

JUL 18 1996

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-A
New 3-12-96

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

811 South First St., Artesia, NM 88210

DISTRICT III

1000 Rue Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505-6429

APPROVAL PROCESS:

Administrative Hearing

EXISTING WELLBORE

YES NO

APPLICATION FOR DOWNHOLE COMMINGLING

Operator: Meridian Oil Inc. P.O. Box 51810 Midland, Texas 79710-1810
 Address: Checkerboard '23' Federal # 2 0, Sec. 23, T22S, R32E Lea
 Well No.: 26485 Property Code: 013136 API NO.: 30-025-31907
 Spacing Unit Lease Types: (check 1 or more) Federal State (and/or) Fee

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zones	Lower Zone
1. Pool Name and Pool Code	West Red Tank Delaware 51689		Red Tank Bone Springs 51683
2. Top and Bottom of Pay Section (Perforations)	4902'-4916'		9752'-9836'
3. Type of production (Oil or Gas)	Oil		Oil
4. Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) 740	a.	a. 1475
	b. (Original) 1475	b.	b. 2950
6. Oil Gravity (^o API) or Gas BTU Content	42.0107		42.4730
7. Producing or Shut-In?	Producing		CR @ 9717'
Production Marginal? (yes or no)	Yes		Yes
* If Shut-In, give date and oil/gas/water rates of last production Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data * If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates:	Date: Rates:	Date: 10/16/94 Rates: 26 oil, 57 mcf, 77 water
	Date: 5/6/96 Rates: 88 oil, 100 mcf, 91 water	Date: Rates:	Date: Rates:
8. Fixed Percentage Allocation Formula - % for each zone	Oil: 70 % Gas: 40 %	Oil: % Gas: %	Oil: 30 % Gas: 60 %

9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.
10. Are all working, overriding, and royalty interests identical in all commingled zones? Yes No
 If not, have all working, overriding, and royalty interests been notified by certified mail? Yes No
 Have all offset operators been given written notice of the proposed downhole commingling? Yes No
11. Will cross-flow occur? Yes No If yes, are fluids compatible, will the formations not be damaged, will any cross-flowed production be recovered, and will the allocation formula be reliable. Yes No (If No, attach explanation)
12. Are all produced fluids from all commingled zones compatible with each other? Yes No
13. Will the value of production be decreased by commingling? Yes No (If Yes, attach explanation)
14. If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application. Yes No
15. NMOC Reference Cases for Rule 303(C) Exceptions: ORDER NO(S). _____
16. ATTACHMENTS:
 * C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
 * Production curve for each zone for at least one year. (If not available, attach explanation.)
 * For zones with no production history, estimated production rates and supporting data.
 * Data to support allocation method or formula.
 * Notification list of all offset operators.
 * Notification list of working, overriding, and royalty interests for uncommon interest cases.
 * Any additional statements, data, or documents required to support commingling.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE  TITLE Regulatory DATE 7/10/96

TYPE OR PRINT NAME Donna Williams TELEPHONE NO. (915) 688-6943

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, NM 87504-2088

Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-31907		² Pool Code 51689		³ Pool Name West Red Tank Delaware	
⁴ Property Code 13136		⁵ Property Name Checkerboard '23' Federal			⁶ Well Number No. 2
⁷ OGRID No. 26485		⁸ Operator Name Meridian Oil Inc.			⁹ Elevation 3729'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
	23	22S	32E		330'	South	1650'	East	Lea

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON--STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>¹⁷ OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p>  <p>Signature Donna Williams</p> <p>Printed Name Regulatory Compliance</p> <p>Title</p> <p>7/10/96</p> <p>Date</p>
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p>
	
