

MERIDIAN OIL

OIL CONSERVATION DIVISION
RECEIVED

September 11, 1991 01 SEP 20 AM 9 04

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

RE: Jicarilla G #9A
Unit 0, Section 1, T26N, R05W
Rio Arriba County, New Mexico
Downhole Commingling Request

Dear Mr. LeMay:

Meridian Oil Inc. is applying for an administrative downhole commingling order for the referenced well in the Blanco Mesaverde and the B.S. Mesa Gallup fields. The ownership of the zones to be commingled is common. The offset operator to the east is Columbus Energy and Meridian holds the acreage to the west, north and south of this well. The Bureau of Land Management and Columbus Energy will receive notification of this downhole commingling.

The subject well was drilled and dual completed in the Mesaverde and Gallup zones in 1980. The Gallup is producing up a 2 3/8" string of tubing and the Mesaverde produces up the 2 3/8" by 4 1/2" annulus. The Gallup has exhibited a normal decline over the 12 years of production. The Mesaverde has had fluid lifting problems up the larger flow area since it was put on production and has never produced to its potential. The Mesaverde produced over 1000 MCFD for eight months in 1980 until the fluid in the annulus began logging off the well. Since then the well has never produced more than 100 MCFD. By producing the Mesaverde more efficiently up the tubing string, an initial increase of 400 MCFD is anticipated.

The immediate offsets in the Mesaverde have an average cumulative production of 1081 MMCF per well, while the subject well has only produced 476 MMCF from the Mesaverde. This poor performance is attributed to the inefficient production string and can easily be remedied by granting this commingling request. It is proposed to pull the packer in the well and produce both zones up the 2 3/8" tubing. The option of running dual tubing strings is not available because of the 4 1/2" casing.

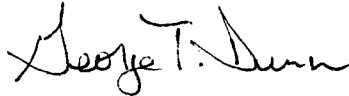
The reservoir characteristics of each of the subject zones are such that underground waste will not be caused by the proposed commingling. The fluids in these reservoirs are compatible and no precipitates will be formed to cause damage to either reservoir. Commingling of these two zones has been authorized and successfully completed in the Jicarilla G #9 (NE/4, Section 1, T26N, R05W, Order #R-8321) and the Jicarilla G #8 (NE/4, Section 2, T26N, R05W, Order #R-8658). The shut in pressures for the Mesaverde and Gallup are 713 psi and 734 psi; respectively.

New Mexico Oil Conservation Division
Mr. Bill LeMay
Jicarilla G #9A
Downhole Commingling Request

The allocation of the commingled production will be calculated by using flow tests from the Mesaverde and Gallup during workover operations, and the previously established Gallup production history. Meridian will consult with the district supervisor of the Aztec NMOCD office for approval of the allocation.

Approval of this commingling application will allow for the prevention of wasted resources and protection of correlative rights. Included with this letter are plats showing ownership of offsetting leases for both the Mesaverde and Gallup, a copy of letters to the BLM and offset operators, wellbore diagrams, production history curves, and a pertinent data sheet.

Sincerely,

A handwritten signature in cursive script, reading "George T. Dunn".

George T. Dunn
Regional Production Engineer

LKS:th
attachments

cc: Frank Chavez - NMOCD/Aztec

MERIDIAN OIL

September 11, 1991

Columbus Energy
Attn: Tracie Stogner
1860 Lincoln Street
Suite 1100
Denver, Colorado 80295

RE: Jicarilla G #9A
Unit 0, Section 1, T26N, R05W
Rio Arriba County, New Mexico
Downhole Commingling Request


Gentlemen:

Meridian Oil, Inc. is in the process of applying for a downhole commingling order for the Jicarilla G #9A well located in Unit 0, Section 1, T26N, R05W, N.M.P.M., Rio Arriba County, New Mexico, in the Blanco Mesaverde and B.S. Mesa Gallup fields.

The purpose of this letter is to notify you of such action. If you have no objections to the proposed commingling order, we would appreciate your signing the attached copy of this letter and returning it to this office.

