

DEC 27 4 01 8 52

December 27, 1995

Mr. William J. LeMay
N. M. Oil Conservation Division
P. O. Box 2088
Santa Fe, N. M. 87501-2088

Re: Navajo Indian B #5 MV/DK
1520' FSL 960' FWL
Section 30, T27N R8W
San Juan County, N. M.

Dear Mr. LeMay:

Meridian Oil Inc. is applying for an administrative downhole commingling order for the referenced well in the Basin Dakota (DK) and the Blanco Mesaverde (MV) fields. The ownership of the zones to be commingled is common. The offset operators to both the Mesaverde and Dakota are Amoco, Conoco, and Snyder Oil Corp. The Bureau of Land Management and these offset operators will receive notification of this proposed downhole commingling.

This well has produced as a dual MV / DK well since 1965. The MV is a marginal producer with an average producing rate of 30 MCF/D. The DK's producing rate is 40 MCF/D but is logging off with fluid. The DK has had trouble producing for several years due to a fluid loading problem. The addition of the MV gas to the producing stream should help lift the small amount of liquid (less than 1 BLPD). This would greatly enhance the DK producing efficiency thus preventing waste of the DK gas reserves. The cumulative production for the MV is 1,321 MMCF and 13,564 BO with 1,242 MMCF and 26,329 BO for the DK.

We believe that the DK production is currently being suppressed due to the presence of the well's production packer which limits the DK's ability to unload liquid with its small gas volume. The MV should continue producing at its present rate of 30 MCF/D. The commingling of the subject well in the twilight of its producing life will result in better producing efficiency for both intervals. We believe that the combined gas volume will be sufficient to lift the produced liquids.

Granting this application will be in the best interest of conservation, the prevention of waste, and the protection of correlative rights.

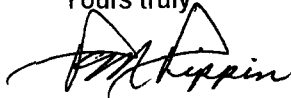
We plan to commingle this well by pulling the MV tubing and the DK tubing, eliminate the production packer, and run a single string of 1-1/2" tubing.

The reservoir characteristics of each of the subject zones are such that underground waste would not be caused by the proposed downhole commingling. The fluids from each zone are compatible and no precipitates will be formed to cause damage to either reservoir. MV and DK wells have been successfully commingled in many areas of San Juan Basin with no detrimental effects. In addition, the offset well Navajo Indian B #5M (E 30 27 8) was commingled in the MV and DK (DHC-381) on 4-19-83 with no detrimental effects. The daily production will not exceed the limit of Rule 303c, Section 1a, Part 1. The shut-in pressures for the MV and DK are 355 and 430 psi, respectively, however, we do not believe that there will be any significant crossflow.

To allocate the commingled production to each of the zones, the current MV rate of 30 MCF/D and the DK rate of 40 MCF/D were utilized to obtain the following recommendation for the gas allocation: MV Gas = 43% and DK Gas = 57%. Since the well now averages about 10 BOPM from each formation the oil allocation recommendation is: MV Oil = 50% and DK Oil = 50%.

Included with this letter are plats showing ownership of offsetting leases for both the MV and DK, a copy of letters to the offset operators and BLM, before and after wellbore diagrams, production curves, a pertinent data sheet, and maps indicating the offset MV and DK wells in the area.

Yours truly

A handwritten signature in black ink, appearing to read 'P. M. Pippin', written over a horizontal line.

