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October 11, 1985

Case 8744

HAND DELIVERED

R. L. Stamets, Director
Oil Conservation Division
New Mexico Department of
Energy and Minerals
State Land Office Building
Santa Fe, New Mexico 87501

RECEIVED

OCT | 1585

GIL CONSERVATION DIVISION

Re: Application of Union Texas Petroleum Corporation for Downhole Commingling, Rio Arriba County, New Mexico.

Dear Mr. Stamets:

Enclosed in triplicate is the Application of Union Texas Petroleum Corporation in the above-referenced case. Union Texas respectfully requests that this matter be placed on the docket for the Examiner hearings scheduled on November 6, 1985.

/ery truly your

William F. Carr

WFC/cv enclosures

cc: (w/enclosure)

Mr. Mike Tippin

BEFORE THE

OIL CONSERVATION DIVISION

GENVED ...

NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

ALCOHOLDING CHOINS IN

IN THE MATTER OF THE APPLICATION OF UNION TEXAS PETROLEUM CORPORATION FOR DOWNHOLE COMMINGLING, RIO ARRIBA COUNTY, NEW MEXICO.

Case 8744

APPLICATION

Comes now, UNION TEXAS PETROLEUM CORPORATION, by and through its undersigned attorneys, and hereby makes application to the New Mexico Oil Conservation Division for blanket approval for downhole commingling of production from the Gallup formation (Otero Gallup Pool) and the Dakota formation (Basin Dakota Pool) for all wells on certain lands located in Rio Arriba County, New Mexico, and in support thereof states:

l. Applicant owns certain interests in the following described lands in Rio Arriba County, New Mexico (hereinafter referred to as the Jicarilla "L" and "N" Leases:

Township 25 North, Range 5 West, N.M.P.M.
Section 33: S/2

Section 34: S/2

Township 24 North, Range 5 West, N.M.P.M.

Section 3: All Section 4: S/2 Section 9: N/2 Section 10: N/2

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Containing 2240 acres, more or less.

2. Applicant seeks blanket approval for downhole commingling of production from the Gallup formation and Dakota formation in the wellbore of all existing wells and all wells subsequently to be drilled in the Jicarilla "L" and "N" Leases described in paragraph 1 of this application.

- 3. Granting this application will result in the most efficient production of hydrocarbons from the Jicarilla "L" and "N" Leases and will not damage the reservoirs involved.
- 4. Granting this application will be in the best intrest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Union Texas Petroleum Corporation requests that this matter be set for hearing before a duly appointed Examiner of the Dil Conservation Division on November 6, 1985, and that after notice and hearing as required by law, the Division enter its Order granting this application.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

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William F. Carr

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ATTORNEYS FOR UNION TEXAS PETROLEUM CORPORATION