

~~ABC~~ 4-16-96  
CTB 424

# MERIDIAN OIL

4-16-96

March 25, 1996

Mr. David Catanach  
Oil Conservation Division  
2040 S. Pacheco Street  
Santa Fe, New Mexico 87504

RE: Application For Surface Commingling and Measurement of Hydrocarbons  
Benson '3' Federal Lease (NM 29228)  
Benson '3' Federal Well No. 7 (NM 67985)  
Sec. 03, T19S, R30E  
Eddy County, New Mexico

Mr. Catanach:

Meridian Oil Inc. respectfully requests approval to surface commingle and measurement of hydrocarbon production from the Benson '3' Federal Lease (NM 29228) and the Benson '3' Federal well no. 7 (NM 67985), Sec. 3, T19S, R30E, Eddy County, New Mexico.

**BENSON '3' FEDERAL LEASE (NM 29228)**

Benson '3' Federal # 2	03	19S	30E	Queen	NM29228	Prod.
Benson '3' Federal # 3	03	19S	30E	Queen	NM 29228	Prod.
Benson '3' Federal # 5	03	19S	30E	Queen	NM 29228	Dry Hole

**BENSON '3' FEDERAL WELL NO. 7 (NM 67985)**

Benson '3' Federal # 6	03	19S	30E	Queen	NM 67985	Prod.
Benson '3' Federal # 7	03	19S	30E	Queen	NM 67985	Dry Hole

**PRODUCTION FROM BOTH LEASES**

<u>well Number</u>	<u>BOPD</u>	<u>MCFPD</u>	<u>WATER</u>	<u>FORMATION</u>
Benson '3' Federal # 2	03	10	8	Queen
Benson '3' Federal # 3	7.5	10	8	Queen
Benson '3' Federal # 5	Dry Hole			
Benson '3' Federal # 6	05	06	02	Queen
Benson '3' Federal # 7	Dry Hole			

The production from the Benson '3' Federal well no. 6 is metered prior to commingling into the Benson '3' Federal battery located 1650' FNL & 330' FEL, Sec. 3, T19S, R30E, Eddy County, New Mexico. The casinghead gas is metered via a Halliburton turbine meter prior to the sales meter.

Meridian is 100% working interest owner for all the wells to be involved in the proposal.

The proposed commingling of production is in the interest of conservation and will not result in reduced royalty or improper measurement of production. The proposed commingling is necessary to continue operations for the above referenced federal leases.

The Bureau of Land Management was notified by certified mail on March 25, 1996. See attached copy of application.

Should you have any questions, or need additional information, please do not hesitate to contact me at 915-688-6943.

Sincerely,

A handwritten signature in black ink, appearing to read "Donna J. Williams", with a horizontal line extending to the right.

Donna J. Williams  
Regulatory Compliance

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.  
**NM 29228 & NM 67985**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

**Benson '3'  
Federal Lease**

9. API Well No.

10. Field and Pool, or exploratory Area

**Shugart Yts SR Qn Grb.**

11. County or Parish, State

**Eddy NM**

**SUBMIT IN TRIPLICATE**

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator  
**Meridian Oil Inc.**

3. Address and Telephone No.  
**P.O. Box 51810, Midland, TX 79710-1810 915-688-6943**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**Sec. 03, T19S, R30E**

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- Notice of Intent  
 Subsequent Report  
 Final Abandonment Notice

TYPE OF ACTION

- Abandonment  
 Recompletion  
 Plugging Back  
 Casing Repair  
 Altering Casing  
 Other Commingling Request  
 Change of Plans  
 New Construction  
 Non-Routine Fracturing  
 Water Shut-Off  
 Conversion to Injection  
 Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Meridian Oil Inc. respectfully requests approval for Surface Commingling and Measurement of Hydrocarbon of production from the Benson '3' Federal lease (NM 29228) and the Benson '3' Federal well no. 6 (NM 67985) located in Sec. 3, T19S, R30E, Eddy County, New Mexico.

Please see attached application.

