MERIDIAN OIL

April 21, 1988

Mr. Frank Chavez State of New Mexico Oil Conservation Division 1000 Rio Brazos Road Aztec, New Mexico 87410

Dear Mr. Chavez:

I am requesting that the following well be approved for surface commingle of liquids. Both formations will be tanked in one tank on location. The interest is the same in both formations. This well is a Southland Royalty well.

Below are the explanations to justify the need for surface commingling of liquids produced from this well.

Grenier A #3 (Basin Dakota-Blanco Mesaverde) (G) Section 34, T30N, R10W

Grenier A #3 (Dakota) produced 357 days in 1987 and averaged 67 MCF/day. Grenier A #3 (Mesaverde) produced 294 days in 1987 and averaged 11 MCF/day. Total oil production for both zones for the year of 1987 was 5 bbls. Our records already have this split out as 99% Dakota oil and 01% Mesaverde oil from previous tests. (Reference PC Order #N/A) As you can see from the 1987 production records it would not be cost effective to produce condensate into two separate tanks.

Sincerely,

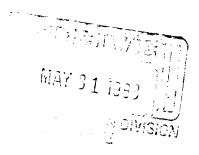
F. Headrick

Production Supervisor

RFH/1dk 008



MERIDIAN OIL



May 27, 1988

State of New Mexico Oil & Gas Division P. O. Box 2088 Santa Fe, New Mexico 87501

Attention: Mr. David Catanach

Dear Mr. Catanach:

In reference to our telephone conversation on May 19, 1988, we are providing the information you requested for the Southland Royalty wells. We hope you find this information satisfactory. If you have any questions, please give me a call at 505-326-9817.

Sincerely,

Ron Headrick

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RH/1k

Enclosure

	Gravity	
Decker#2	57.4	
Decker #4	59.4	
East #5	62.9	
East#10	55.0	
Grenier A#3	61,3	
Hare #14	56.9	
Hare #16	56.7	
Hare#18	58.4	
Hedges#2	61.0	
Hubbard#2	56.1	-
Hubbard#4	60.2	
Jicavilla 101#7	64.0	
McClauahan#18	49.0	
Moore#1	57.8	
Nue #3A	57.1	
Oliver#1	59.4	
Patterson Acom#1	58.5	-
Reid #20	52.8	-
Richardson#5	58.1	-
Richardson #6	54.7	
Thompson #5	53.5	
Thompson #7	55.3	1 famo 12

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