P. M. Pippin
Senior Production Engineer

PMP:pmp
attachments

cc: Frank Chavez - Aztec OCD

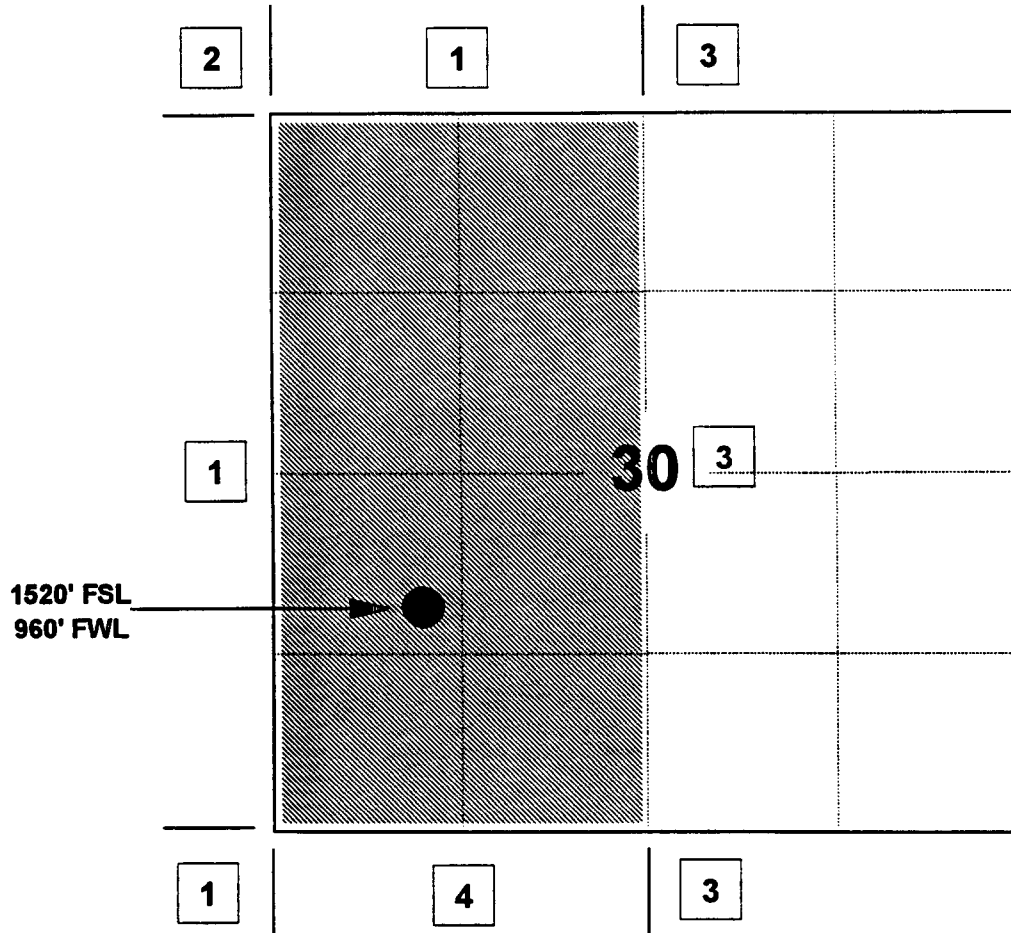
MERIDIAN OIL INC

NAVAJO INDIAN B #5

OFFSET OPERATOR \ OWNER PLAT

Mesaverde / Dakota Dual Completion Well

Township 27 North, Range 8 West



1) Meridian Oil Inc

