

BURLINGTON RESOURCES

SAN JUAN DIVISION

October 30, 1997

Mr. William LeMay
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

RECEIVED
OCT 31 1997
OIL CON. DIV.
DKT. 8

Re: Kelly #2A
Unit J, 1720'FSL, 1630'FEL Section 35, T-30-N, R-10-W
San Juan County, New Mexico
Pictured Cliffs/Mesa Verde
30-045-23380

Dear Mr. LeMay:

This is a request for administrative approval for surface commingling the Pictured Cliffs and Mesa Verde natural gas production in the subject well.

To comply with the New Mexico Oil Conservation Division rules, Burlington is submitting the following for your approval of this commingling:

1. a schematic diagram of the proposed installation;
2. a plat showing the location of all wells on lease and pool of each producing well;
3. annual production for each formation

Latest production data was in 1996, which shows less than 1 BOPD and 1 BWPD from the Mesa Verde. The Pictured Cliffs makes no liquids. The two formations run through separate separation equipment. There is no concern with the liquid hydrocarbon commingling.

Please note on item #1 above, the "accepted for record" approval of the Bureau of Land Management Farmington District Office.

There will be no decrease in value by commingling in this well.

We will consult with the Supervisor of the Aztec District Office of the New Mexico Oil Conservation Division to establish an allocation formula.

Please let me know if you require additional data.

Sincerely,



Peggy Bradfield
Regulatory/Compliance Administrator

encs.

MAR 02 1994

FARMINGTON DISTRICT OFFICE

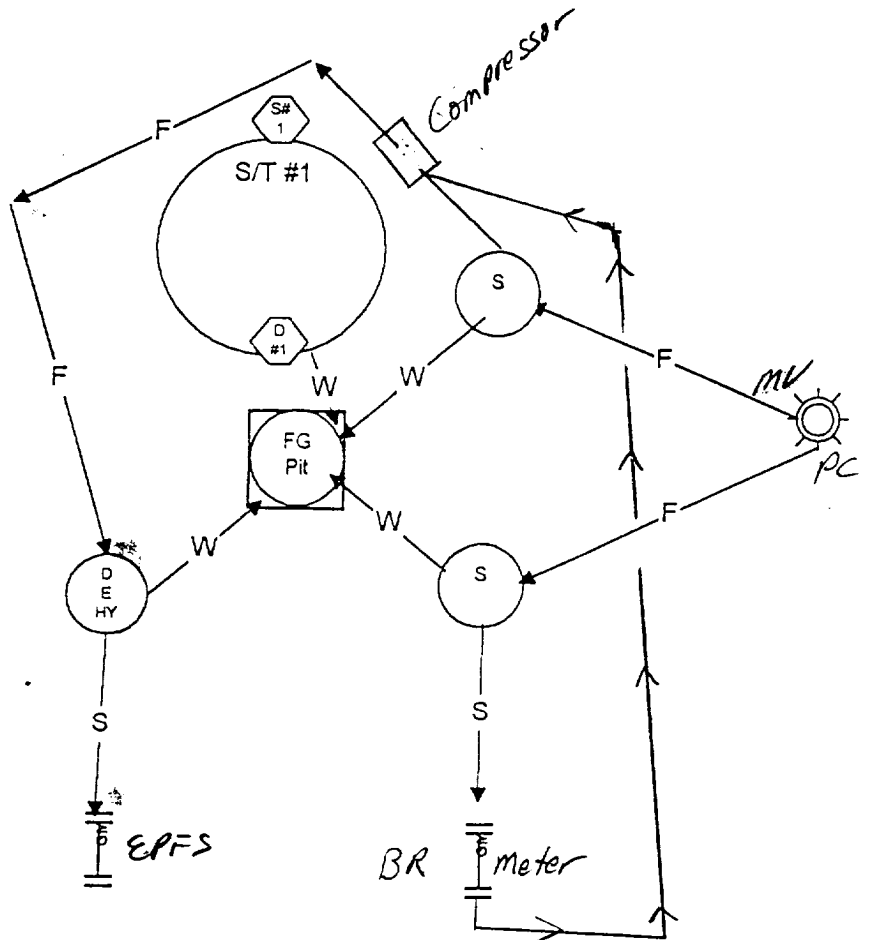
BY BC

DPNO: 53115A
 WELLNAME: KELLY
 LEASE#: NMNM04240
 LOCATION: Unit: J Sec: 35
 ORIGINAL: 02/15/1994

2A

Twn: 030N Rng: 010W
 REVISED:

The site security plan is located at:
 Meridian Oil Inc.
 3535 E. 30th Street
 Farmington, NM 87402



Attachment to the Site Facility Diagram - Lease NM
 General sealing of valves. Sales by tank gauging
 PRODUCTION PHASE: All drain valves and all sales
 valves are sealed closed.
 SALES PHASE: The tank from which sales are being
 made will be isolated by sealing closed the drain
 valve, fill valve, and the equalizer valve(s)
 during sales.

DRAINING PHASE: The tank being drained will
 be isolated by sealing closed the sales valve, fill
 equalizer valve(s), and the drain valves on the
 other tanks.

SEALING OF VALVES:

Tank S/T1 - S#1, D#1, SEALED - SHUT
 Tank S/T2 -
 Tank S/T3 -
 Tank S/T4 -

[illegible]

MESAVERDE 320 ACRE SPACED UNIT (E/2)

FARMINGTON

ANNUAL PRODUCTION FOR 53115B

PHS020M1

KELLY 2A

BLANCO MESAVERDE (PRORATED GAS FIELD MESAVERDE ZONE

===== OIL CUM =====

===== GAS CUM =====

===== WATER CUM =====

PC DATE

BBLs

PC DATE

MCF

DATE

BBLs

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=====
YEAR      OIL      OIL CUM      GAS      GAS CUM      WATER  WATER CUM
1990      203      5196      60967    1205575      232     3641
1991      360      5556      57746    1263321      219     3860
1992      272      5828      71880    1335201      274     4134
1993      377      6205      79273    1414474      302     4436
1994      174      6379      53578    1468052      204     4640
1995      254      6633      77787    1545839      296     4936
1996      250      6883      76929    1622768      294     5230
1997       63      6946      35934    1658702      138     5363

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POSITION CURSOR BY YEAR AND PRESS ENTER TO DISPLAY MONTHLY PRODUCTION

ENTER - CONTINUES ANNUAL DISPLAY

PF3 - TRANSFER TO UPDATE

PF6 - RETURN TO WELL-INFO DISPLAY

PF9 - ANNUAL INJECTION DISPLAY

PF10 - HELP INFORMATION

FARMINGTON

ANNUAL PRODUCTION FOR 53115A

PHS020M1

KELLY 2A

AZTEC PICTURED CLIFFS (GAS) FIELD

PICTURED CLIFFS ZONE

===== OIL CUM =====

===== GAS CUM =====

===== WATER CUM =====

PC DATE

BBLs

PC DATE

MCF

DATE

BBLs

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=====
YEAR      OIL      OIL CUM      GAS      GAS CUM      WATER      WATER CUM
1990              9394      201712
1991              5009      206721
1992             10660      217381
1993             13268      230649
1994              8743      239392
1995             10119      249511
1996              8613      258124
1997              8366      266490

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POSITION CURSOR BY YEAR AND PRESS ENTER TO DISPLAY MONTHLY PRODUCTION

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PF10 - HELP INFORMATION