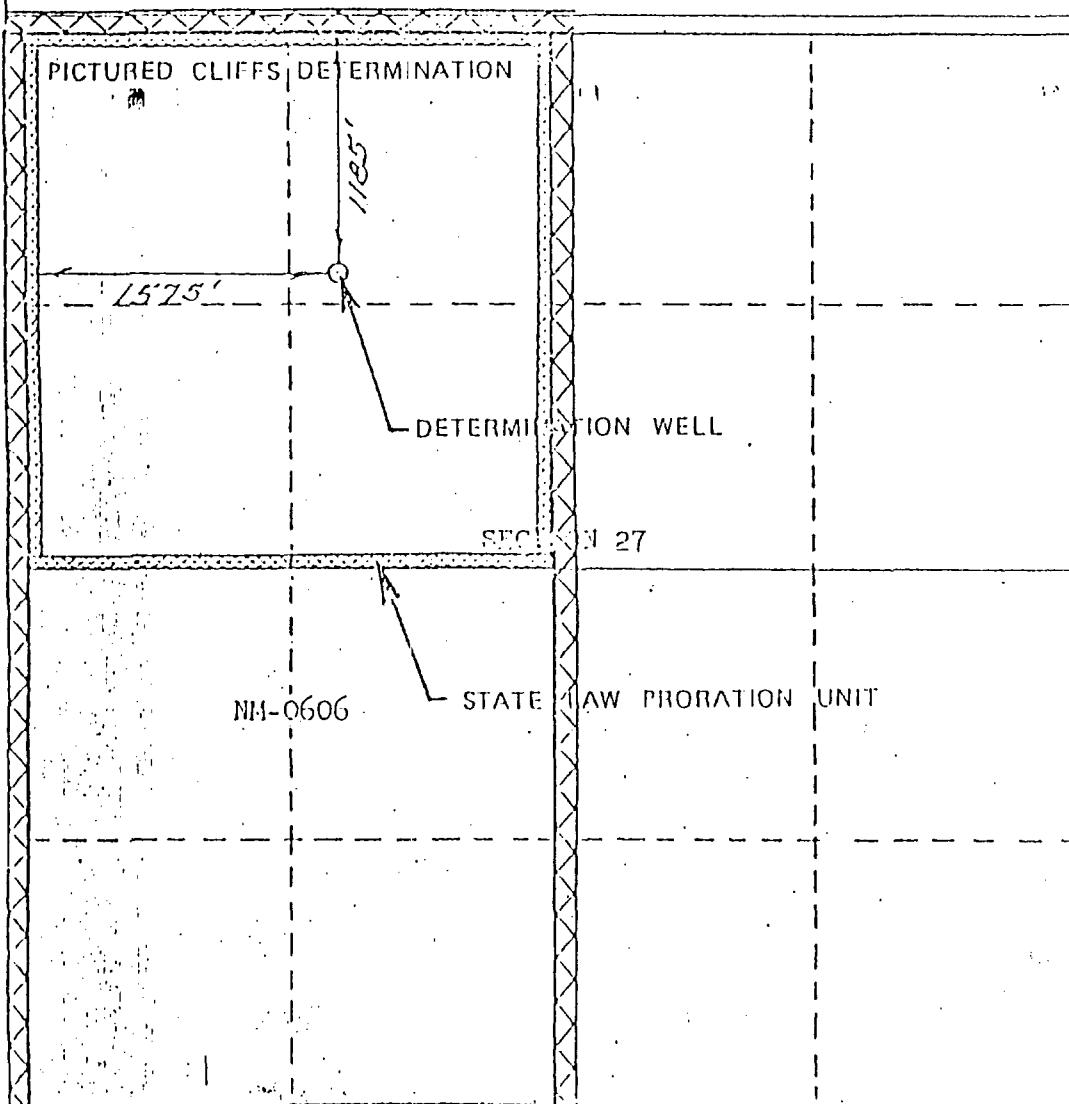
Operator EL PASO NATURAL GAS COMPANY			Lease ATLANTIC A (114-0606)		Well No. 9A
Unit Letter C	Section 27	Township 31-N	Range 10-W	County SAN JUAN	
Actual Footage Location of Well: 1185 feet from the NORTH line and 1575 feet from the WEST line					
Ground Level Elev. 6144	Producing Formation PICTURED CLIFFS MESA VERDE - CLIFFS		Pool BLANCO PICTURED CLIFFS BLANCO MESA VERDE	Dedicated Acreage: 163.50 & 322.90 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission. NOTE: THIS PLAT IS REISSUED TO SHOW DUAL COMPLETION. 2-22-80



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

D. H. Bises
Drilling Clerk

El Paso Natural Gas Co.

February 29, 1980

Date

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.