	<p>Certificate Number</p>

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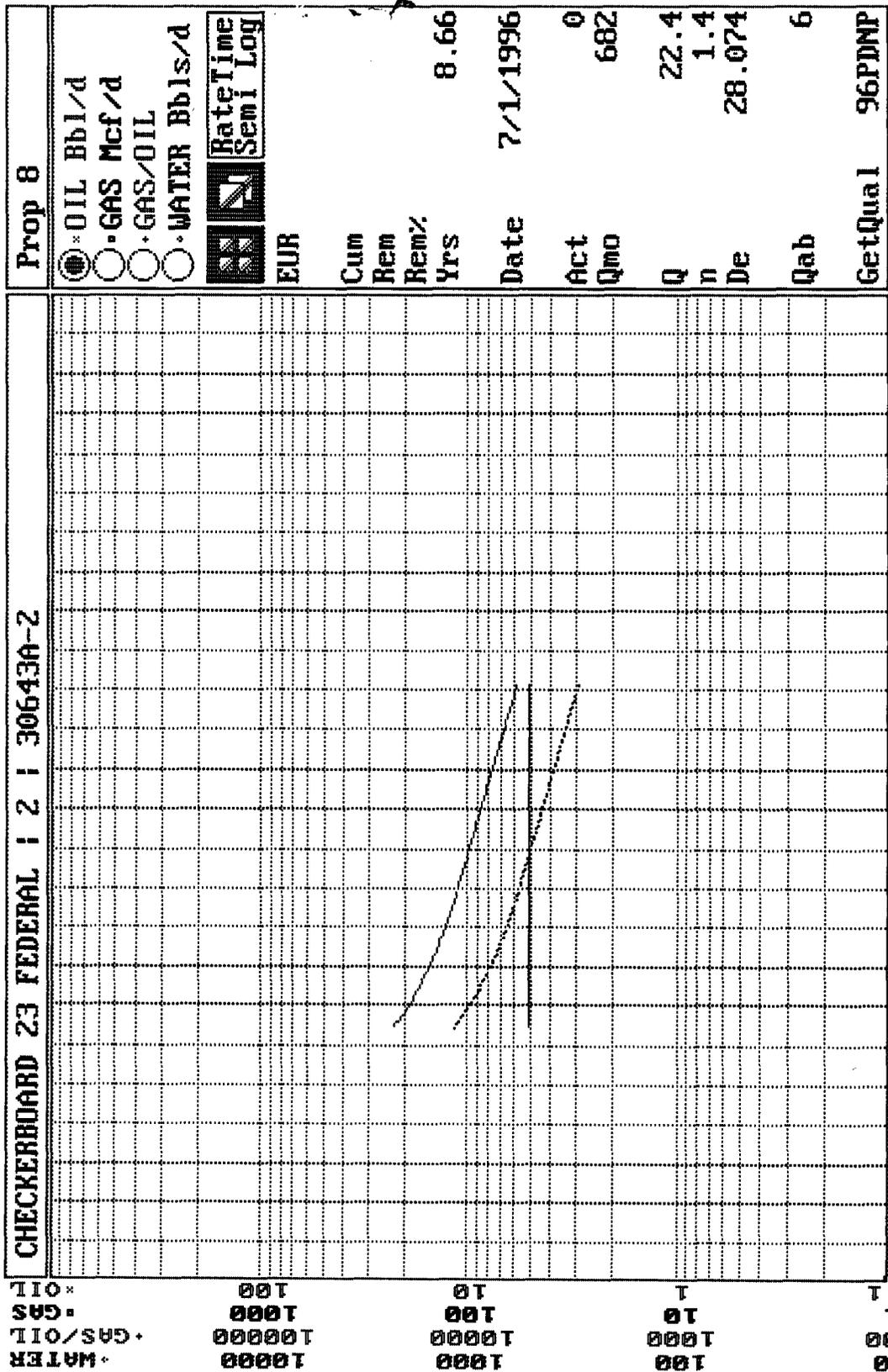
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				Signature 
				Printed Name Donna Williams Title Regulatory Compliance Date 7/10/96
				18 SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i>
				Date of Survey
				Signature and Seal of Professional Surveyer:
				Certificate Number



Bone Spring - Lower Zone



CHECKERBOARD 23 FEDERAL I 2 I 30643A-2		Prop 8
<input checked="" type="radio"/> OIL Bbl/d	<input type="radio"/> GAS Mcf/d	<input type="radio"/> GAS/OIL
<input type="radio"/> WATER Bbls/d	<input type="checkbox"/> EUR	<input type="checkbox"/> Rate Time
<input type="checkbox"/> EUR	<input type="checkbox"/> Cum	<input type="checkbox"/> Semi Log
<input type="checkbox"/> Rem	<input type="checkbox"/> Rem%	<input type="checkbox"/> Yrs
<input type="checkbox"/> Yrs	<input type="checkbox"/> Date	<input type="checkbox"/> Act
<input type="checkbox"/> 8.66	<input type="checkbox"/> 7/1/1996	<input type="checkbox"/> 682
<input type="checkbox"/> Q	<input type="checkbox"/> Qmo	<input type="checkbox"/> Qab
<input type="checkbox"/> 22.4	<input type="checkbox"/> 28.074	<input type="checkbox"/> 6
<input type="checkbox"/> n	<input type="checkbox"/> De	<input type="checkbox"/> GetQual
<input type="checkbox"/> 1.4	<input type="checkbox"/> 96PDNP	<input type="checkbox"/> 96PDNP

