

**Ernie Busch**

---

**From:** Ernie Busch  
**To:** Ben Stone  
**Subject:** MERIDIAN OIL INC SUNRAY D#1A(DHC)  
**Date:** Thursday, March 21, 1996 3:22PM  
**Priority:** High

21-30N-10W  
RECOMMEND: APPROVAL

FORM C-115- OPERATORS MONTHLY REPORT (CONTINUATION)

OPERATOR: LOUIS DREYERUS NATURAL GAS CORP		OGRID: 025773		MONTH/YEAR 08/95		PAGE 7 OF 26										
7		INJECTION		PRODUCTION		DISPOSITION OF OIL, GAS, AND WATER										
POOL NO. AND NAME PROPERTY NO. AND NAME WELL NO. AND U-L-S-T-R API NUMBER	8 C O D E	9 VOLUME	10 PRESSURE	11 C O D E	12 BBL'S OF OIL/COND- ENSATE PRODUCED	13 BBL'S OF WATER PRODUCED	14 GAS PRODUCED (MCF)	15 DAYS PRODUCED	16 C O D E	17 POINT OF DISPOS- ITION	18 GAS BTU OR OIL API GRAV	19 OIL ON HAND AT BEGINNING OF MONTH	20 VOLUME (BBL'S/MCF)	21 TRANS- PORTER OGRID	22 C O D E	23 OIL ON HAND AT END OF MONTH
005962 MCL																
005A 0-06-26N-7N 30-039-22932	F				14	32	1169	31		1189510		49				63
										1189530	1199		684	007057		
													31		U	
													434		V	
										1189550			32		O	
71629 BASIN FRUITLAND COAL (GAS) 005956 FEDERAL 33																
42-33 H-33-27N-11W 30-045-28836	F				0	2	9801	31		1188530	1048		9428	025244		
													373		U	
													2		O	

March 11, 1996

New Mexico Oil Conservation Division  
Attention: Mr. William LeMay  
P.O. Box 2088  
310 Old Santa Fe Trail  
Santa Fe, New Mexico 87501

RE: Sunray D #1A  
NW/4, Section 21, T30N, R10W  
San Juan County, New Mexico  
Downhole Commingling Request

**RECEIVED**  
MAR 18 1996  
**OIL CON. DIV.**  
**DIST. 3**

Dear Mr. LeMay:

Meridian Oil Inc. is applying for administrative approval to downhole commingle the above referenced well in the Blanco Mesaverde and Aztec Pictured Cliffs intervals during the proposed workover. The zones to be commingled have common ownership. All offset operators shown on the attached plat and the Bureau of Land Management have received notification of this downhole commingling application.

This well has produced since 1981 as a dual well from the Mesaverde and Pictured Cliffs. The well is presently not a good producer due to poor producing efficiency. It had a producing capacity in 1995 of 72 mcf/d and 23 mcf/d, respectively. The commingling of the subject well will result in better producing efficiency for both intervals. A possible future artificial lift system, such as a plunger will be more efficient with the intervals commingled. Granting this application will be in the best interest of conservation, the prevention of waste, and the protection of correlative rights.

The proposed project is to fracture stimulate bypassed pay in the existing Mesaverde completion. Commingling should enhance this well's producing life and provide an economical means of recovering reserves from both zones. We plan to commingle this well during the proposed workover by pulling the Pictured Cliffs tubing and the Mesaverde tubing and packer seal assembly. The permanent packer will be extracted and a single string of tubing will be landed in the lower producing interval.

The reservoir characteristics of each of the subject zones are such that underground waste would not be caused by the proposed downhole commingling. The compatibility analysis of fluids from the Pictured Cliffs and Mesaverde indicate that the fluids from each zone are compatible and no precipitates will be formed to cause damage to either reservoir. (See attachment.) The small amount of fluids from each zone are anticipated to be compatible and no precipitates should be formed to cause damage to either reservoir. Shut in pressures for the two formations are within a 50% variance. (Surface pressures for the Mesaverde and Pictured Cliffs are 369 psi and 308 psi, respectively.)

