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Range 7 Sec 16
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JA

State of New Mexico



W.R. HUMPHRIES
COMMISSIONER



Commissioner of Public Lands

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

November 30, 1989

Meridian Oil Inc.
P.O. Box 4289
Farmington, New Mexico 87499
Attn: Kimberly Mullican

Re: Communitization Agreement
Frances Creek State Com #100
E/2 Sec.16, T-30-N, R-07-W
Rio Arriba County, New Mexico

Gentlemen:

The Commissioner of Public Lands has this date approved the Frances Creek State Com Well # 100 communitization agreement. This agreement communitizes the E/2 of Section 16, Township 30 North, Range 7 West in Rio Arriba County, New Mexico as to the Fruitland formation. The effective date of this agreement is May 15, 1989. The term of the agreement is for one year and so long as communitized substances are produced from the communitized area in paying quantities.

Enclosed are five (5) Certificates of Approval.

If we may be of further service, please do not hesitate to call on us.

Sincerely,

W.R. HUMPHRIES
COMMISSIONER OF PUBLIC LANDS

BY: *Floyd O. Prando*
FLOYD O. PRANDO, Director
Oil & Gas Division
(505) 827-5744

WRH/FOP/JB
enc.
cc: OCD

Note: CPL does not number its agreements



NEW MEXICO STATE LAND OFFICE

CERTIFICATE OF APPROVAL

COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

MERIDIAN OIL, INC. - FRANCES CREEK ST. COM WELL # 100

RIO ARriba COUNTY, NEW MEXICO

E/2, Section 16, Township 30N, Range 7 West - Fruitland Formation - 320 Acres

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, the attached Agreement for the development and operation of acreage which is described within the attached Agreement, dated May 15, 1989, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement, the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands.

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 19-10-45, 19-10-46, 19-10-47, New Mexico Statutes Annotated, 1978 Compilation, I, the undersigned, Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 30th day of November, 19 89.

W.R. Humphries
COMMISSIONER OF PUBLIC LANDS
of the State of New Mexico