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.

Hubbard #4 (Basin Dakota-Blanco Mesaverde) (M) Section 15, T32N, R12W

Hubbard #4 (Dakota) produced 357 days in 1987 and averaged 7 MCF/day. Hubbard #4 (Mesaverde) produced 361 days in 1987 and averaged 137 MCF/day. Total oil production for both zones for the year of 1987 was 238 bbls. Our records already have this split out as 25% Dakota oil and 75% Mesaverde oil from previous tests. (Reference PC Order #694 dated 1/25/85) As you can see from the 1987 production records it would not be cost effective to produce condensate into two separate tanks.

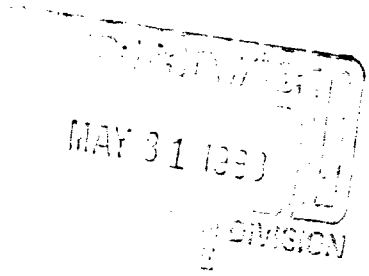
Sincerely,

R. F. Headrick
Production Supervisor

RFH/ldk
014

6994

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,

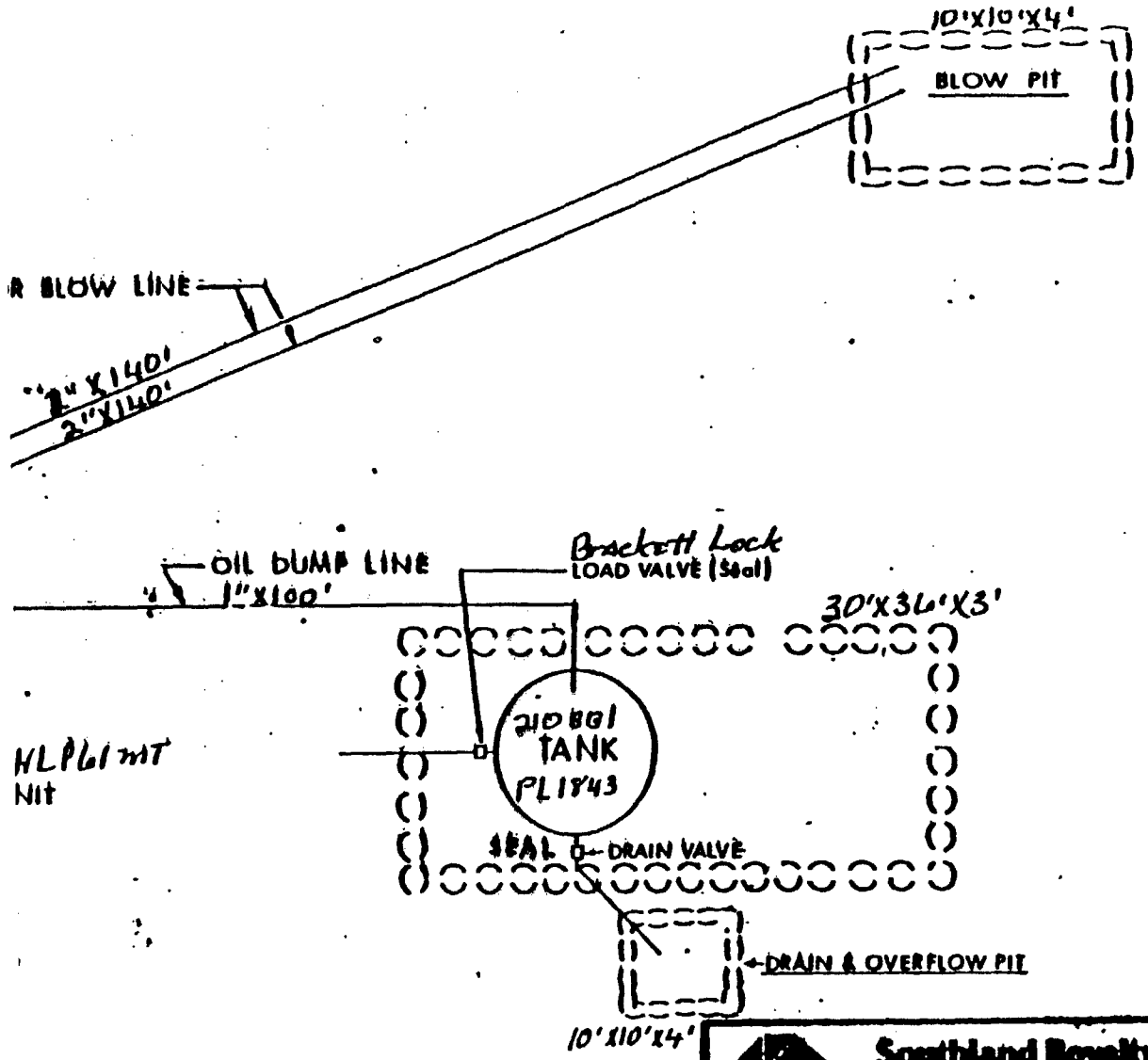
Ron Headrick by LK

Ron Headrick
Production Foreman

RH/lk

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
Jicarilla 101 #7	64.0
McClanahan #18	49.0
Moore #1	57.8
Nye #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



McClanahan #18
A Sec 13 T28N R10W NMPM
990'N – 790'E
San Juan Co. N.M.
82-079634

Southland Royalty Company
FARMINGTON DISTRICT

SITE SECURITY DIAGRAM

SAN JUAN BASIN
NEW MEXICO

No. 1
N.T.S. C. PARSONS
NOV., 1982