



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONY ANAYA
GOVERNOR

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November 15, 1984

Administrative Order No. DHC-535

Merrion Oil & Gas Corporation
P.O. Box 1017
Farmington, NM 87499

Attention: Mr. Steve S. Dunn

Re: Edna No. 3R, Unit D,
Sec. 7, T-24N, R-6W,
NMPM, Rio Arriba County,
NM, Devils Fork Mesaverde
and Devils Fork Gallup
Associated Pools

Gentlemen:

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 the production from both 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 Order which authorized the dual completion and required separation of the two zones, is hereby placed in abeyance.

In accordance with the provisions of Rule 303.C.4., total commingled oil production from the subject well shall not

exceed 30 barrels per day, and total water production from the well shall not exceed 60 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying 2,000 by top unit allowable for the Devils Fork Gallup Associated Pool.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

Devils Fork Mesaverde	Pool:	Oil 21 %	, Gas 25 %
Devils Fork Gallup	Pool:	Oil 79 %	, Gas 75 %

Pursuant to Rule 303-C 5, the commingled authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Sincerely,



R. L. STAMETS,
Division Director

Company.....: *Merrion Oil & Gas Corporation*
Address.....: *P.O. Box 1017*
City, State, Zip: *Farmington, New Mexico 87499*

Attention: *Mr. Steve S. Dunn*

Well Name and Number: *Edna No. 3A*

Location: *Unit Letter D, Section 7, T 24N, R 6W, NMPM*
Rio Arriba County, New Mexico

Pools: *Devils Fork Mesaverde and Devils Fork Gallup Associated*

Gentlemen:

~~Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations for the subject dually completed well to permit the removal of the down-hole separation equipment and to commingle the production from both pools in the wellbore.~~

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 the production from both 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 No. ~~_____~~ Form C-107, dated _____), which authorized the dual completion and required separation of the two zones, is hereby placed in abeyance.

In accordance with the provisions of Rule 303.C.4., total commingled oil production from the subject well shall not exceed 30 barrels per day, and total water production from the well shall not exceed 60 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying 2000 by top unit allowable for the Devils Fork Gallup Associated Pool.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

<i>Devils Fork Mesaverde</i>	Upper Pool: (Oil) (Condensate)	<u>21</u> %	, Gas	<u>25</u> %
<i>Devils Fork Gallup</i>	Lower Pool: Oil Condensate	<u>79</u> %	, Gas	<u>75</u> %

Pursuant to Rule 303-C 5, the commingled authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.