Your prompt attention to this matter would be appreciated.

Yours truly,



George T. Dunn
Regional Production Engineer

LKS:th

The above downhole commingling request is hereby approved:

Date: _____

MERIDIAN OIL

September 11, 1991

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

RE: Jicarilla G #9A
Unit 0, Section 1, T26N, R05W
Rio Arriba County, New Mexico
Downhole Commingling Request


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Yours truly,



George T. Dunn
Regional Production Engineer

LKS:th

The above downhole commingling request is hereby approved:

Date: _____

Pertinent Data Sheet - Jicarilla G #9A

Location: 1160' FSL, 1810' FEL, Section 1, T26N, R05W, Rio Arriba County, NM

Field: Blanco Mesaverde
B.S. Mesa Gallup

Elevation: 7321'GL **TD:** 8227'

PBTD: 7860'

Completed: 03/80

Initial Potential: Gallup - 1456 MCFD AOF
Mesaverde - 2830 MCFD AOF

Casing Record:

| <u>Hole Size</u> | <u>Csg. Size</u> | <u>Wt. & Grade</u> | <u>Depth Set</u> | <u>Top/Cement</u> |
|------------------|------------------|----------------------------|------------------|-------------------|
| 13 3/4" | 10 3/4" | 32.75# | 257' | Circ. to Surf |
| 9 7/8" | 7 5/8" | 26.40# | 4329' | 3200' (T.S.) |
| 6 3/4" | 4 1/2" | 10.50# & 11.60# DV Tool | 7967' 6607' | 5530' (CBL) |

Tubing Record: 2 3/8" 4.7 EUE @ 7696; Baker Model D Packer set @ 7696'.

Formation Tops:

| | |
|-------------|-------|
| Cliff House | 5655' |
| Menefee | 5800' |
| Pt. Lookout | 6180' |
| Gallup | 7715' |

Logging Record: Induction, Density, GR, CBL

Stimulation: Gallup - Perf'd 2 SPF 7724'-7732'. Frac'd with 20,000# 20/40 sand, 29,000 gals 2% KCl and 320,000 SCF nitrogen.

Mesaverde - Perf'd 1 hole at 5659', 5661', 5744', 5746', 5748', 5749', 5773', 5775', 5779', 5781', 6182', 6185', 6188', 6191', 6194', 6196', 6200', 6203', 6206', 6209'. Frac'd with 50,000# 20/40 sand and 51,000 gals 1% KCl.

Workover History: None

Production History: Initial deliverability - 3/80 - 136 MCFD GP - 859 MCFD MV
Latest deliverability - 1/91 - 117 MCFD GP - 43 MCFD MV
Cumulative production - 1/91 - 902 MMCF GP - 476 MMCF MV

