



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

December 29, 1987

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Surface Commingling Authorized

Meridian Oil Inc.
P.O. Box 4289
Farmington, New Mexico 87499

Attention: Scott H. Lindsay

N. 19. 24N-3W

Dear Mr. Lindsay:

Reference is made to your request dated October 12, 1987 for authorization to surface commingle the gas #1 production from the dually completed Jicarilla "447" Well No. 1, located 940 feet from the South line and 1150 feet from the West line (Unit N) of Section 19, Township 27 North, Range 3 West, NMPM, Blanco Mesaverde and Tapacito Pictured Cliffs Gas Pool, Rio Arriba County, New Mexico. It is our understanding that commingling is necessary in order to utilize a single existing flowline, thus avoiding the expense of installing an additional flowline. It is further our understanding that the interest is common in the well and that the proposed commingling will be in the best interest of conservation and protection of correlative rights.

You are therefore authorized to surface commingle the production from the Jicarilla "447" Well No. 1 as described above subject to the following conditions:

- 1) The subject well will be tested twice annually for the first two years, and annually thereafter, said test results to be reported to the Division and to the transporter upon completion.
- 2) The operator shall notify the transporter of this commingling authority and shall further provide the transporter with the current production allocation to be used in filing Division Form C-111.

Sincerely,

[Signature]
William J. LeMay
Director

xc: OCD-Aztec
H. Garcia

Rec JAN 05 1988