2) Southland Royalty Company

3) Amoco Production Company

PO Box 800, Denver, CO 80201

4) Snyder Oil Corporation

777 Main, Suite 2500, Ft. Worth, TX 76102

Mesaverde Formation

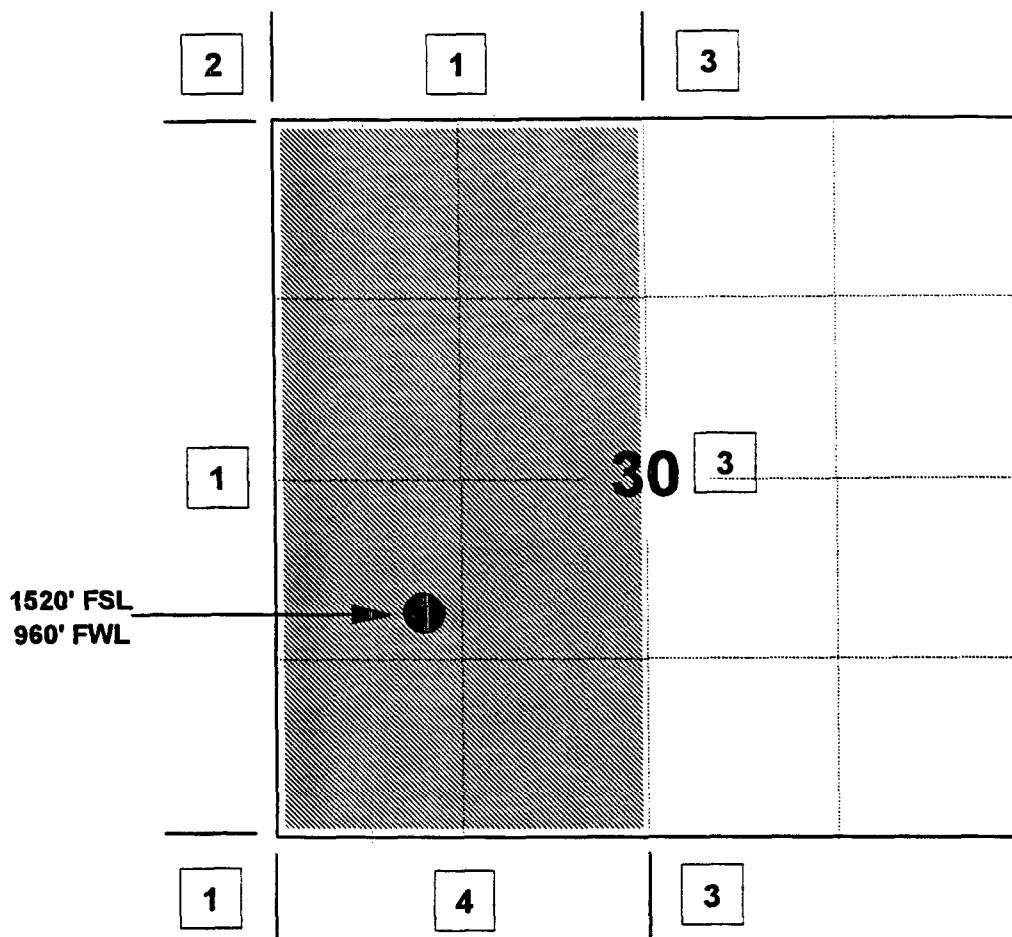
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1) Meridian Oil Inc

