

DHC-1169



United States Department of the Interior

CONSERVATION DIVISION
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BUREAU OF LAND MANAGEMENT

Farmington District Office
1235 La Plata Highway
Farmington, New Mexico 87401

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IN REPLY REFER TO:
SF-080511
3162.7-3 (07327)

November 22, 1995

Mr. Thomas E. Mullins
Reservoir Engineer
Meridian Oil Inc.
P.O. Box 4289
Farmington, NM 87499

RE: Federal Lease SF-080411
Downhole Commingling Application
Basin Dakota/ Largo Gallup
Blanco Mesaverde/ Otero Chacra Pools
No. 9 Harrington
1650' FSL and 1840' FEL
Section 31, T. 27 N., R. 7 W.
Rio Arriba County, New Mexico

Dear Mr. Mullins:

The Farmington District Office (FDO) of the Bureau of Land Management (BLM) has received your letter dated October 23, 1995, for downhole commingling of the Basin Dakota (DK) / Largo Gallup (GL), and the Blanco Mesaverde (MV) / Otero Chacra (CH) formations in the above referenced well. It is understood that there will be two tubing stings with a permanent set packer isolating DK-GL and MV-CH production. Additionally, there will be two (2) separate surface facilities for each of the paired zones.

Approval to downhole commingle is granted for the referenced well, however it is required that once determined, that the allocation factors be submitted for each zone.

If you have further questions regarding this matter, please contact Brian W. Davis at (505) 599-6367 or (505) 599-8900.

Sincerely,

/s/ Duane Spencer

Duane W. Spencer
Team Leader, Petroleum Management

bcc:

NMOCD, Santa Fe