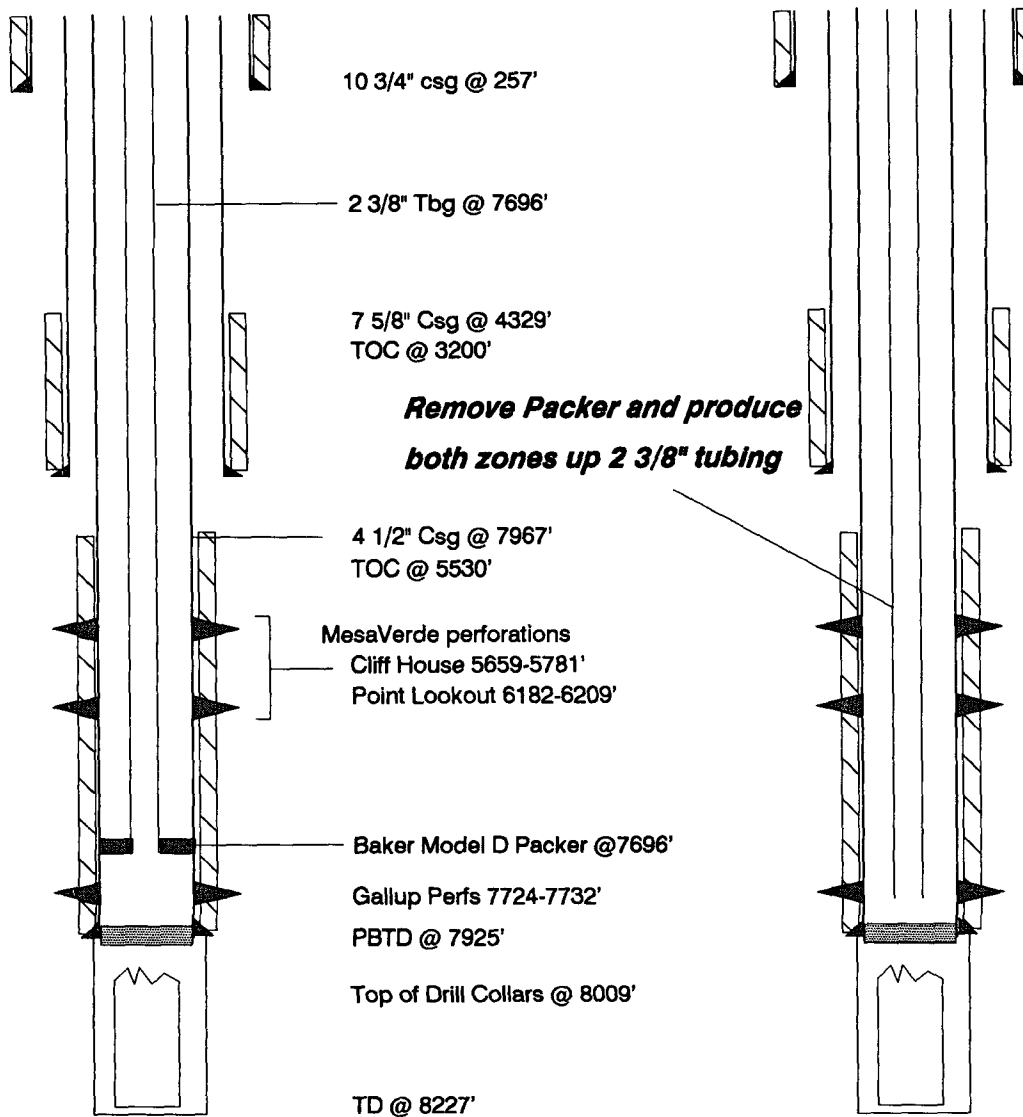
Transporter: GCNM

Jicarilla G #9 A
Unit O Sect 1-T26N-R5W
Rio Arriba County, New Mexico

Wellbore Schematic

CURRENT

PROPOSED



MERIDIAN OIL

Jicarilla G #9A

Rio Arriba County, N. M.

Gallup - Mesaverde

Commingle Application

Gallup Leasehold

| | | | | |
|--------------------|---|-----------------------------|--------------------|------|
| Meridian 35 | Meridian 36 | Meridian 31 | | T27N |
| Meridian 2 | Meridian 1 Jicarilla G #9A ● | Columbus Energy 6 | Meridian | T26N |
| Meridian 11 | Meridian 12 | Meridian 7 | Columbus Energy | |
| R5W | | R4W | | |

MERIDIAN OIL

Jicarilla G #9A

Rio Arriba County, N. M.