2) Southland Royalty Company

3) Amoco Production Company

PO Box 800, Denver, CO 80201

4) Conoco, Inc.

10 Desta Drive, Suite 100W, Midland, TX 79705

Dakota Formation

December 27, 1995

Bureau of Land Management
1235 La Plata Hwy.
Farmington, N. M. 87401

Re: Navajo Indian B #5 MV/DK
1520' FSL; 960' FWL
Section 30, T27N R8W
San Juan County, N. M.

Gentlemen:

Meridian Oil Inc. is in the process of applying for a downhole commingling order for their Navajo Indian B #5 MV/DK located 1520' FSL, 960' FWL, Section 30 T27N R8W, N.M.P.M., San Juan County, New Mexico, in the Blanco Mesaverde and Basin Dakota.

The purpose of this letter is to notify you of such action.

Yours truly,



P. M. Pippin
Senior Production Engineer

PMP:pmp

December 27, 1995

Amoco Production Company
PO Box 800
Denver, CO 80201

Re: Navajo Indian B #5 MV/DK
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P. M. Pippin
Senior Production Engineer

PMP:pmp

December 27, 1995

Snyder Oil Corp
777 Main, Suite 2500
Ft. Worth, TX 76102

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Yours truly,



P. M. Pippin
Senior Production Engineer

PMP:pmp

December 27, 1995

Conoco, Inc.
10 Desta Drive, Suite 100W
Midland, TX 79705

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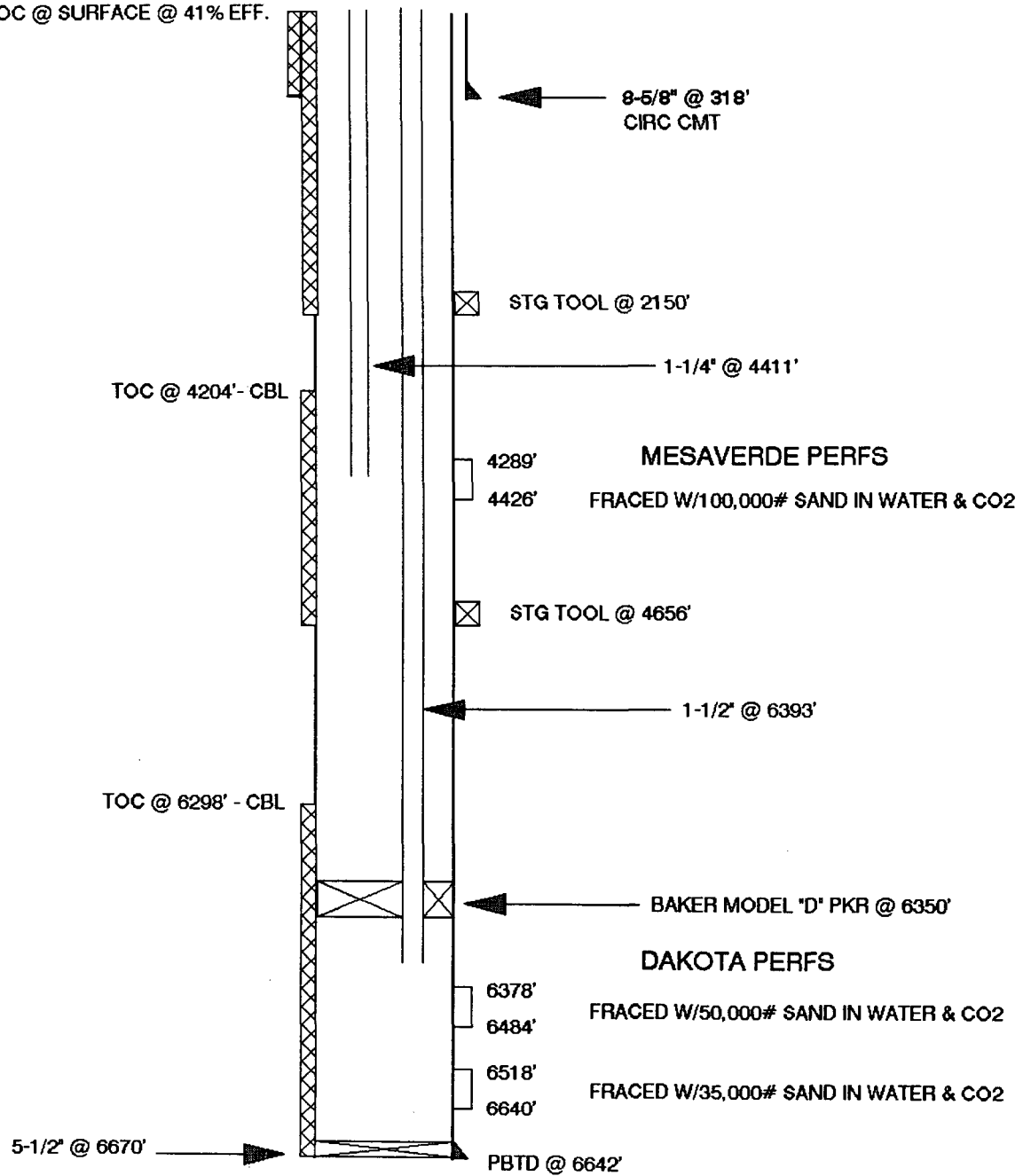
P. M. Pippin
Senior Production Engineer

