STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR ANITA LOCKWOOD CABINET SECRETARY

2040 S. PACHECO SANTA FE, NEW MEXICO 87505 (505) 827-7131

ADMINISTRATIVE ORDER DHC-1053

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

Attention: Brian P. Ault

Jicarilla "95" No. 6A

Unit J, Section 36, Township 27 North, Range 3 West, NMPM.

Blanco-Mesaverde and Gavilan-Pictured Cliffs Gas Pools

Rio Arriba County, New Mexico.

Dear Mr. Ault:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations to permit the subject well to commingle production from both pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the two zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303-C-4., total commingled oil production from the subject well shall not exceed 40 barrels per day, and total water production shall not exceed 80 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated pool as printed in the Division's San Juan Basin Gas Proration Schedule.

In accordance with the provisions of Rule 303-C, the supervisor of the Aztec District Office of the Oil Conservation Division shall determine the proper allocation of production from the subject well following its completion.

Pursuant to Rule 303-C-5, the commingling authority granted by the order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Approved at Santa F ϵ , New Mexico on this 3rd day of November, 1994.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

WILLIAM J. LEMAY

Director

SEAL

WJL/DC/kv

cc: Oil Conservation Division - Aztec

Bureau of Land Management -Farmington

Ernie Busch

From: To: Ernie Busch David Catanach

Subject:

MERIDIAN OIL INC (DHC)

Date:

Wednesday, November 02, 1994 12:30PM

Priority:

High

JICARILLA 89 #6 D-13-27N-03W JICARILLA 94 #3A C-2:2-27N-03W JICARILLA 95 #2A O-2:5-27N-03W JICARILLA 95 #6A J-36-27N-03W

RECOMMEND: APPROVAL