

April 16, 1996

Mr. William LeMay
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

RECEIVED
APR 17 1996
OIL CON. DIV.
DIST. 3

Re: San Juan 27-5 Unit #24A
1580'FSL, 1125'FEL Section 32, T-27-N, R-5-W, Rio Arriba County, NM
API #30-039-22310

Dear Mr. LeMay:

This is a request for administrative approval for downhole commingling the Blanco Mesa Verde and Blanco Pictured Cliffs pools in the subject well.

To comply with the New Mexico Oil Conservation Division rules, Meridian is submitting the following for your approval of this commingling:

1. Form C107A - Application for Downhole Commingling;
2. C-102 plat for each zone showing its spacing unit and acreage dedication;
3. Production curve for each zone for at least one year;
4. Notification list of offset operators - Meridian is operator of San Juan 27-5 Unit;
5. Notification list of working, overriding, and royalty interests.

Please let me know if you require additional data.

Sincerely,



Peggy Bradfield
Regulatory/Compliance Administrator

encs.

xc: Bureau of Land Management
State Land Office

DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II

811 South First St., Artesia, NM 88210-2835

DISTRICT III

1000 Rio Brazos Rd, Aztec, NM 87410-1693

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505-6429Form C-107-A
New 3-12-96

APPROVAL PROCESS

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

MERIDIAN OIL

PO Box 4289, Farmington, NM 87499

Operator

San Juan 27-5 Unit

Address

24A

I-32-27N-5W

Rio Arriba

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 14538 Property Code 7455 API NO. 30-039-22310 Federal , State X, (and/or) Fee

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	Blanco Pictured Cliffs Code 72359	RECEIVED APR 17 1996 OIL CON. DIV. DIST. 3	Blanco Mesaverde Code 72319
2. Top and Bottom of Pay Section (Perforations)	3240'-3311'		4882'-5737'
3. Type of production (Oil or Gas)	gas		gas
4. Method of Production (Flowing or Artificial Lift)	flowing		flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated or Measured Original	(Current) a. 500 psi (Original) b. 950 psi	a. b.	a. 600 psi b. 1400 psi
6. Oil Gravity (°API) or Gas BTU Content	1156 BTU		1169 BTU
7. Producing or Shut-In?	shut-in		producing
Production Marginal? (yes or no)	yes		
* If Shut-In and oil/gas/water rates of last production Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data	Date: 10/92 Rates: 10 MCFD, 0 BOPD, 0 BWPD	Date: Rates:	Date: Rates:
* If Producing, give data and oil/gas/water water of recent test (within 60 days)	Date: Rates:	Date: Rates:	Date: 4/1/96 Rates: 150 MCFD, 2 BOPD, 0 BWPD
8. Fixed Percentage Allocation Formula -% for each zone (total of %'s to equal 100%)	Oil: 0 % Gas: 15 %	Oil: % Gas: %	Oil: 100% Gas: 85%

9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.

10. Are all working, overriding, and royalty interests identical in all commingled zones? ☒ Yes ☒ No
If not, have all working, overriding, and royalty interests been notified by certified mail? ☒ Yes ☒ No
Have all offset operators been given written notice of the proposed downhole commingling? ☒ Yes ☒ No11. Will cross-flow occur? ☐ Yes ☒ No If yes, are fluids compatible, will the formations not be damaged, will any cross-flowed production be recovered, and will the allocation formula be reliable. ☐ Yes ☐ No (If No, attach explanation)12. Are all produced fluids from all commingled zones compatible with each other? ☒ Yes ☐ No13. Will the value of production be decreased by commingling? ☐ Yes ☒ No (If Yes, attach explanation)14. If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application. ☒ Yes ☐ No

15. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S). _____

16. ATTACHMENTS:

- * C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- * Production curve for each zone for at least one year. (If not available, attach explanation.)
- * For zones with no production history, estimated production rates and supporting data.
- * Data to support allocation method or formula.
- * Notification list of all offset operators.
- * Notification list of working, overriding, and royalty interests for uncommon interest cases.
- * Any additional statements, data, or documents required to support commingling.

