

VIA FAX: (505) 827-8177

February 22, 1996

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

RE: Rule 303 Revisions

Dear Mr. LeMay:

Meridian Oil Inc requests that the Division amend the proposed Commingle Rule 303(C) under paragraph D.1(b)(ii) as follows:

Replace:

ii) "The bottomhole pressure of the highest pressured commingled zone does not exceed the original reservoir pressure of any other commingled zone in the wellbore, adjusted to a common datum. Such bottomhole pressure shall be determined by downhole measurement for each zone capable of flowing.

With:

ii) "The bottomhole pressure of the highest pressured commingled zone does not exceed the original reservoir pressure of any other commingled zone in the wellbore, adjusted to a common datum. Actual or estimated bottomhole pressures shall be required for each zone to be commingled.

This change would allow an operator to take actual bottom hole pressure readings or to calculate bottom hole pressure under standard engineering formulas from existing surface pressures, offset well pressures (actual or estimated) or other acceptable data. We will appreciate your consideration of the proposed changes.

Very truly yours,



Alan Alexander
Senior Land Advisor

AA/cj
NMOCD Rules File