



Amoco Production Company

Southern Division 1670 Broadway P.O. Box 800 Denver, Colorado 80201 303-830-4040

D. G. Wight
Division Production Manager

March 13, 1987

Meridian Oil, Inc. P. O. Box 4289 Farmington, New Mexico 87499-4289

File: JMA-2163-986.5

Commingling Approval Ballot Reid A #1 Unit G, Section 13-T29N-R10W San Juan County, New Mexico DHY 338

Please reference your correspondence dated February 4, 1987, concerning the above subject. Due to Amoco Production Company being the operator of an offsetting proration unit to the captioned well, please find attached our consent to Meridian's application for administrative approval to downhole commingle the Reid A #1. An executed carbon copy of this ballot has been sent to the New Mexico Oil Conservation Division per your request.

Very truly yours,

Original Signed By: David G. Wight By: JMA

029.RWA/cs

cc: New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

MERIDIAN OIL

February 4, 1987

DISTRICT

Amoco Production Company 2325 E. 30th Street Farmington, New Mexico 87401

Re: Reid A #1

Unit G, Section 13, T-29-N, R-10-W

San Juan County, New Mexico

Gentlemen:

Meridian Oil Inc. has requested administrative approval to commingle the production from the Blanco Mesa Verde and Basin Dakota pools in the Southland Royalty well, Reid A #1. Meridian feels that commingling production is the most efficient manner to produce this well.

In compliance with New Mexico Oil Conservation Division rules, we are notifying you, as operator of an offsetting proration unit, of our application for administrative approval to downhole commingle the Reid A #1. Enclosed are three copies of this letter. If there are no objections to this application, please sign and return one copy to the New Mexico Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87501; one copy to Meridian Oil Inc., P. O. Box 4289, Farmington, New Mexico 87499; and keep one copy for your records.

A well location and offset ownership plats are enclosed.

Sincerely,

W. D. Welch

Production Engineer

WDW: oh Attachments

WAIVER

Meridian Oil Inc.'s application for downhole commingling its Reid A #1 well as porposed above.

By: D. G. Wight Date: 3/4/86