14. I hereby certify that the foregoing is true and correct

Signed [Signature] Title **Regulatory Compliance**

Date **3/25/96**

(This space for Federal or State office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Conditions of approval, if any:

**APPLICATION FOR SURFACE COMMINGLING AND MEASUREMENT OF HYDROCARBON OF PRODUCTION FOR THE BENSON '3' FEDERAL LEASE (NM29228) AND THE BENSON '3' FEDERAL WELL NO. 6 (NM67985), LOCATED IN SEC. 3, T19S, R30E, EDDY COUNTY, NEW MEXICO.**

**TO: BUREAU OF LAND MANAGEMENT  
P.O. BOX 1778  
CARLSBAD, NEW MEXICO 88221-1778**

**MERIDIAN OIL INC. IS REQUESTING APPROVAL FOR SURFACE COMMINGLING AND MEASUREMENT OF HYDROCARBON FOR PRODUCTION FROM THE BENSON '3' FEDERAL LEASE (NM 29228) AND THE BENSON '3' FEDERAL WELL NO. 6 (NM 67985), LOCATED IN SEC. 3, T19S, R30E, EDDY COUNTY, NEW MEXICO. ALL PRODUCTION IS FROM THE SHUGART YATES SEVEN RIVERS QUEEN GRAYBURG FIELD.**

**BENSON '3' FEDERAL LEASE (NM 29228)**

Benson '3' Federal # 2	03	19S	30E	Queen	NM 29228	Prod.
Benson '3' Federal # 3	03	19S	30E	Queen	NM 29228	Prod.
Benson '3' Federal # 5	03	19S	30E	Queen	NM 29228	Dry Hole

**BENSON '3' FEDERAL WELL NO. 7 (NM 67985)**

Benson '3' Federal # 6	03	19S	30E	Queen	NM 67985	Prod.
Benson '3' Federal # 7	03	19S	30E	Queen	NM 67985	Dry Hole

The Benson '3' Federal well no. 1, located 760' FNL & 2080' FEL, Sec. 03, T19S, R30E, Eddy County, NM (NM 29228) is producing from the Strawn formation and has its own battery. See diagram.

**PRODUCTION FROM BOTH LEASES**

<u>WELL NUMBER</u>	<u>BOPD</u>	<u>MCFPD</u>	<u>WATER</u>	<u>FORMATION</u>
Benson '3' Federal # 2	03	10	8	Queen
Benson '3' Federal # 3	7.5	10	8	Queen
Benson '3' Federal # 5	Dry Hole			
Benson '3' Federal # 6	05	06	02	Queen
Benson '3' Federal # 7	Dry Hole			

A map is enclosed showing the location of all wells that will contribute production to the proposed commingling/common storage facility.

The production from the Benson '3' Federal Well no. 6 is metered prior to commingling into the Benson '3' Federal battery located 1650' FNL & 330' FEL, Sec. 3, T19S, R30E, Eddy County, New Mexico. The casinghead gas is metered via a Halliburton turbine meter prior to the sales meter.

Meridian is 100% working interest owners for all the wells to be involved in the proposal.

The proposed commingling of production is in the interest of conservation and will not result in reduced royalty or improper measurement of production.

The proposed commingling is necessary for continued operation of the above referenced federal leases.

**WE UNDERSTAND THAT THE REQUESTED APPROVAL WILL NOT CONSTITUTE THE GRANTING OF ANY RIGHT OF WAY OR CONSTRUCTION RIGHTS NOT GRANTED BY THE LEASE INSTRUMENT, AND IF APPLICABLE, WE WILL SUBMIT WITHIN 30 DAYS AN APPLICATION FOR RIGHT OF WAY APPROVAL TO THE BLM'S REALTY SECTION IN YOUR OFFICE IF WE HAVE NOT ALREADY DONE SO.**

SIGNATURE:  
NAME:  
TITLE:  
DATE:

  
Donna Williams  
Regulatory Compliance  
March 25, 1996

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**

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name	
				Shugart Yts SR Qn Grb.	
<sup>4</sup> Property Code		<sup>5</sup> Property Name			<sup>6</sup> Well Number
		Benson '3' Federal lease(s)			
<sup>7</sup> OGRID No.		<sup>8</sup> Operator Name			<sup>9</sup> Elevation
26485		Meridian Oil Inc.			