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

SIGNATURE Peggy BradfieldTITLE Regulatory/Compliance Admin. DATE 04-04-96TYPE OR PRINT NAME Peggy Bradfield TELEPHONE NO. (505) 326-9727

All distances must be from the outer boundaries of the Section

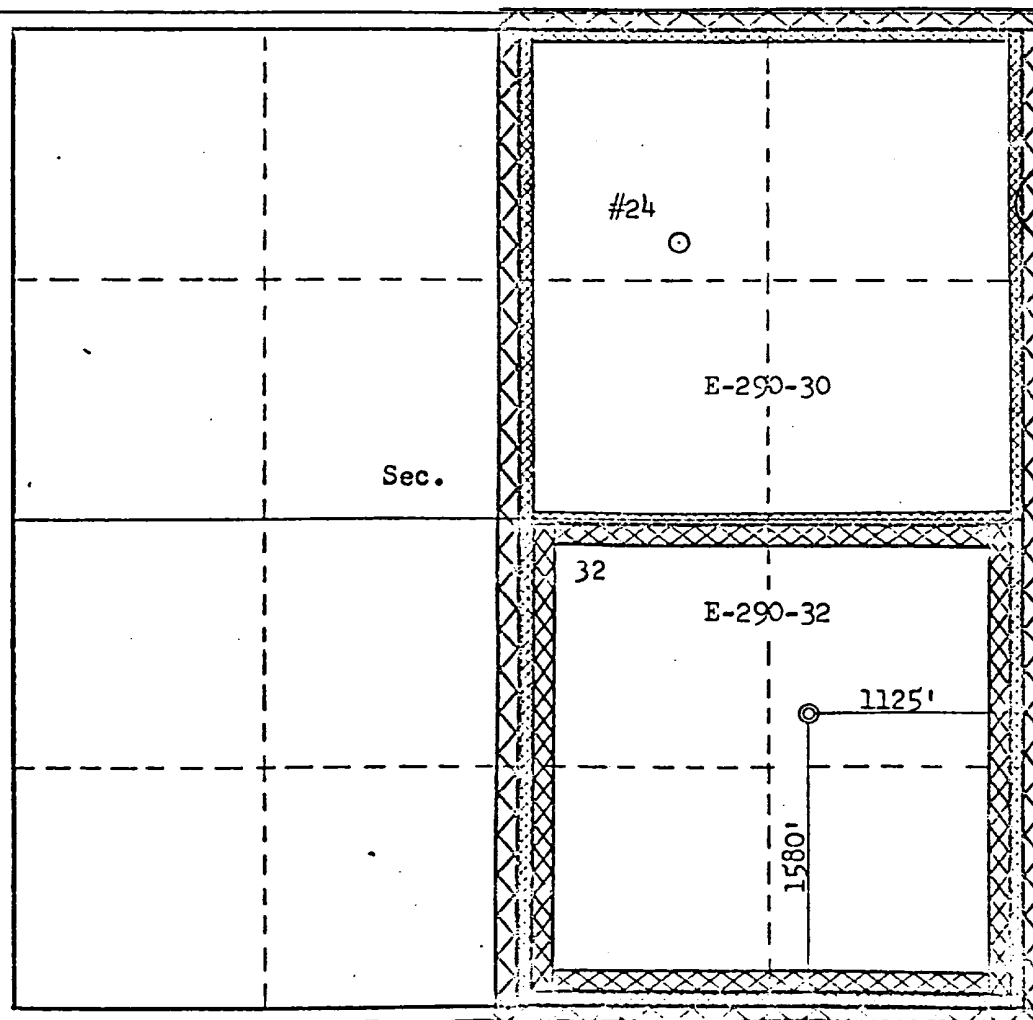
Operator EL PASO NATURAL GAS COMPANY			Lease SAN JUAN 27-5 UNIT (E-290-32)		Well No. 2LA
Unit Letter I	Section 32	Township 27N	Range 5W	County Rio Arriba	
Actual Footage Location of Well: 1580 feet from the South line and 1125 feet from the East line					
Ground Level Elev. 6564	Producing Formation Mesa Verde	Pictured Cliffs	Pool So. Blanco Pictured Cliffs	Dedicated Acreage: 160.0 & 320.0 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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 Unitization

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.