Date Surveyed

MARCH 29, 1977

Registered Professional Engineer and/or Land Surveyor

Original Signed By:
David O. Vilven

Plat No. 1750

Engr: zrar06

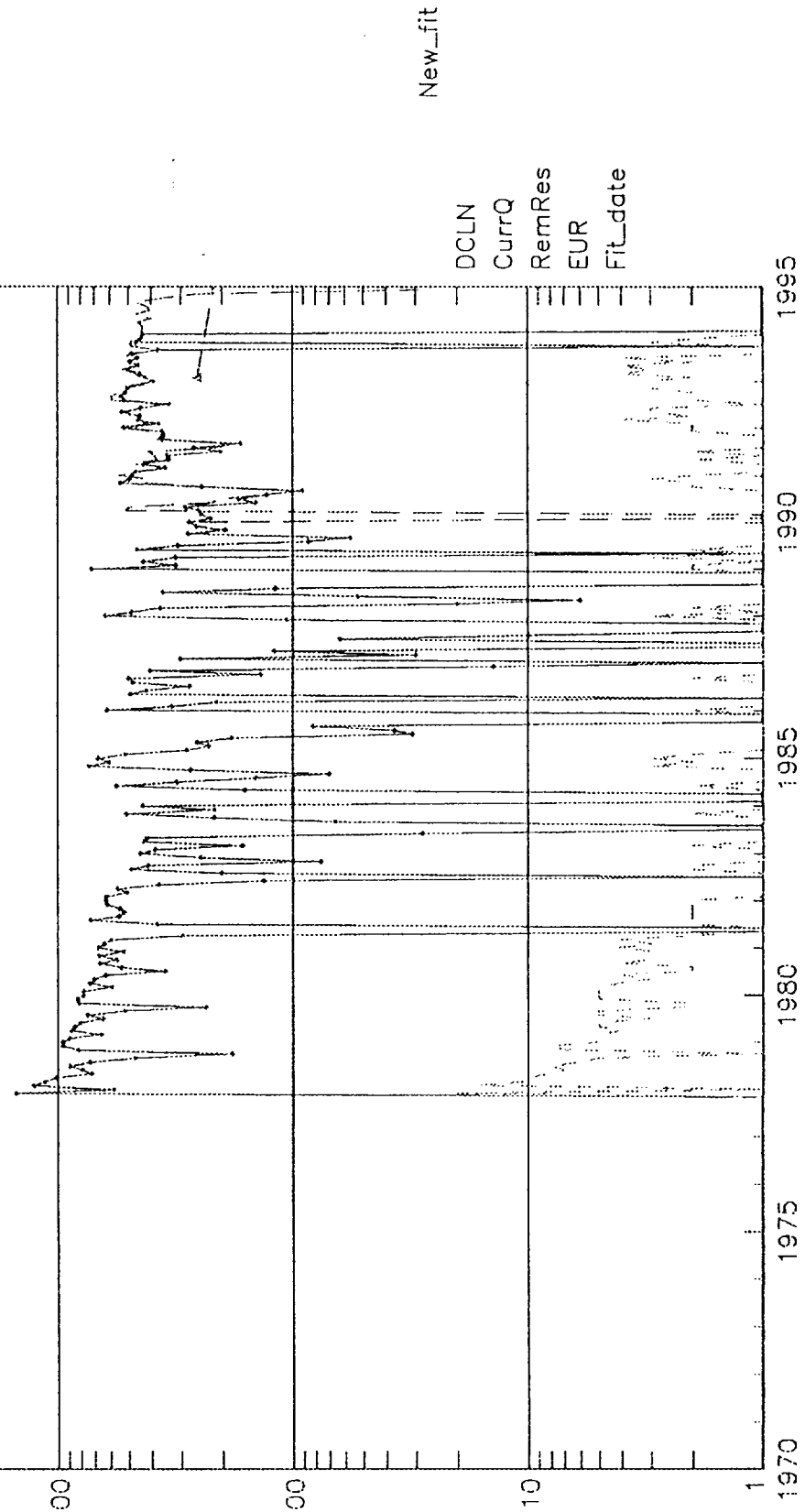
ATLANTIC A LS 9A

Operator- AMOCO PRODUCTION CO

300452249200MV C273110-009AMV

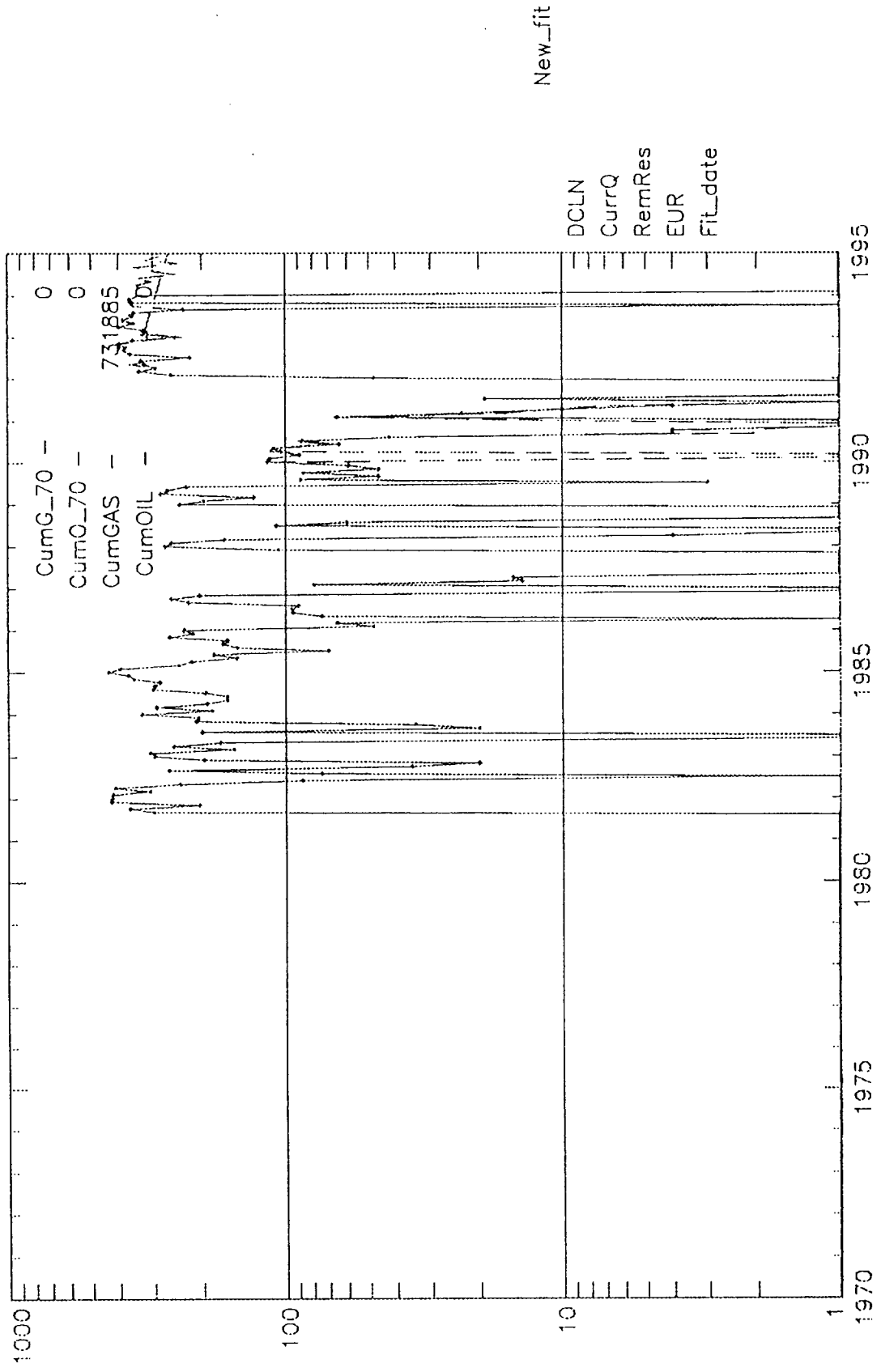
APC_WI - 0.25000000

CumG_70 -	0
CumO_70	0
CumGAS -	2242811
CumOIL -	11810



Engr: zrar06

ATLANTIC A LS 9A
300452249200PC C273110-009APC
Operator- AMOCO PRODUCTION CO
APC_WI - 0.25000000



RECENT PRODUCTION INFORMATION

Atlantic A LS 9A Well

1185' FNL & 1575' FWL, Unit C Section 27-T31N-R10W

	<u>MESAVERDE</u>	<u>PICTURED CLIFFS</u>
	<u>MCFD</u>	<u>MCFD</u>
<u>Nov-94</u>	416	286
<u>Dec-94</u>	450	297
<u>Jan-95</u>	412	273
<u>Feb-95</u>	429	274
<u>Mar-95</u>	358	220
<u>Apr-95</u>	407	261
<u>May-95</u>	407	258

AMOCO PRODUCTION COMPANY
SAN JUAN OPERATIONS CENTER
FARMINGTON, NMONSHORE FEDERAL AND INDIAN
SITE FACILITY DIAGRAMLEASE NAME & WELL NUMBER Atlantic A L5 9A (PC & MV)

LEASE NUMBER _____

COMMUNITIZATION NUMBER _____

LOCATION Unit C SEC 27 T 31-N R 10-W

This diagram subject to site security plan _____

Sealed valves are normally closed during production phase. Drain line valve to pit open to draw off water and load line valve open to sell condensate.

Proposed Location