

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

OFF LEASE STORAGE ORDER OLS-170

Southland Royalty Company
c/o Meridian Oil Company
P.O. Box 51810
Midland, TX 79705-5406

Attention: Donna J. Williams

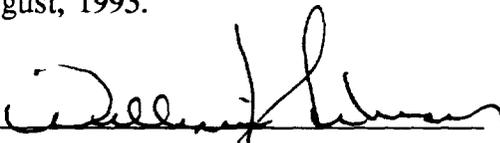
As an exception to the requirements of Rule 309-A of the Division Rules and Regulations, and pursuant to the provisions of Rule 309-C, the above named company is hereby authorized off-lease storage for Bone Spring Pool production from the following lease:

Lease Name: Parkway "C" State Well No. 1
Description: SE/4 NW/4, Section 15, Township 19 South, Range 29 East, NMPM,
Eddy County, New Mexico.

The aforementioned production is to be transported prior to measurement to its own tank battery to be located in Unit A of Section 15, Township 19 South, Range 29 East, on the Parkway "B" State Lease.

NOTE: This installation shall be operated in accordance with the provisions of Rules 309-A and 309-B of the Division Rules and Regulations and there shall be no intercommunication of the handling, separating, treating, or storage facilities designated to each of the above leases.

Done at Santa Fe, New Mexico, on this 20th day of August, 1993.


WILLIAM J. LEMAY, Director

SEAL

cc: State Land Office - Santa Fe