Name John Bradford
Position Drilling Clerk
Company El Paso Natural Gas Co.
Date March 18, 1980

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 August 1979
Registered Professional Engineer and Land Surveyor
Fred S. Kern Jr.
Certificate No. 3950

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

SAN JUAN 27-5 UNIT : 24A : 53354B-1

Prop 3834 *

• OIL
• WATER/GAS
• GAS
• WATER

100
10
1000
1000

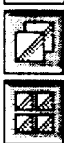
10
1
100
100

1
0.1
10
10

0.1
10.1
1
1

TBG PRESSURE

- ☐ • WATER Bbls/d
- ☒ • GAS Mcf/d
- ☐ • WATER/GAS
- ☐ • OIL Bbl/d

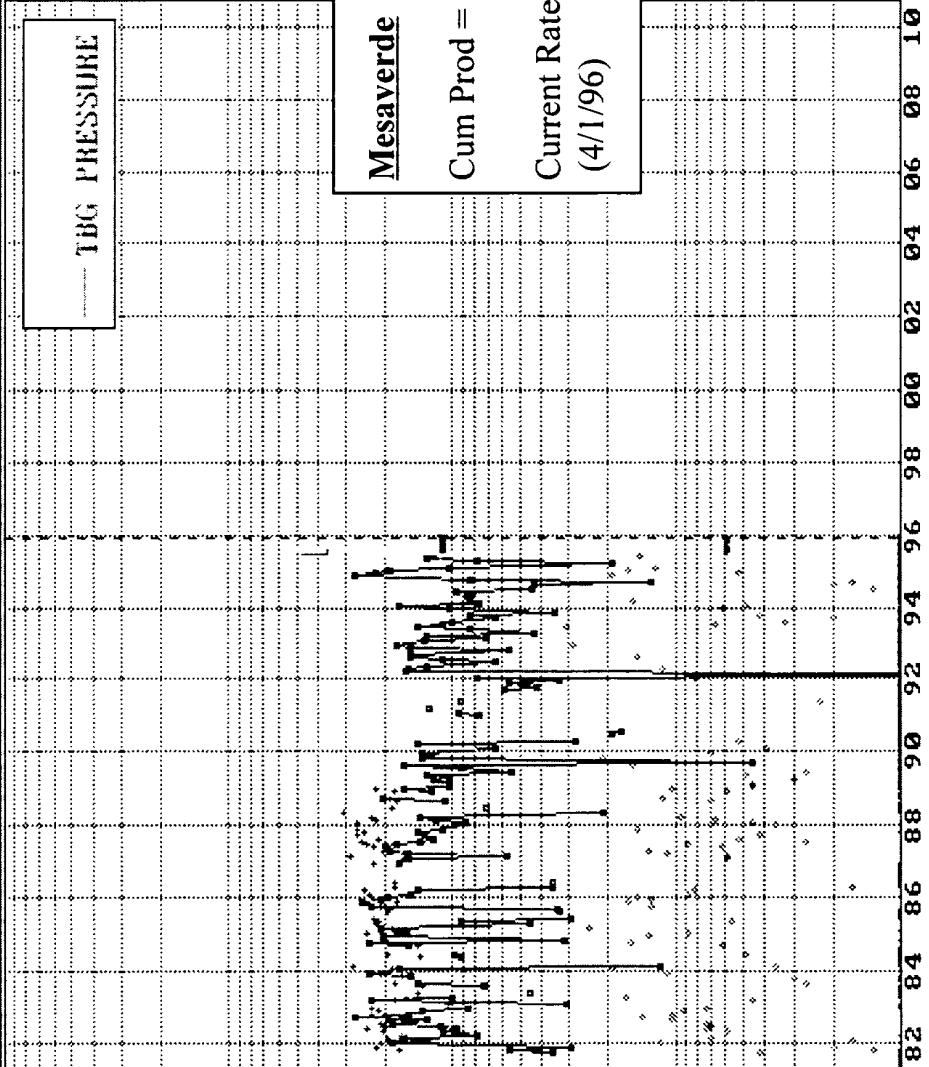


Rate Time
Semi Log

Mesaverde

Cum Prod = 515 MMCF
2.5 MBO
Current Rate = 150 MCFD
(4/1/96) 2 BOPD

Major = GAS



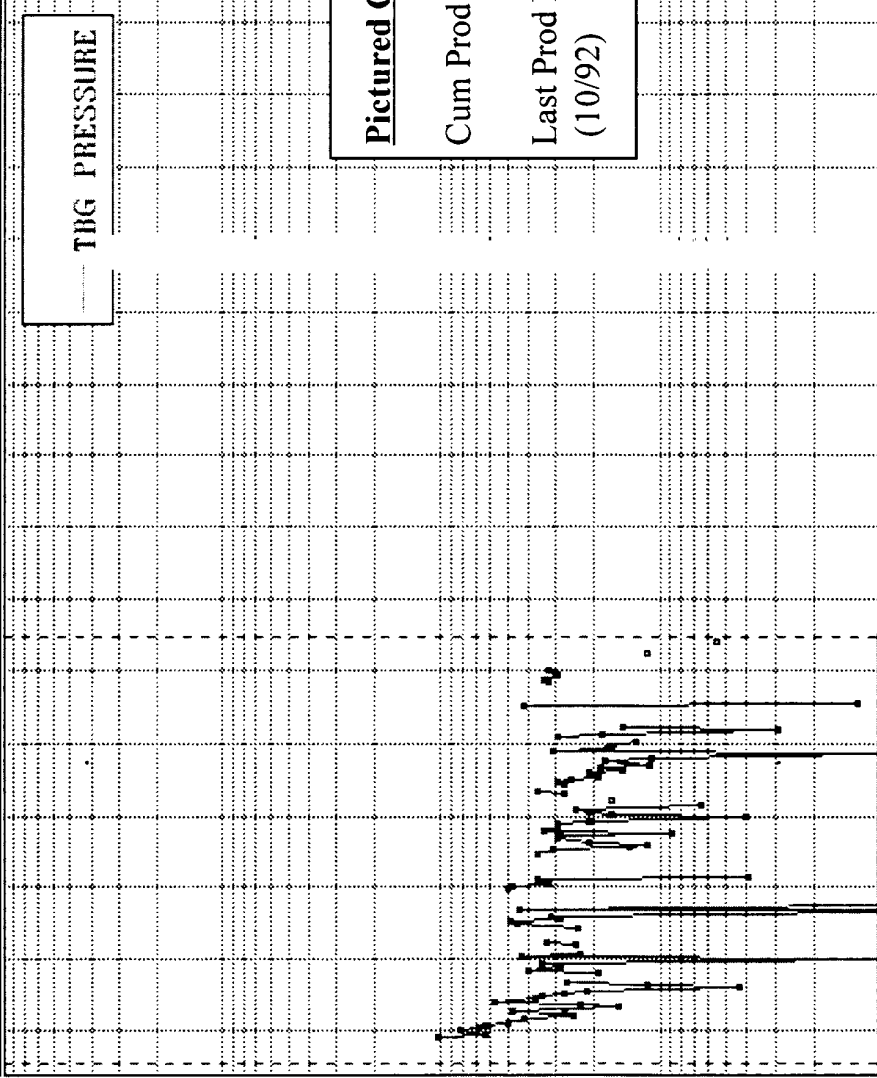
SAN JUAN 27-5 UNIT : 24A : 53354A-1

* OIL
* WATER/GAS
* GAS
* WATER

Prop 1

- ☐ * WATER Bbls/d
- ☒ * GAS Mcf/d
- ☐ * WATER/GAS
- ☐ * OIL Bbl/d
- ☐ RateTime
- ☐ Semi Log