PMP:pmp

NAVAJO INDIAN B #5 MV/DK

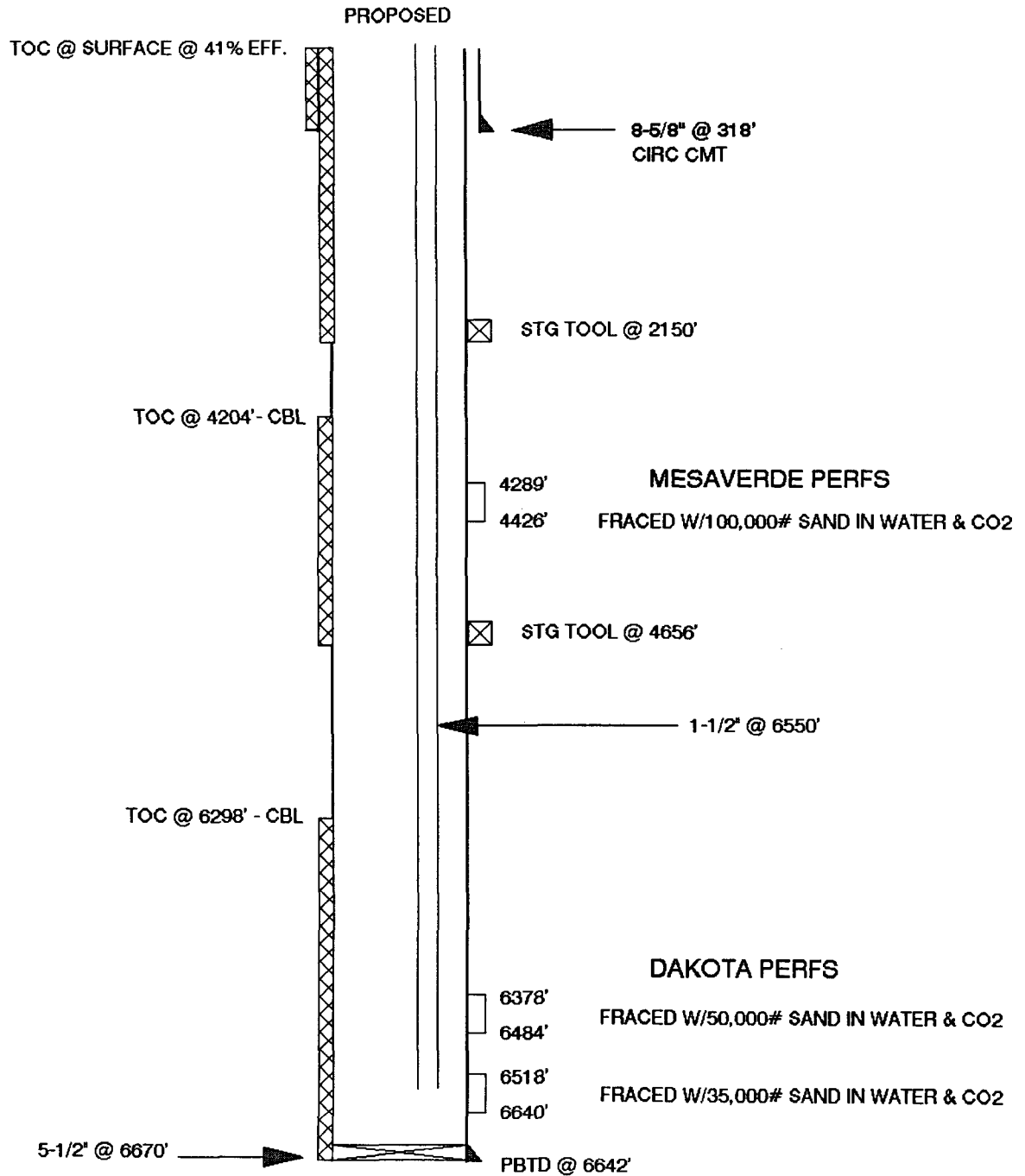
UNIT L SECTION 30 T27N R8W
SAN JUAN COUNTY, NEW MEXICO

TOC @ SURFACE @ 41% EFF.



