

PLC-79

N.M. OIL CONS. COMMISSION
P.O. BOX 1980
HOBBS, NEW MEXICO 88240

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

5. Lease Designation and Serial No.
NM 0997

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No. FEDERAL 21

9. API Well No.
2 BATTERY

10. Field and Pool, or Exploratory Area

11. County or Parish, State
LEA COUNTY, NM

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
SOUTHLAND ROYALTY COMPANY

3. Address and Telephone No.
P.O. Box 51810 Midland, TX 79710 915-688-6943

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
BATTERY LOCATION:
K, SEC. 21, T18S, R33E

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>AMEND SURFACE</u>
	<u>COMMINGLING PERMIT</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

SOUTHLAND ROYALTY COMPANY RESPECTFULLY REQUESTS APPROVAL TO AMEND THE SURFACE COMMINGLING, MEASUREMENT APPROVAL, AND OFF-LEASE STORAGE OF HYDROCARBON PRODUCTION FROM THE WEST CORBIN DELAWARE, AND SOUTH CORBIN WOLFCAMP POOLS AND FURTHERMORE, ADD THE SOUTH CORBIN BONE SPRING POOL TO THE EXISTING ORDER FROM THE FEDERAL 21 COM LEASE (NM 0997), FEDERAL 21 LEASE (NM 61605), AND THE FEDERAL MA WELL NO. 9 AND OUR NEW WELL, THE FEDERAL MA # 10 (BONE SPRING PRODUCTION((NM 0997)

SEE ATTACHED INFORMATION.

14. I hereby certify that the foregoing is true and correct
Signed Donna Williams Title PRODUCTION ASSISTANT Date 1/21/94

(This space for Federal or State office use)
Approved by Adam Salameh Title Petroleum Engineer Date 2/2/94
Conditions of approval, if any:

APPLICATION TO AMEND SURFACE COMMINGLING, AND MEASUREMENT APPROVAL FOR THREE POOLS .

**TO: BUREAU OF LAND MANAGEMENT
P.O. BOX 1778
CARLSBAD, NEW MEXICO 88221-1778**

MERIDIAN OIL INC. IS REQUESTING APPROVAL TO AMEND THE SURFACE COMMINGLING, OFF LEASE STORAGE, AND MEASUREMENT OF HYDROCARBON PRODUCTION FROM THE WEST CORBIN DELAWARE, SOUTH CORBIN WOLFCAMP, AND THE SOUTH CORBIN BONE SPRING TO A CENTRAL LOCATION AT THE FEDERAL '21' BATTERY LOCATED IN UNIT LETTER K, SEC. 21, T18S, R33E, IN LEA COUNTY, NEW MEXICO, LEASE NO: NM 0997

<u>WELL NO:</u>	<u>SEC.</u>	<u>TWP</u>	<u>RNG</u>	<u>FORMATION</u>	<u>LEASE NO.</u>	<u>STATUS</u>
FEDERAL 21 # 1	21	18S	33E	BONE SPRING	NM0997	SHUT IN
FEDERAL 21 # 2	21	18S	33E	WOLFCAMP	NM 0997	PROD.
FEDERAL 21 # 3	21	18S	33E	WOLFCAMP	NM 61605	PROD.
FEDERAL 21 # 4	21	18S	33E	DELAWARE	NM 61605	PROD.
FEDERAL MA # 9	21	18S	33E	WOLFCAMP	NM 0997	PROD.
FEDERAL MA # 10 *	21	18S	33E	BONE SPRING	NM 0997	PROD.

PRODUCTION FROM THE WELLS INVOLVED IS AS FOLLOWS:

<u>WELL NAME AND NO.</u>	<u>BOPD</u>	<u>GRAVITY</u>	<u>MCF/PD</u>
FEDERAL 21 #1	N/A	N/A	N/A
FEDERAL 21 # 2	20	40.3	95
FEDERAL 21 # 3	22	41	75
FEDERAL 21 # 4	02	38	20
FEDERAL MA # 9	68	40.6	465
FEDERAL MA # 10*	84	39	35

* INDICATES NEW WELL AND FORMATION TO COMMINGLING ORDER

THE PROPOSED OPERATION IS DESCRIBED IN DETAIL ON THE ATTACHED DIAGRAM.