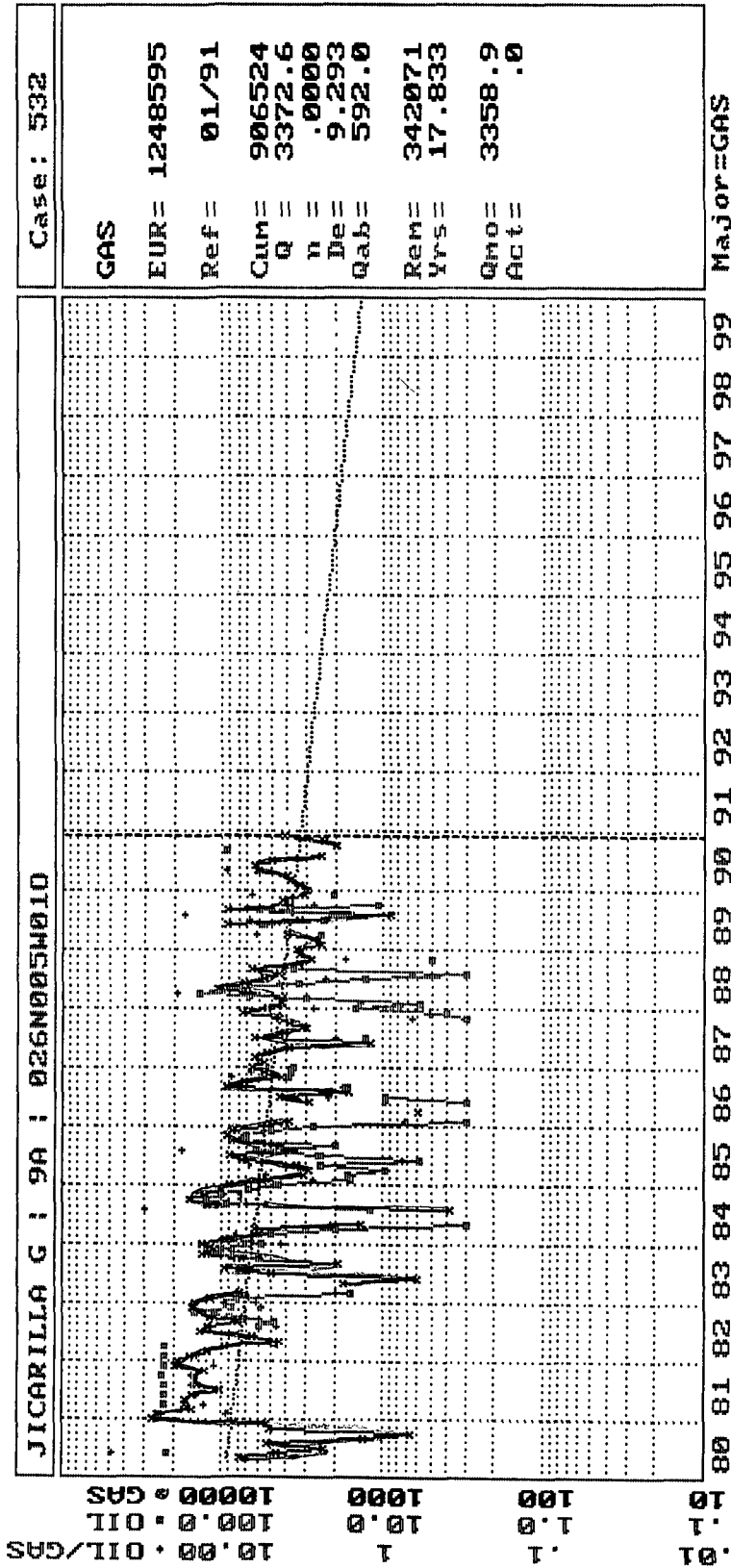
Gallup - Mesaverde

Commingle Application

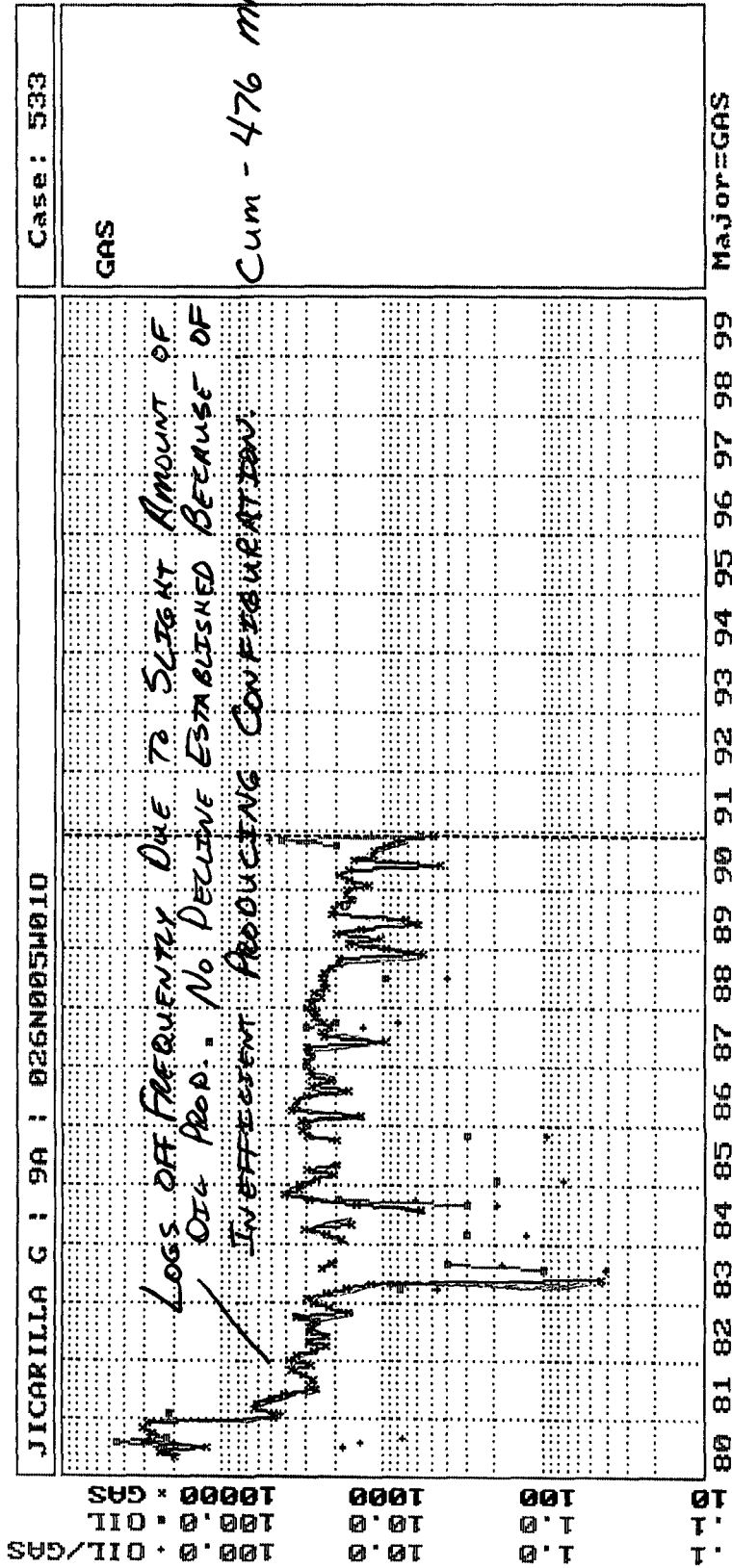
Mesaverde Leasehold

| | | | |
|--------------------|---|--------------------|----------------------------|
| Meridian 35 | Meridian 36 | Meridian 31 | T27N |
| Meridian 2 | Meridian 1 Jicarilla G #9A ● | Meridian 6 | |
| Meridian 11 | Meridian 12 | Meridian 7 | Columbus Energy T26N |
| R5W | | R4W | |

Callup



MESAVERDE





STATE OF NEW MEXICO
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

RECEIVED
'91 OCT 16 AM 9 17

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

Date: 10/11/91

Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

RE: Proposed MC _____
Proposed NSL _____
Proposed WFX _____
Proposed NSP _____

Proposed DHC X _____
Proposed SWD _____
Proposed PMX _____
Proposed DD _____

Gentlemen:

I have examined the application received on 9/19/91
for the Meridian Juavilla Co #9A
OPERATOR LEASE & WELL NO.

O-1-26N-SW and my recommendations are as follows:
UL-S-T-R

Approve

Yours truly,

W. J.