TBG PRESSURE



Pictured Cliffs

Cum Prod = 75 MMCF
0 MBO
Last Prod Rate = 10 MCFD
(10/92) 0 BOPD

Major = GAS

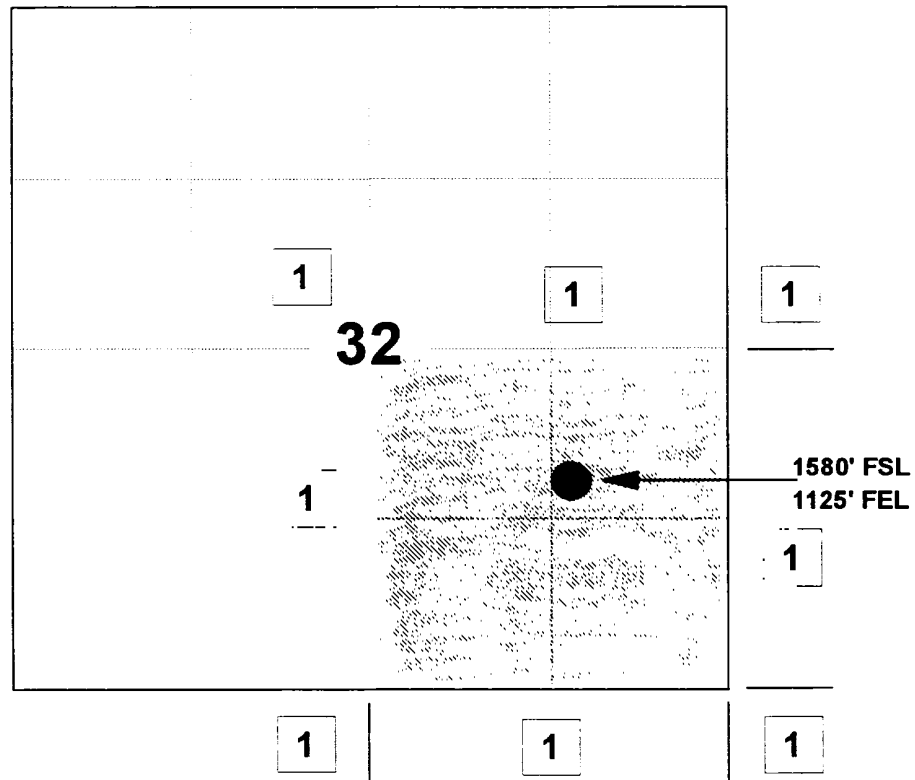
MERIDIAN OIL INC

SAN JUAN 27-5 UNIT #24A

OFFSET OPERATOR \ OWNER PLAT

Mesaverde / Pictured Cliffs Formations Commingle Well

Township 27 North, Range 5 West



1) Meridian Oil Inc.

