

9-12-86 70 fig - corrected by phone

Replacement letter in mail
Jg

MERIDIAN OIL

September 11, 1986

Mr. Jerry Sexton
Supervisor, District I
Energy & Minerals Department
P. O. Box 1980
Hobbs, New Mexico 88240

RE: AZTEC 22 FEDERAL #1-F
SECTION 22, T18S, R33E

Dear Mr. Sexton:

Subsequent to receiving approval to downhole commingle from the Bone Spring and Wolfcamp completions for the referenced well, we submitted Form C-104 to have an allowable assigned for these zones. By letter dated September 5, 1986, to Southland Royalty Company, operator of the well, you requested additional information before you can approve the allowables.

The percentage breakdown for oil and gas in each zone is as follows:


<u>Zone</u>	<u>Oil %</u>	<u>Gas %</u>
Bone Spring	8	4
Wolfcamp	92	96
	100%	100%

The commingled production during a test on August 16, 1986, was 54 BO, 9 BW, and 120 MCF gas. The Bone Spring sole production was the daily average taken from the June, 1986, C-115 report (4 BO, 2 BW, 5 MCF gas). The difference between the commingled production and the Bone Spring production is the Wolfcamp production.

To allow you to process the C-104's and assign an allowable, I am submitting with this letter three (3) copies of Form C-102 dedicating 40 acres to the Bone Spring and 80 acres to the Wolfcamp.

If you need other information, please contact Mr. J. R. Stark, Operations Engineer, or me at our Midland, Texas, office.

Sincerely,


R. L. Bradshaw
Sr. Staff Env./Reg. Specialist

01380:091186

cc: S. W. Nance
J. R. Stark
B. J. Boles, Jr.
Central Files

Meridian Oil Inc., 21 Desta Drive, Midland, Texas 79705, Telephone 915-686-5600