

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

March 22, 2001

David R. Catanach NM OCD Engineering Bureau 1220 S St Francis Drive Santa Fe. NM

MAR 2 3 2001

Dear Mr. Catanach:

I am writing to request that you add these pool combinations to the list of preapproved pools for down hole commingling under R-11363.

The Aztec Pictured Cliffs Gas Pool (71280) is already approved for DHC with the Basin Fruitland Coal, the Otero Chacra and the Basin Dakota and needs to be preapproved with the Blanco Mesaverde (72319). Both the Blanco and South Blanco Pictured Cliffs gas pools that border the Aztec PC are preapproved with the Blanco Mesaverde already.

The Harper Hill Fruitland Sand/Pictured Cliffs Gas Pool (78160) needs to be preapproved for DHC with the Basin Fruitland Coal Gas Pool (71629). The Twin Mounds Fruitland Sand/ Pictured Cliffs Pool that borders the Harper Hill is preapproved.

The East Blanco Pictured Cliffs (72400) should be preapproved for down hole commingling with the new Tertiary Pools (Cabresto Canyon, 07037, Burro Canyon, 97035, and La Jara Canyon, 97036) as the interests are held by Mallon Oil in common under lease from the Jicarilla Apache Nation.

These combinations will streamline the processing of down hole commingling applications for the Engineering Bureau.

Sincerely,

Steven N. Hayden

Deputy Oil & Gas Inspector

shayden@state.nm.us

SNH/mk

Richard, please add the following pools to Rule 303.C.

4/1/2/61 De

- No. 1 Blanco-Mesaverde (72319) & Aztec-Pictured Cliffs (71280) Pools
- No. 2 Basin-Fruitland Coal (71629) & Harper Hill Fruitland Sand-Pictured Cliffs (78160) Pools
- No. 3 East Blanco-Pictured Cliffs (72400) & Cabresto Canyon-Tertiary (07037) Pools
- No. 4 East Blanco-Pictured Cliffs (72400) & Burro Canyon-Tertiary (97035) Pools
- No. 5 East Blanco-Pictured Cliffs (72400) & La Jara Canyon-Tertiary (97036) Pools