A MAP IS ENCLOSED SHOWING LOCATION OF ALL WELLS THAT WILL CONTRIBUTE PRODUCTION TO THE PROPOSED COMMINGLING/COMMON STORAGE FACILITY. ALL UNITIZED/COMMUNITIZED AREAS, PRODUCING ZONES/POOLS ARE ALSO CLEARLY ILLUSTRATED.

A SCHEMATIC DIAGRAM IS ALSO ATTACHED WHICH CLEARLY IDENTIFIES ALL EQUIPMENT THAT WILL BE UTILIZED.

THE STORAGE AND MEASURING FACILITY IS LOCATED AT UNIT LETTER K, SEC. 21, T18S, R33E OF LEASE NUMBER NM 0997, LEA COUNTY, NEW MEXICO. THE BLM WILL BE NOTIFIED IF THERE IS ANY FUTURE CHANGE IN THE FACILITY LOCATION.

DETAILS OF THE PROPOSED METHOD FOR ALLOCATING PRODUCTION TO CONTRIBUTING SOURCES IS AS FOLLOWS:

FEDERAL 21 # 2	PROD. TEST THRU TEST TREATER
FEDERAL 21 # 3	PROD. TEST THRU TEST TREATER
FEDERAL 21 # 4	PROD. TEST THRU TEST TREATER
FEDERAL MA # 9	PROD. TEST THRU TEST TREATER
FEDERAL MA # 10 *	PROD. TEST THRU TEST TREATER

THERE IS ALSO A LACT UNIT INSTALLED AT UNIT LETTER K, SEC. 21, T18S, R33E, LEA COUNTY, NEW MEXICO. SEE ATTACHED DIAGRAM.

THE BATTERY HAS A 3-PHASE PRODUCTION HEATER TREATER. THE FEDERAL 21 WELLS NO.(S) 2,3 & 4 ARE TIED INTO ONE TEST SEPARATOR WITH CAPABILITIES OF SEPARATELY MEASURING EACH WELL. THE FEDERAL MA # 9 & 10 WILL HAVE ITS OWN SEPARATOR. THESE ARE EQUIPPED WITH HALLIBURTON'S TURBINE FLOW METERS ON THE OIL DUMPS AND WATER DUMPS TO MEASURE THE OIL AND WATER DURING TEST PERIODS. EACH TEST TREATER IS EQUIPPED WITH AN ORIFICE TEST METER TO MEASURE THE GAS VOLUMES.

MERIDIAN IS 100% WORKING INTEREST OWNER FOR THIS LEASE.

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 FEDERAL LEASE.

ADDITIONALLY, WE REQUEST FOR OFF LEASE STORAGE OF HYDROCARBON PRODUCTION FROM THE FEDERAL 21, WELLS ON. 3 & 4 (NM 61605) TO THE FEDERAL 21, WELL NO. 2 (NM 0997), LOCATED IN UNIT LETTER K, SEC. 21, T18S, R33E, LEA COUNTY, NEW MEXICO. FURTHERMORE, WE REQUEST APPROVAL FOR OFF LEASE STORAGE OF HYDROCARBON PRODUCTION FROM THE FEDERAL MA # 9 & 10 (NM 0997) TO THE FEDERAL 21, WELL NO 2 (NM 0997) LOCATED IN UNIT LETTER K, SEC. 21, T18S, R33E, LEA COUNTY, NEW MEXICO.

WE UNDERSTAND THAT THE REQUESTED APPROVAL WILL NOT CONSTITUTE THE GRANTING OF ANY RIGHT OF WAY OR CONSTRUCTION RIGHTS NOT GRANTED BY THE LEASE INSTRUMENT. AND, WE WILL SUBMIT WITHIN 30 DAYS AN APPLICATION FOR RIGHT OF WAY APPROVAL TO THE BLM'S REALTY SECTION IN YOUR OFFICE IF WE HAVE NOT ALREADY DONE SO.

SIGNATURE:



NAME:

Pamela Williams

TITLE:

Prod. Asst

DATE:

11/21/94

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