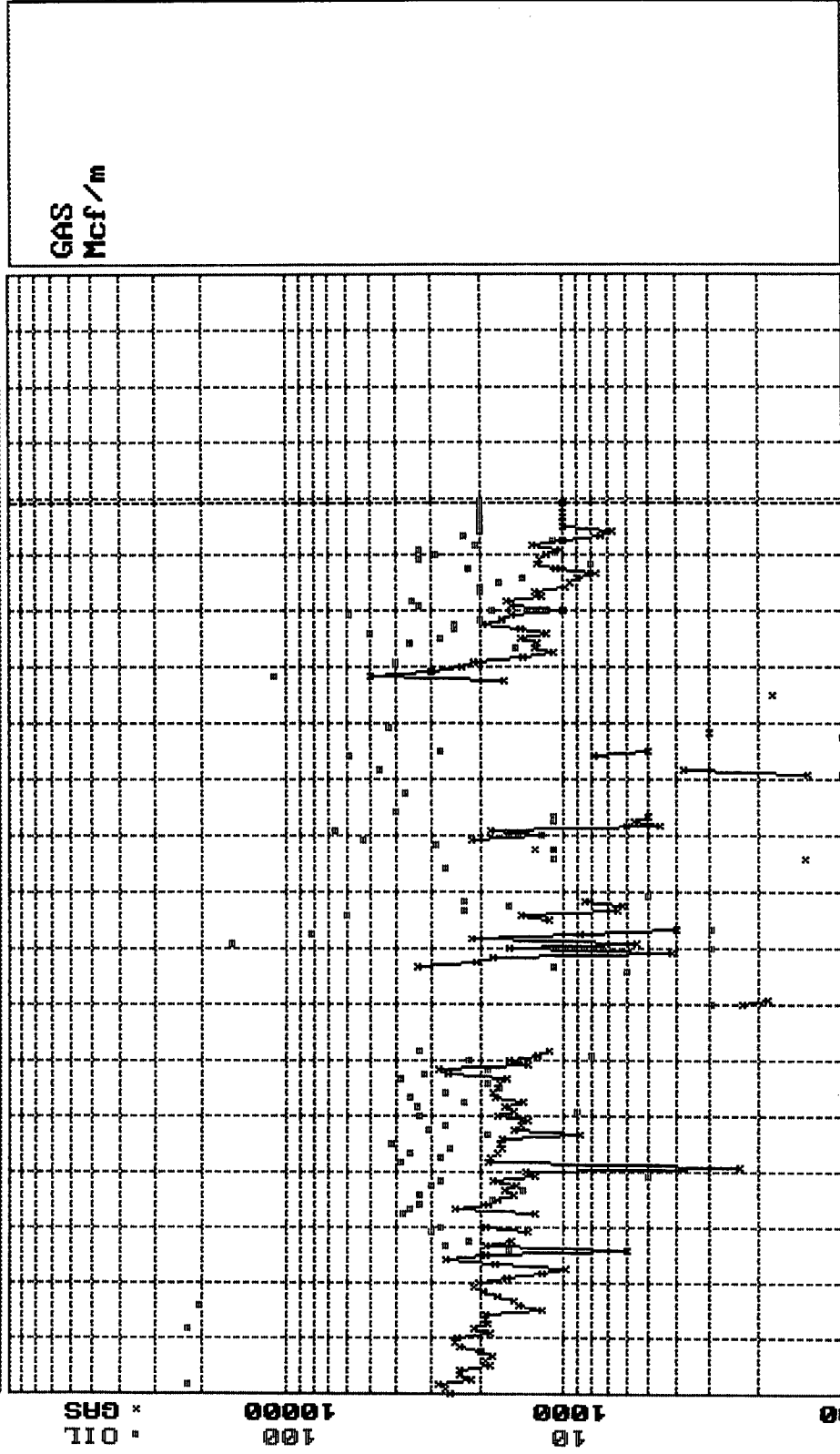
NAVAJO INDIAN B #5 MV/DK

UNIT L SECTION 30 T27N R8W
SAN JUAN COUNTY, NEW MEXICO



Prop: 3322

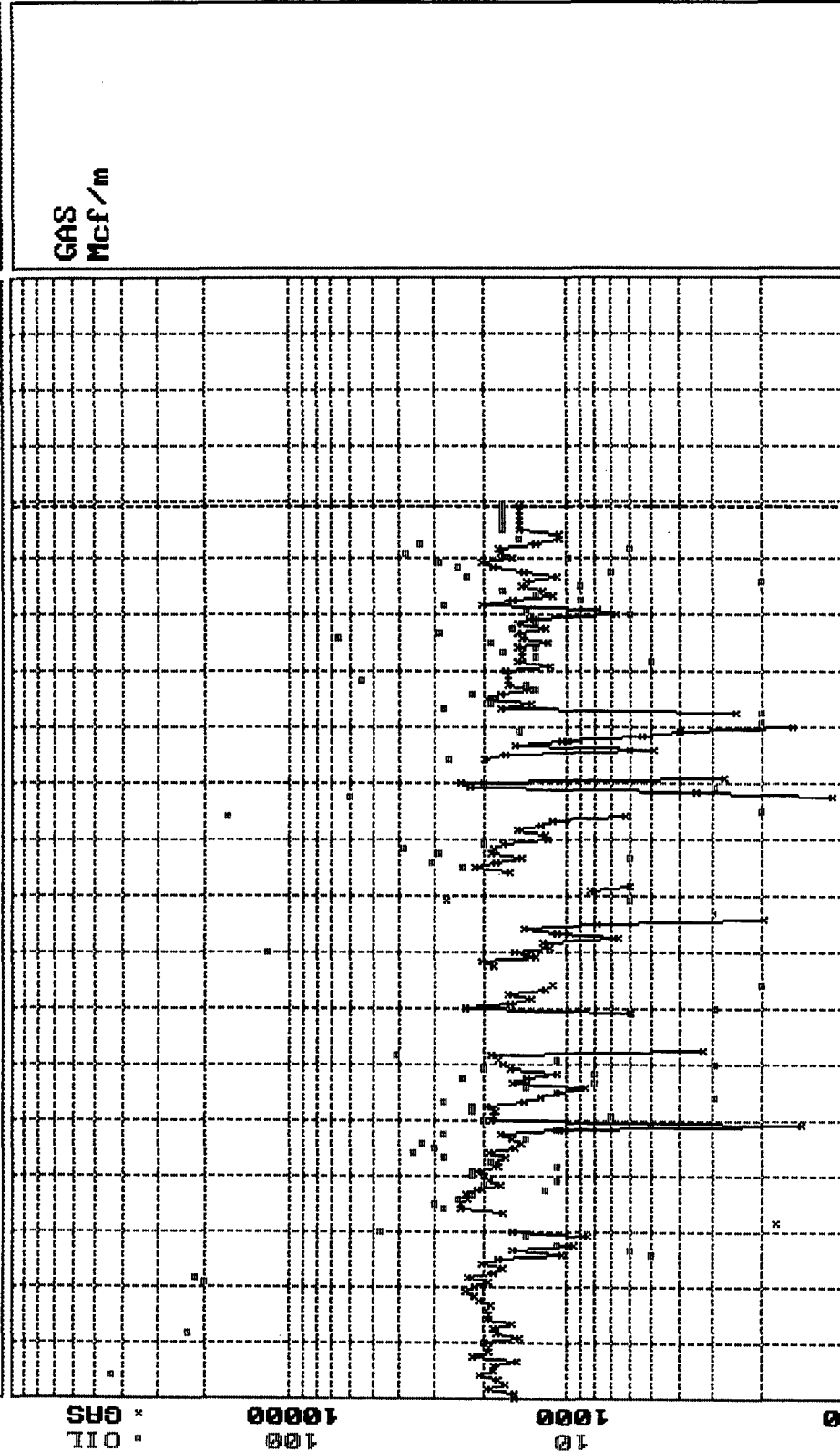
NAVAJO INDIAN B : 5 : 32891B-1 MV



Major=GAS

Prop: 1309

NAVAJO INDIAN B : 5 : 32091A-1 DK



Major=GAS

Pertinent Data Sheet - NAVAJO INDIAN B #5 MV/DK

Location: 1520' FSL & 960' FWL, Unit L, Section 30, T27N, R08W, San Juan County, New Mexico

Field: Basin DK/Blanco MV **Elevation:** 6078' GL
10' KB **TD:** 6670'
PBTD: 6642'

Completed: 6/15/64 **Spud Date:** 5/24/64 **DP #:** MV: 32091A
DK: 32091B
Lease: Ind: I-149-Ind-8468
GWI: 100%
NRI: 87.5%
Prop#: 071217000

Initial Potential: MV: AOF = 5220 MCF/D; Q = 627 MCF/D, SICP = 536 psi
PC: AOF = 3507 MCF/D; Q = 438 MCF/D; SICP = 293 psi

Casing Record:

<u>Hole Size</u>	<u>Csg Size</u>	<u>Wt. & Grade</u>	<u>Depth Set</u>	<u>Cement</u>	<u>Cement (Top)</u>
12-1/4"	8-5/8"	24# J-55	318'	250 sx	Circ Cmt
7-7/8"	5-1/2"	17# J-55	6670'	325 cf	6298' - CBL
		Stage Tool @	4656'	425 cf	4204' - CBL
