



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

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

August 15, 1991

Karen Hopkins-Land Man
Meridian Oil, Inc.
P.O. Box 4289
Farmington, NM 87499

27N-10W-4 F

Re: C-104 Approval for the Meridian Hargrave #1 and McAdams #3
Wells.

Dear Karen:

There apparently is some confusion as to land status of the referenced wells as to whether or not they need Com Agreements. Enclosed, please find copies of C-102s submitted to us by your land department stating that Com Agreements will be obtained. When we receive applications that state that something is pending for acreage consolidation, we automatically hold all C-104 approvals. It may be that the information on the C-102 is inaccurate, but we do not have any way of checking, so we accept the form on the certification by the operator. If the referenced wells have obtained Com Agreements, resubmit forms C-102 with the Agreement number stated in the appropriate section. If the proration units are covered by one lease, new C-102s will need to be submitted and proof of the lease status provided.

I will continue to withhold the C-104 approval until we are in receipt of the revised C-102s.

If you have any questions please contact me.

Your's truly,

A handwritten signature in cursive script that reads "Ernie Busch".

Ernie Busch
Deputy Oil & Gas Inspector

xc: Peggy Bradfield-w/ enclosures
Dorothy Jacquez-w/o enclosures
Well Files
Operator Files