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February 8, 1994

HAND-DELIVERED

William J. LeMay, Director Oil Conservation Division New Mexico Department of Energy, Minerals and Natural Resources State Land Office Building Santa Fe, New Mexico 87503

FEB - 8 1994

Case 10929

Re: Applications of Breck Operating Corporation for Surface Commingling, San Juan County, New Mexico

Dear Mr. LeMay:

Enclosed in triplicate are three applications of Breck Operating Corporation in the above-referenced cases as well as a copy of a legal advertisement. Breck Operating Corporation respectfully requests that these cases be placed on the docket for the March 3, 1994 Examiner hearings.

Very truly yours,

WILLIAM F. CARR

WFC:mlh Enclosures

cc: Mr. Paul Thompson (w/enclosures)

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF BRECK OPERATING CORPORATION FOR SURFACE COMMINGLING, SAN JUAN COUNTY, NEW MEXICO.

FFR - 8 1001 CASE NO. 16929

APPLICATION

BRECK OPERATING CORPORATION, through its undersigned attorneys, makes application for an order authorizing the surface commingling of natural gas produced from the Basin Fruitland Coal Gas Pool and the Fulcher Kutz Pictured Cliffs Gas Pool and in support of its application states:

- 1. Breck Operating Corporation is the operator and a mineral interest owner in its Kutz Government No. 6 Well which is located 990 feet from the North line and 1650 feet from the East line (Unit B) of Section 3, Township 27 North, Range 10 West, which is completed in and produces natural gas from the Basin Fruitland Coal Gas Pool (E/2 dedication) and also operates and is a mineral interest owner in its Kutz Government No. 6J Well located 1640 feet from the North line and 1190 feet from the East line (Unit H) of said Section 3 which is completed in and produces natural gas from the Fulcher Kutz Gas Pool (NE/4 dedication).
- The percentage ownership of the production from these wells in the Fruitland and Pictured Cliffs formations is different.

3. Breck Operating Corporation seeks an exception to the provisions of Division Rule 303 to permit the surface commingling of natural gas produced from the Basin Fruitland Coal Gas Pool in its Kutz Government No. 6 Well and natural gas produced from the Fulcher Kutz Pictured Cliffs Gas Pool in its Kutz Government No. 61 Well.

4. Breck Operating Corporation also states:

commingling; and

- a. the facilities to be utilized for commingling are commonly owned;
- b. all production will be accurately measured or determined prior to
- ន្នាក់ព្រែញការក្នុង ខ្លាំក្រុង ខ្លាំក្រុង ខ្លាំក្រុង ខ្លាំក្រុង ខ្លាំក្រុង ខ្លាំក្រុង ខ្លាំក្រុង ខ្លាំក្រុង ខ្
- c. no problems with the compatibility of any fluids will result from
- d. the commercial value of the commingled production will exceed the
- 5. Approval of this application will result in the increased recovery of hydrocarbons, thereby preventing waste, and is otherwise in the best interest of conservation

value of the production from each source of supply.

hearing before a duly appointed Examiner of the Oil Conservation Division on March 3, 1994, and, after notice and hearing as required by law, the Division enter its order approving

WHEREFORE, Breck Operating Corporation requests that this matter be set for

this application.

and the protection of correlative rights.

Respectfully submitted,

CAMPBELL, CARR, BERGE & SHERIDAN, P.A.

WILLIAM F. CARR

Post Office Box 2208

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ATTORNEYS FOR BRECK OPERATING CORPORATION

CASE	:
	169.79

Application of Breck Operating Corporation for surface commingling, San Juan County, New Mexico. Applicant in the above-styled cause, seeks an exception to Division General Rule 303A for the surface commingling of production from the Basin-Fruitland Coal Gas Pool in its Kutz Government No. 6 Well located 990 feet from the North line and 1650 feet from the East line (Unit B) of Section 3, Township 27 North, Range 10 West, and production from the Fulcher Kutz Gas Pool in its Kutz Government No. 6J Well located 1640 feet from the North line and 1190 feet (Unit H) from the East line of said Section 3 which is located approximately _____ miles _____ of _____, New Mexico.