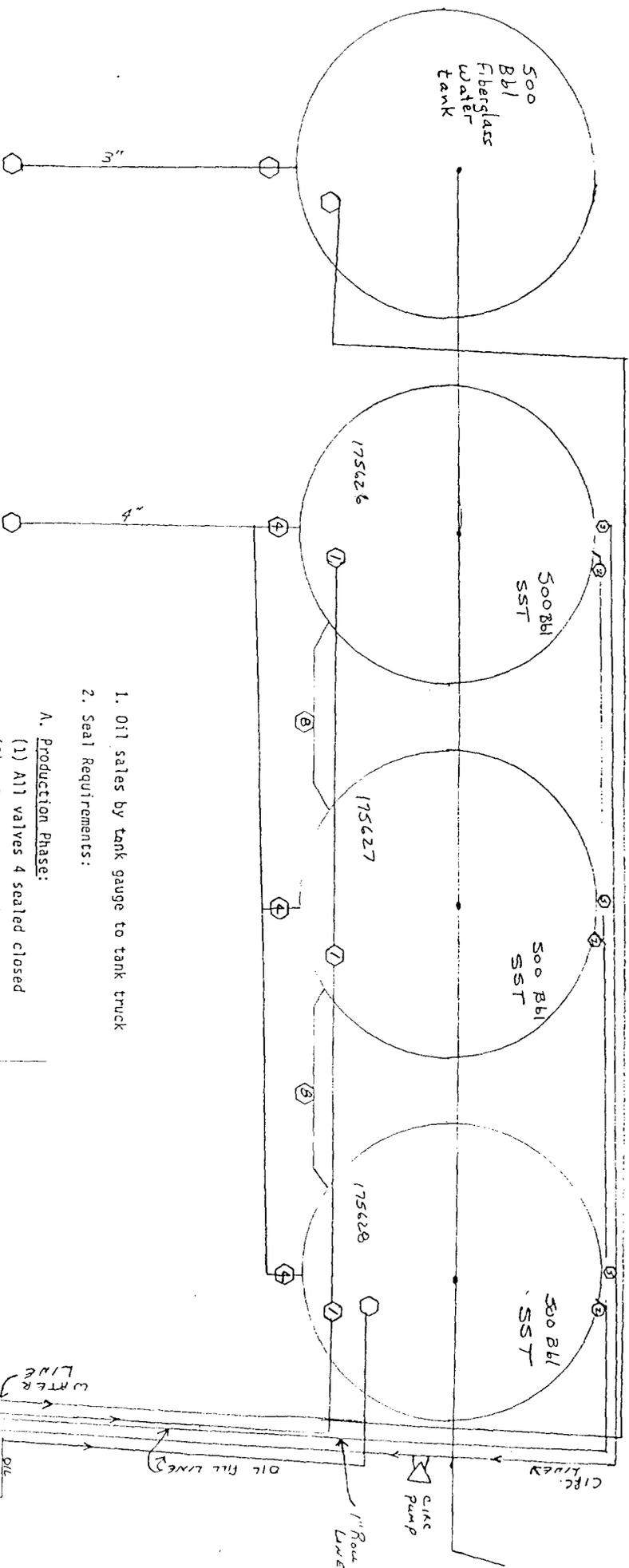
<sup>10</sup> Surface Location									
UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
	03	19S	30E						Eddy

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.

**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**

			# 1 ☀ Central Battery	# 2 ⊙	<sup>17</sup> OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature <b>Donna Williams</b> Printed Name <b>Regulatory Compliance</b> Title <b>3/25/96</b> Date
	SEC. 03	NM 29228	# 3 ☐ Central Battery	# 5 ⊙ Dry Hole	
				# 6 ⊙	<sup>18</sup> 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:
		NM 67985		# 7 - Dry Hole	
					Certificate Number



MERIDIAN OIL INC  
 BENSON "3" FEB BATTERY  
 H. SEC 3-T/95-R306  
 Eddy Co, NM

MERIDIAN OIL  
 3300 N. A ST. BLDG. 6  
 MIDLAND, TX 79705

1. Oil sales by tank gauge to tank truck
2. Seal Requirements:

A. Production Phase:

- (1) All valves 4 sealed closed
- (2) All valves 5 sealed closed

B. Sales Phase - (Sales from SST-1)

- (1) Valve 1 on SST-1 sealed closed
- (2) All valves 5 sealed closed
- (3) Valve 8 sealed closed
- (4) Valve 4 on SST-2 sealed closed

NOTE: Valves 2 are on 1" gas rolling line