Pictured Cliffs Formation

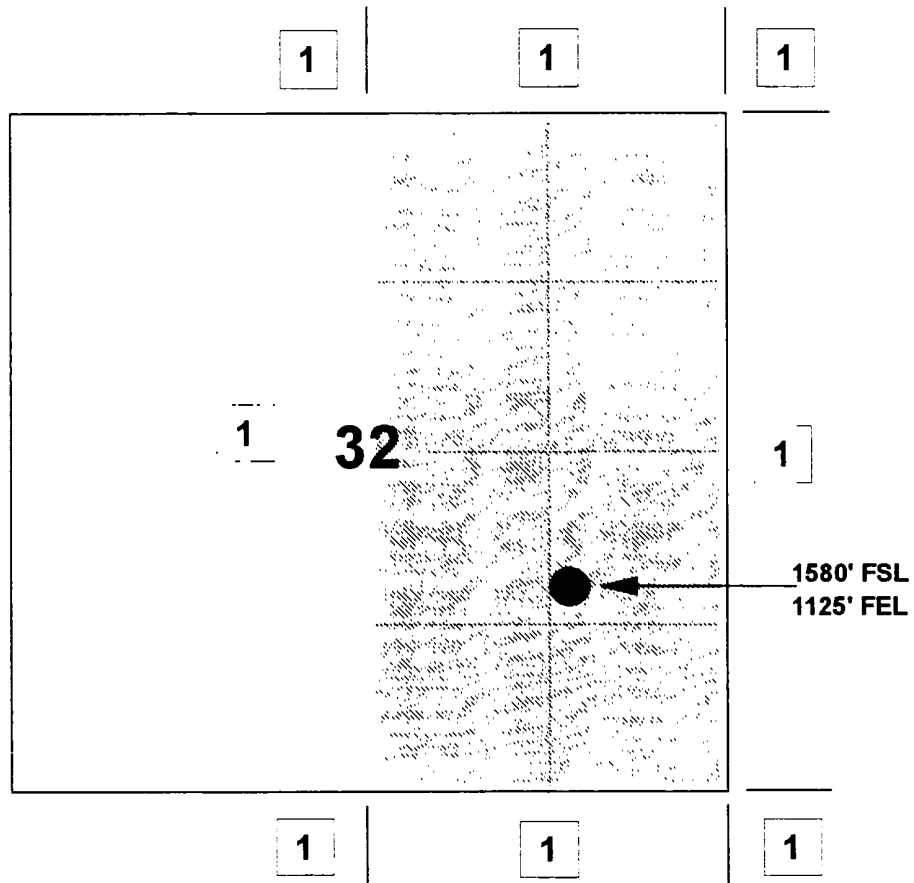
MERIDIAN OIL INC

SAN JUAN 27-5 UNIT #24A

OFFSET OPERATOR \ OWNER PLAT

Mesaverde / Pictured Cliffs Formations Commingle Well

Township 27 North, Range 5 West



1) Meridian Oil Inc.

Mesaverde Formation

**SAN JUAN 27-5 UNIT
PICTURED CLIFFS FORMATION**

Amoco Production Company
Bedrock Limited Partnership
Cinco General Partnership
Coastal Oil & Gas
Cruzelia C. & Pat D. Montoya
Donald R. & Florence M. Candelaria
EJE Brown Company
Francis Lerby Candelaria
Genevieve Candelaria
Gerald E. Harrington
Gerald F. Harrington Trust
Harold O. Pool Irrevocable Trust
J. Fidel & Cordelia Candelaria
James M. Raymond, Ind. & as Trustee for Corinne M. Gay & Maydell M. Mast
James V. Harrington
John Christopher Candelaria
Kerr-McGee Corporation
Langdon D. Harrison
MAR Oil & Gas Corporation, Inc.
Mary Jone Chappell
Mercedes M. Skidmore
Meridian Oil Inc.
Nick G. Candelaria
Pablo Lenny Candelaria
Paul M. Candelaria
Paulette Sharon Candelaria
Robert L. Bayless
Robert P. Tinnin
Ruth Zimmerman Trust
Stephanie A. & Carlos Martinez
Sunwest Bank for Kathleen Quinn
Tempe LTD Partnership
T. H. McElvain Oil & Gas Limited Partnership
Thelma Pool Revocable Trust
The Wiser Oil Company
Thomas & Mary Dugan

**SAN JUAN 27-5 UNIT
MESAVERDE FORMATION**

Amoco Production Company
Bedrock Limited Partnership
Cinco General Partnership
Coastal Oil & Gas Corporation
Cruzelia C. & Pat D. Montoya
Donald R. & Florence M. Candelaria
EJE Brown Company
Francis Lerby Candelaria
Genevieve Candelaria
Gerald E. Harrington
Gerald F. Harrington Trust
Harold O. Pool Irrevocable Trust
J. Fidel & Cordelia Candelaria
James M. Raymond, Ind. & as Trustee for Corinne M. Gay & Maydell Miller Mast Trusts
James V. Harrington
John Christopher Candelaria
Kerr-McGee Corporation
Langdon D. Harrison
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