New Mexico Oil Conservation Division  
Mr. William LeMay  
Sunray D #1A  
Downhole Commingling Request  
Page Two

The allocation of the commingled production will be calculated using production history and flow tests obtained from the Pictured Cliffs and Mesaverde during workover operations. Meridian Oil Inc., will consult with the District Supervisor of the Aztec District Office of the Division for approval of the allocation.

Approval of this commingling application will prevent resources from being wasted and protect correlative rights. Attached with this letter are plats showing ownership of the offsetting leases for both the Mesaverde and Pictured Cliffs, a copy of the letter sent to the Bureau of Land Management, fluid compatibility analysis, a wellbore diagram, pertinent data sheet, and a workover procedure.

Sincerely,

A handwritten signature in cursive script that reads "Mary Ellen Lutey".

Mary Ellen Lutey  
Production Engineer

MEL:mel

**Attachments**

cc: Frank T. Chavez - NMOCD/Aztec  
Peggy Bradfield - MOI Regulatory  
Bureau of Land Management  
Well File

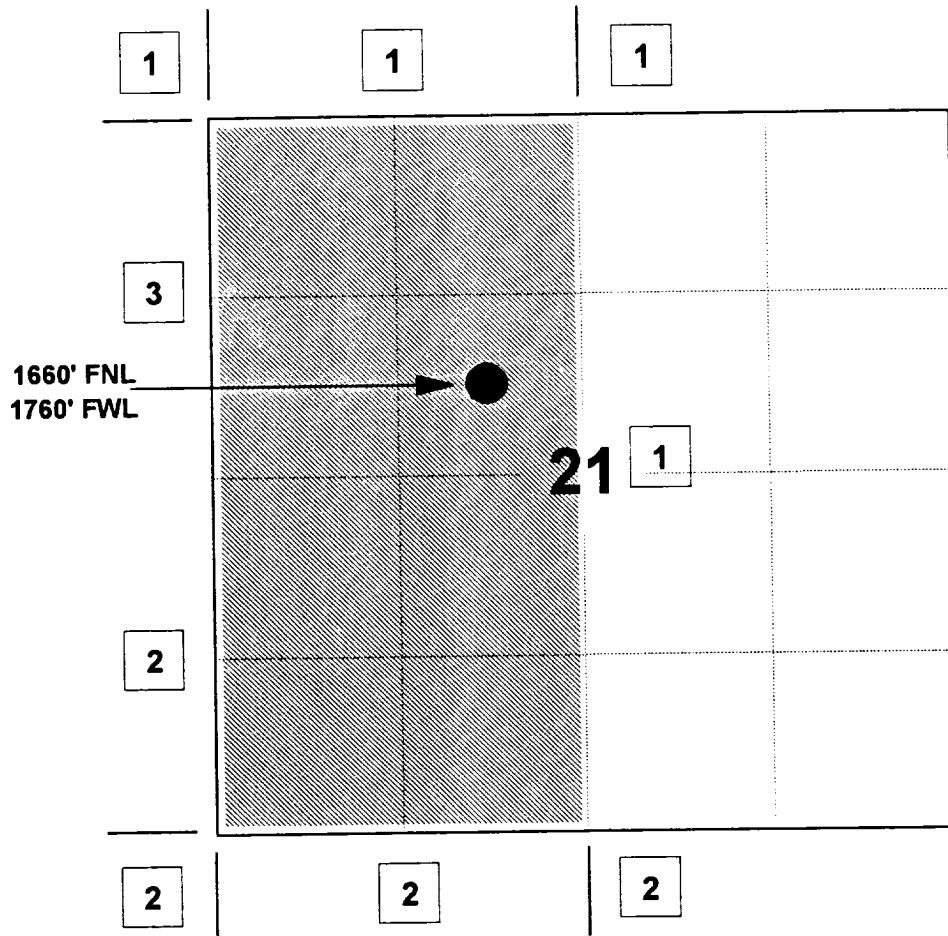
# MERIDIAN OIL INC

## SUNRAY D #1A

OFFSET OPERATOR \ OWNER PLAT

Mesaverde / Pictured Cliffs Dual Completion Well

Township 30 North, Range 10 West



1) Meridian Oil Inc

2) Amoco Production Company

PO Box 800, Denver, CO 80201

3) Conoco, Inc.