		Stage Tool @	2150'	900 cf	Surf. @ 41% Eff.

Tubing Record:

<u>Tbg. Size</u>	<u>Wt. & Grade</u>	<u>Depth Set</u>	
1-1/2"	2.9# JCW	6393'	192 Jts
	8 Baker Blast Jts @	4269'-4432'	
	Baker Model "D" PKR @	6350'	
1-1/4"	2.3# JCW IJ	4411'	136 JTS

Formation Tops:

Ojo Alamo:	1144'	Mesaverde	3570'
Kirtland Shale:	1293'	Mancos	4625'
Fruitland:	1820'	Gallup	5475'
Pictured Cliffs:	2000'		
Lewis	2140'	Dakota	6378'

Logging Record: Inductin Log, CBL

Stimulation: Perfed lower DK w/4 spf @ 6518'-22', 6532'-34', 6546'-48', 6554'-58', 6572'-80', 6590'-96', 6622'-26', 6632'-40' & fraced w/35,000# sand in water & CO2. Perfed upper DK w/1 spf @ 6378'-93', 6448'-66', 6471'-84' & fraced w/50,000# sand in water & CO2. Perfed MV w/1 spf @ 4289'-94', 4314'-29', 4344'-61', 4368'-73', 4386'-92', 4402'-10', 4414'-18', 4422'-26' & fraced w/100,000# sand in water & CO2.

Workover History: None

Production history: 1st delivered 5/10/65. Current capacity: MV=30 MCF/D, DK=40 MCF/D. Cumulative: MV=1321 MMCF & 13,564 BO, DK=1242 MMCF & 26,329 BO.

