



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

March 11, 1997

IN REPLY REFER TO:
SF-077754-A (WF)
3162.7-3 (07327)

Peggy Bradfield
Regulatory/Compliance Administrator
Meridian Oil
P.O. Box 4289
Farmington, NM 87499-4289

RE: Downhole Commingling Application
No. 1A Kelly "B"
1125' FNL & 1500' FWL
Section 8, T. 30 N., R. 10W.
San Juan County, New Mexico

Dear Ms. Bradfield:

The Farmington District Office (FDO) of the Bureau of Land Management (BLM) has received your letter dated February 20, 1997, requesting approval for downhole commingling of the Pictured Cliffs and Mesaverde formations in the above referenced well.

After review, we hereby approve your application for downhole commingling. This approval is conditional on submittal of the allocation procedure for this well.

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

Sincerely,

/s/ Duane W. Spencer

Duane W. Spencer
Team Leader, Petroleum Management

bcc:
NMOCD, Santa Fe; DOMR; Suspense (Brian); AIRS
Well File (No. 1A Kelly "B", 1125' FNL & 1500' FWL, 8-30N-10W)

07237:BWDavis:03/11/97:x6367:burlingtonKellyB1A