

DHC-1169



# United States Department of the Interior

CONSERVATION DIVISION  
RECEIVED

## BUREAU OF LAND MANAGEMENT

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

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IN REPLY REFER TO:

SF-080511  
3162.7-3 (07327)

November 22, 1995

Mr. Thomas E. Mullins  
Reservoir Engineer  
Meridian Oil Inc.  
P.O. Box 4289  
Farmington, NM 87499

RE: Federal Lease SF-080411  
Downhole Commingling Application  
Basin Dakota/ Largo Gallup  
Blanco Mesaverde/ Otero Chacra Pools  
No. 9 Harrington  
1650' FSL and 1840' FEL  
Section 31, T. 27 N., R. 7 W.  
Rio Arriba County, New Mexico

Dear Mr. Mullins:

The Farmington District Office (FDO) of the Bureau of Land Management (BLM) has received your letter dated October 23, 1995, for downhole commingling of the Basin Dakota (DK) / Largo Gallup (GL), and the Blanco Mesaverde (MV) / Otero Chacra (CH) formations in the above referenced well. It is understood that there will be two tubing strings with a permanent set packer isolating DK-GL and MV-CH production. Additionally, there will be two (2) separate surface facilities for each of the paired zones.

Approval to downhole commingle is granted for the referenced well, however it is required that once determined, that the allocation factors be submitted for each zone.

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

Sincerely,

/s/ Duane Spencer

Duane W. Spencer  
Team Leader, Petroleum Management

bcc:

NMOCD, Santa Fe