10 Desta Drive, Suite 100W, Midland, TX 79705-4500

Mesaverde Formation

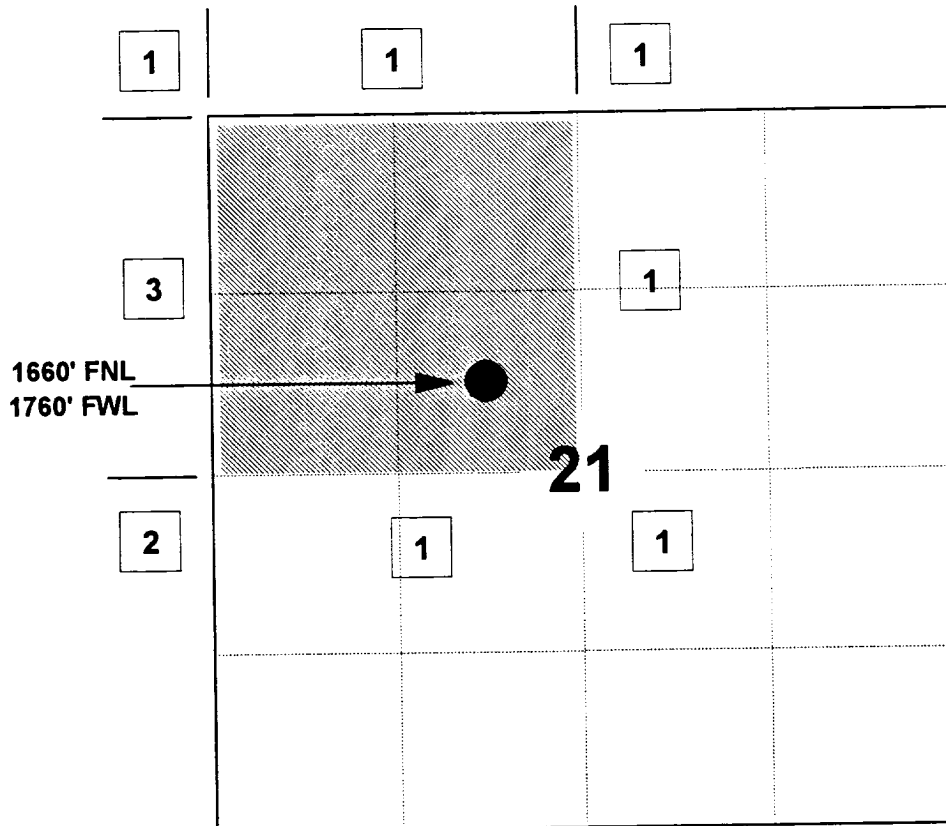
# MERIDIAN OIL INC

## SUNRAY D #1A

OFFSET OPERATOR \ OWNER PLAT

Mesaverde / Pictured Cliffs Dual Completion Well

Township 30 North, Range 10 West



1) Meridian Oil Inc

2) Amoco Production Company

PO Box 800, Denver, CO 80201

3) Conoco, Inc.

10 Desta Drive, Suite 100W, Midland, TX 79705-4500

Pictured Cliffs Formation

# MERIDIAN OIL

March 11, 1996

Bureau of Land Management  
1235 La Plata Highway  
Farmington, New Mexico 87401

RE: Sunray D #1A  
NW/4, Section 21, T30N, R10W  
San Juan County, New Mexico  
Downhole Commingling Request

Gentlemen:

Meridian Oil Inc. is in the process of applying for a downhole commingling order from the New Mexico Oil Conservation Division (NMOCD) for the referenced well located in San Juan County, New Mexico. The approved application will commingle the Mesaverde and the Pictured Cliffs fields.

The purpose of this letter is to notify you of Meridian's application. If you have no objections to the NMOCD issuing a commingling order, we would appreciate your signing this letter and returning the original to Mr. LeMay at the following address with a copy to this office:

New Mexico Oil Conservation Division  
Mr. William LeMay  
P.O. Box 2088  
Santa Fe, New Mexico 87501

Your prompt attention to this matter would be appreciated.

Sincerely,



Mary Ellen Lutey  
Production Engineer

MEL:mel

**The undersigned hereby waives objection to the referenced  
Downhole Commingle Request.**

**Company/Owner:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_