Pipeline: EPNG

DATE: December 22, 1995
 NAME: NAVAJO INDIAN B #5
 FORM: MESAVERDE
 LOCATION UNIT: L
 SEC: 30
 TWN: 27N
 RNG: 08W

<p>8/82 Huerfanito Unit 77A 35/228('95)</p> <p>2/66 Jernigan 3 1/584('95)</p> <p>1/80 Jernigan 3A 81/224('95)</p> <p>9/62 Huerfanito Unit 77 2/383('95)</p> <p>[24]</p>	<p>6/81 Navajo B 6M 125/500('95)</p> <p>6/58 Florence D LS 12 69/2264('95)</p> <p>[19]</p> <p>4/59 Navajo Indian B 3 21/842('95)</p>	<p>3/56 INA</p> <p>4/58 Florence D LS 4 [20] 083('90)</p> <p>4/58 Florence D LS 13 72/1531('95)</p>
<p>10/65 Huerfanito Unit 82 46/2369('95)</p> <p>11/64 Navajo 1 #1 [25] 1.5/825('95)</p>	<p>2/82 Navajo Indian B 5M 21/44('95)</p> <p>6/64 Navajo Indian B 5 23/1319('95)</p> <p>5/58 Bolack C LS 14 5/813('95)</p> <p>[30]</p> <p>3/86 Bolack C LS 14A 53/239('95)</p>	<p>3/58 Bolack C LS 12 123/1472('95)</p> <p>1/87 Bolack C LS 12A 34/134('95)</p> <p>[29]</p> <p>4/58 Bolack C LS 13 33/908('95)</p>
<p>1/80 Huerfanito Unit 86A 100/191('95)</p> <p>3/64 Huerfanito Unit 78 1.5/2523('95)</p> <p>6/65 Huerfanito Unit 86 45/2558('95)</p> <p>[36]</p>	<p>INA 5/79 Linda 1A 242/901('95)</p> <p>1/90 Linda 1A 187/159('95)</p> <p>[31]</p> <p>9/62 Bolack C LS 9 74/22159('95)</p> <p>INA 1/70 Linda 1 0/1472('90)</p>	<p>11/58 Cuccia Com B 4 11/752('95)</p> <p>8/82 Cuccia Com B 4A 87/239('95)</p> <p>[32]</p> <p>INA Cuccia Com A 3 Pcum/984</p>

T 27
N

LEGEND
 COMPLETION DATE
 WELL NAME
 MCF/D-CUM(MMF)

R-08-W

R-09-W

DATE: December 22, 1995
NAME: NAVAJO INDIAN B #5
FORM: DAKOTA
LOCATION UNIT: L
SEC: 30
TWN: 27N
RNG: 08W

<p>11/85 Huerfano Unit 97 101/2590(95)</p> <p>[24]</p> <p>INA 2/66 Jernigan 3 0/2545(94)</p>	<p>10/81 Navajo B 6M 28/236(95)</p> <p>[19]</p> <p>8/66 Navajo B 6 44/540(95)</p> <p>5/67 Florance 67 23/388(95)</p>	<p>7/66 Florance 62 28/1013(95)</p> <p>[20]</p> <p>8/66 Florance 68 24/356(95)</p>
<p>10/65 Huerfano Unit 82 8/1783(95)</p> <p>[25]</p> <p>11/64 Navajo 1 #1 48/1355(95)</p>	<p>11/81 Navajo Indian B 5M 51/270(95)</p> <p>[30]</p> <p>6/64 Navajo Indian B 5 48/1250(95)</p> <p>10/66 Bolack B 4 7/227(95)</p>	<p>P&A 7/66 Bolack B 1 7/71(92)</p> <p>[29]</p>
<p>7/65 Huerfano Unit 86 71/1620(95)</p> <p>[36]</p> <p>INA 3/64 Huerfano Unit 78 0/760(90)</p>	<p>5/66 Navajo C 2 53/1231(95)</p> <p>[31]</p> <p>10/66 Bolack B 5 36/403(95)</p>	<p>2/67 State Com D 5 5/215(95) [32]</p> <p>INA 6/67 State Com E 6 5/52(77)</p>

T 27 N

LEGEND
COMPLETION DATE *
WELL NAME
MCF/D-CUM(MMF)

R-09-W

R-08-W