



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-1131

AMENDED ADMINISTRATIVE ORDER DHC-1281

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

30-039-23756

RECEIVED  
DEC 11 1996

Attention: Ms. Peggy Bradfield

OIL CON. DIV.  
DIST. 3

126M  
San Juan 27-5 Unit Well No. 126E  
Unit C, Section 7, Township 27 North, Range 5 West, NMPM,  
Rio Arriba County, New Mexico.  
Blanco Mesaverde (Gas - 72319) and  
Basin Dakota (Prorated Gas - 71599) Pools

Dear Ms. Bradfield:

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the subject well to commingle production from multiple pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303.C., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the subject zones is hereby placed in abeyance.

The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated pool as printed in the Division's San Juan Basin Gas Proration Schedule.

The applicant shall consult with the supervisor of the Aztec District Office of the Division upon completion and testing of the well in order to establish a fixed allocation of production from each of the commingled zones. Upon approval by the Division's District Office, the applicant shall submit the allocation formula to the Santa Fe Office of the Division.

The allocation method established herein may be altered at some time subsequent to initiating downhole commingling operations upon request by the operator and for good cause shown.

REMARKS: The operator shall notify the Aztec District Office of the Division upon implementation of the commingling process.

*Amended Administrative Order DHC-1281*  
*Meridian Oil Company*  
*December 6, 1996*  
*Page 2*

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Pursuant to Rule 303.H., the commingling authority granted by the order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 6th day of December, 1996.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
WILLIAM J. LEMAY  
Director

S E A L

WJL/BES

cc: Oil Conservation Division - Aztec /  
Bureau of Land Management - Farmington



**NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT**

**GARY E. JOHNSON**  
GOVERNOR

OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE  
1000 RIO BRAZOS ROAD  
AZTEC, NEW MEXICO 87410  
(505) 334-6178 Fax (505) 334-6178

**JENNIFER A. SALISBURY**  
CABINET SECRETARY

February 10, 1997

Ms Peggy Bradfield  
Burlington Resources O&G Co  
PO Box 4289  
Farmington NM 87499

Re: San Juan 27-5 Unit #126M, API# 30-039-23756, C-07-27N-05W, DHC

Dear Ms. Bradfield:

Your recommended allocation of commingled production for the referenced well is hereby accepted as follows:

	Gas
Blanco Mesaverde	82%
Basin Dakota	18%

Sincerely,

Frank T. Chavez  
District Supervisor

FTC\sh

cc: well file

# BURLINGTON RESOURCES

SJ 275126

SAN JUAN DIVISION

New Mexico Oil Conservation Division  
1000 Rio Brazos Road  
Aztec, NM 87410

RECEIVED  
JAN 29 1997

Re: San Juan 27-5 Unit #126M (previously #126E)  
880'FNL, 1510'FWL Section 7, T-27-N, R-5-W  
Rio Arriba County, New Mexico  
Mesa Verde/Dakota

OIL CON. DIV.  
DIST. 8

Gentlemen:

The above referenced well is a Mesa Verde/Dakota commingle. Order DHC-1281 was issued for the commingling. The following allocation formula is submitted for your approval:

Mesa Verde -	82%
Dakota -	18%

These percentages are based on percentages of pitot gages obtained during workover.

Please let me know if you have any questions.

Sincerely,



Peggy Bradfield  
Regulatory/Compliance Administrator

MERIDIAN OIL CO.  
ENGINEERING CALCULATIONSheet: 1 of 1  
Date: 12-5-96  
By: LLL  
File: \_\_\_\_\_Allocation Formula  
San Juan 27-5 Unit #126 M  
Order # DHC-1281FormationPilot GaugeMesaverde1948 MCFDDakota\* 2364 - 1948 = 416 MCFDTotal2364 MCFDMesaverde

$$\text{Allocation} = \frac{1948}{2364} \times 100 = 82\%$$

Dakota

$$\text{Allocation} = \frac{416}{2364} \times 100 = 18\%$$