

DHC 1091

OIL CONSERVATION DIVISION  
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NM-0555563(WC)  
3162.7-3 (07327)

APR 27 1995

Mr. Thomas E. Mullins  
Meridian Oil Incorporated  
P.O. Box 4289  
Farmington, NM 87499

Re: **Downhole Commingling Application**  
Federal Lease NM-0555563  
No. 1A Largo Federal  
1190' FNL and 1595' FWL  
Sec. 34, T. 29 N., R. 9 W.  
San Juan County, New Mexico

Dear Mr. Mullins:

The Farmington District Office (FDO) of the Bureau of Land Management (BLM) has received your letter dated January 11, 1995, for downhole commingling of the Aztec Pictured Cliffs (PC) and Blanco Mesaverde (MV) Formations in the above referenced well. The following is the allocation for each formation.

Formation	Oil		Gas	
Aztec PC	0	%	50	%
Blanco MV	<u>100</u>	%	<u>50</u>	%
	100	%	100	%

Your application has been reviewed and approval is hereby granted. Allocated production for each formation will continued to be reported on a lease basis. Also, it is noted that operational approval was granted by this office on January 19, 1995.

If you have further questions regarding this matter, please contact Brian W. Davis at (505) 599-6367 or (505) 599-8900.

Sincerely,

/s/ Duane Spencer

Duane W. Spencer  
Chief, Branch of Reservoir Management

bcc:  
NMOCD, Santa Fe, NM