STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

TONEY ANAYA
GOVERNOR

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

October 18, 1984

Mr. Steve Dunn
Merrion Oil & Gas Corp.
P.O. Box 1017
Farmington, NM 87401

Re: Wagon Train #1 I-6-25N-8W

Dear Steve:

Your recommended allocation of gas to the zones of this well for NGPA purposes is approved as follows:

Gallup 5%
Dakota 95%

If you have any questions, please contact this office.

Sincerely,

Frank T. Chavez
District Supervisor

FTC/dj

xc: Well File
Opr. file

PH. 505-325-5093

MERRION OIL & GAS CORPORATION
P. O. Box 1017
FARMINGTON, NEW MEXICO 87401-1017

August 14, 1984

New Mexico Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico 87410

Attention: Mr. Frank Chavez

Re: Wagon Train No. 1
NM 54982
Sec. 6, T25N, R8W
San Juan Co., New Mexico

Dear Mr. Chavez,

The Merrion Oil & Gas Corporation has completed the Wagon Train No. 1 as a Dufers Point Gallup-Dakota well. This well is located in an area approved by the NMOCD and FERC for tight gas pricing for the Dakota Formation.

Therefore, although Dufers Point Field rules allow commingling of Gallup Greenhorn and Dakota, it is necessary to arrive at an allocation formula for gas in order to properly settle for gas produced.

Testing indicates that the Main Dakota is producing 980 MCF/D, the Graneros is producing 900 MCF/D for a total production in the Dakota of 1880 MCF/D. The Gallup is producing 100 MCF/D. Based on this data, we request that the NMOCD approve an allocation formula as follows:

Dakota	95%
Other Dufers Point	5%

Yours truly,

MERRION OIL & GAS CORPORATION

Steve S. Dunn, Operations Manager

SSD/am

PH. 505-325-5093

MERRION OIL & GAS CORPORATION
P. O. Box 1017
FARMINGTON, NEW MEXICO 87401-1017

August 21, 1984

New Mexico Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico 87410

Attention: Mr. Frank Chavez

Re: Wagon Train No. 1
NM 54982
Sec. 6, T25N, R8W
San Juan Co., New Mexico

Dear Mr. Chavez,

Enclosed is a synoposis of the production tests which were run on the above captioned well in order to arrive at an allocation for the gas produced.

If any additional information is required, please contact me.

Yours truly,

MERRION OIL & GAS CORPORATION

Steve S. Dunn, Operations Manager

SSD/am

Enc.

MERRION OIL & GAS CORPORATION

WAGON TRAIN No. 1

PRODUCTION TESTS DURING COMPLETION
FOR ALLOCATION OF GAS

Main Dakota 6531 - 6541' KB

Date of Test	July 21, 1984
Method	2" critical flow prover
Duration	24 hours
Plate Size	1.250"
Casing Pressure	65 - 100 PSIG
Prover Pressure	14 PSIG after 24 hours
Rate Gas	980 MCF/Day with trace of oil flowing thru casing.

Graneros 6334 - 6364' KB

Date of Test	July 26, 1984
Method	2" critical flow prover
Duration	20 hours
Plate Size	1.000"
Casing Pressure	60 PSIG
Prover Pressure	28 PSIG after 20 hours.
Rate Gas	900 MCF/Day
Oil	113 Bbls/Day - flowing thru 2-3/8" tubing.

Gallup 5883 - 4596' KB

Date of Test	July 30, 1984
Method	2" critical flow prover
Duration	2 hours
Plate Size	0.375"
Casing Pressure	30 PSI
Prover Pressure	20 PSI after 2 hours
Rate Gas	100 MCF/Day
Oil	24 Bbls/Day (load oil) - flowing thru casing.

Proposed Gas Split:

Dakota $\frac{\text{Dakota Production}}{\text{Dakota + Gallup Production}} - \frac{1880 \text{ MCF/Day}}{1980 \text{ MCF/Day}} = 95\%$

Gallup $\frac{\text{Gallup Production}}{\text{Dakota + Gallup Production}} - \frac{100 \text{ MCF/Day}}{1980 \text{ MCF/Day}} = 5\%$