

# 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.

Reid #20 (Basin Dakota-Blanco Mesaverde) (A) Section 19, T28N, R9W

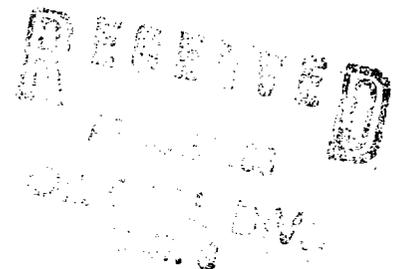
Reid #20 (Dakota) produced 229 days in 1987 and averaged 81 MCF/day. Reid #20 (Mesaverde) produced 299 days in 1987 and averaged 39 MCF/day. Total oil production for both zones for the year of 1987 was 334 bbls. Our records already have this split out as 21% Dakota oil and 79% Mesaverde oil from previous tests. (Reference PC Order #700 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/1dk  
021



MERIDIAN OIL

RECEIVED  
MAY 31 1988  
OIL & GAS DIVISION

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,

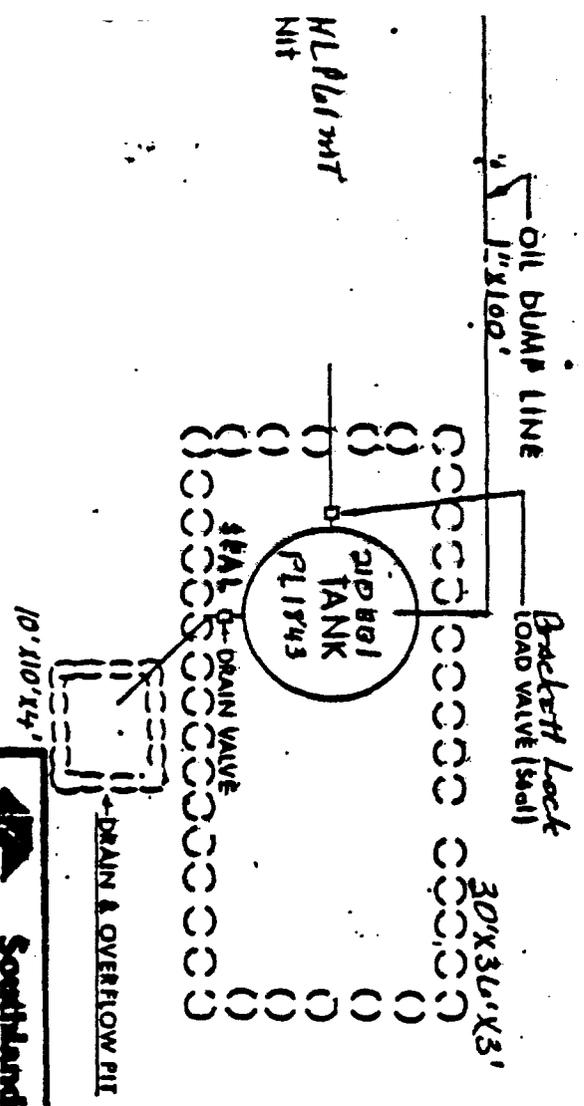
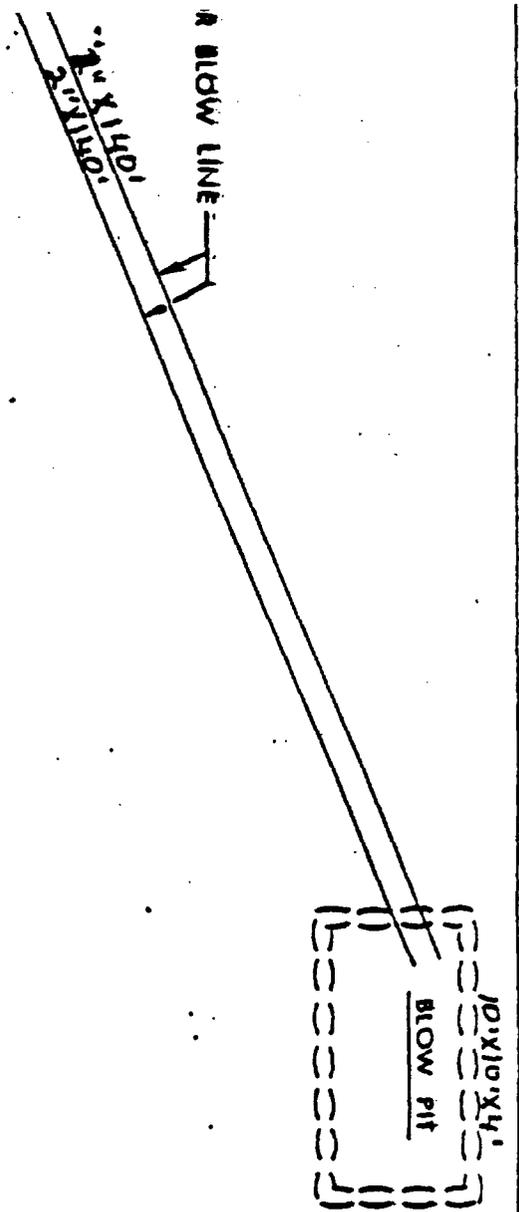
*Ron Headrick by RK*

Ron Headrick  
Production Foreman

RH/1k

Enclosure

	<u>Gravity</u>
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 A Com #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 T8N R10W T7M1M  
 990N - 790'E  
 SAN JUAN Co. N.M.  
 82-079634

 <b>Southland Royalty Company</b> Farmington District <small>MEMPHIS, TENN.</small>	<b>SITE SECURITY</b> <b>DIAGRAM</b>
	<b>SAN JUAN BASIN</b> <b>NEW MEXICO</b>
No. 1 C. PARSONS	
NOV. 1962	