

MERIDIAN OIL

June 30, 1994

Mr. David Catanach
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504

RE: Amend Commingling Order(s)
PLC-95 and PLC-99

Mr. Catanach:

Southland Royalty Company respectfully requests approval to amend the above referenced commingling orders (see attached). We propose to amend PLC-99 by removing the Aztec 22 Federal No. 3 well producing from the West Corbin Delaware (commingled with the Federal MA Lease) and instead ask for commingling with Order PLC-95, (commingled Aztec 22 Federal No.2 and Percha 15 Federal No. 3 Com).

Production information is as follows:

Aztec 22 Federal No. 2	22 BOPD	40.5 Gravity	36 MCFPD	Wolfcamp
Aztec 22 Federal No. 3	20 BOPD	39.0 Gravity	30 MCFPD	Delaware
Percha 15 Federal No. 3 Com	10 BOPD	40.5 Gravity	30 MCFPD	Wolfcamp

Production will be into a common tank battery located in Unit letter F, Sec. 22, T18S, R33E, Lea County, New Mexico, Aztec 22 Federal battery.

Production will be allocated by separately metering the production from each well prior to commingling.

We have 100% working interest in each well.

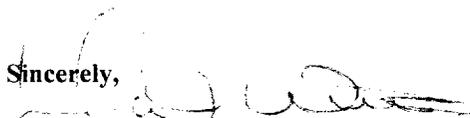
The proposed commingling of production is in the interest of conservation and will not result in reduced royalty or improper measurement of production.

The proposed commingling is necessary for continued operation of the above referenced leases.

The Bureau of Land Management has been notified of our intentions. Please see attached.

Should you have any questions, or need additional information, please do not hesitate to contact me at 915-688-6943.

Sincerely,


Donna J. Williams
Production Assistant