Major = OIL

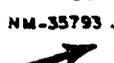
<p>State</p>	<p>State</p>	<p>U.S.M.I. J.C. Mills (S)</p>	<p>U.S.</p>	<p>U.S.</p>	<p>State</p>	<p>State</p>
<p>Santa Fe Ener. 77097 5922</p>	<p>Pacific Ent 55952</p>	<p>Phillips 66653 10000 U.S.M.I. J.C. Mills (S)</p>	<p>Marato. ent 10-1-93 56746</p>	<p>Phillips HBP 4832</p>	<p>Marato. inc. 65937</p>	<p>Mitchell Ener. 1-1-99 V-9190 20122</p>
<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>State</p>	<p>State</p>
<p>Yates Pet. ent V-134 928 "AKK"</p>	<p>(Mobil) 87000</p>	<p>Marato. inc. 1-1-96 55937 59022</p>	<p>(Pogo Prod.) MOR 800. VZ 50940</p>	<p>23442-74 J/O</p>	<p>Pogo Prod. L-4700</p>	<p>Pogo (Chevron) 24000</p>
<p>16</p>	<p>15</p>	<p>Meridian 33150</p>	<p>13</p>	<p>18</p>	<p>17</p>	<p>17</p>
<p>22</p>	<p>32</p>	<p>23</p>	<p>23</p>	<p>19</p>	<p>20</p>	<p>20</p>
<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>State</p>	<p>State</p>	<p>U.S.M.I. State</p>
<p>Getty Oil A R Co 8-1-76</p>	<p>CNG Prod. 68877 12652 KGS</p>	<p>CNG Prod. 68876 12652 KGS</p>	<p>Exxon 5-1-94 81872 5922</p>	<p>Pogo 4-1-96 86149 50022</p>	<p>Pogo Prod. HBP 2379</p>	<p>(Gulf) (Pogo Prod.) (P) 2379</p>
<p>21</p>	<p>22</p>	<p>22</p>	<p>22</p>	<p>26</p>	<p>26</p>	<p>26</p>
<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>
<p>Yates Pet. ent 51941-1-94 50021 81273 5022</p>	<p>27</p>	<p>26</p>	<p>26</p>	<p>30</p>	<p>30</p>	<p>29</p>
<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>State</p>	<p>State</p>	<p>U.S.</p>
<p>Exxon 9-1-99 77060 4522</p>	<p>Exxon 9-1-99 77060 4522</p>	<p>Pogo Prod 4-1-96 86150 40022</p>	<p>Pogo Prod. HBP 2379</p>	<p>C.W. Trainer Shoop Jr. (Shoop) (Chevron) (Unit) TO 16300 No 8-24-64</p>	<p>C.W. Trainer 1-1-98 V-2522 23628</p>	<p>Mitchell Ener. 12-1-95 V-9527 70022</p>
<p>33</p>	<p>34</p>	<p>35</p>	<p>35</p>	<p>31</p>	<p>31</p>	<p>32</p>
<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>U.S.</p>	<p>State</p>	<p>State</p>	<p>U.S.</p>

BOOTLEG RIDGE NW. NM-35801

PROHIBITION UNIT
MARALO (OPER.)

BOOTLEG RIDGE

BOOTLEG RIDGE W.



C.W. Trainer
NM-35793

"Covington-Fed"



MERIDIAN OIL INC.
APPLICATION FOR ADMINISTRATIVE APPROVAL
DOWNHOLE COMMINGLING
CHECKERBOARD '23' FEDERAL WELL NO. 2
LEA COUNTY, NEW MEXICO

Mobil Exploration & Production
Box 633
Midland, Texas 79702

Exxon Company, U.S. A.
Box 1600
Midland, Texas 79702

Pogo Producing Company
Box 10340
Midland, Texas 79702

C.W. Trainer
2972 Valley View Lane
Farmers Branch, Texas 75234