

MERIDIAN OIL

Oil Conservation Division

NOV 15 1990 9 24

November 12, 1990

Mr. David Catanach
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

**RE: Surface Commingle Request
Federal "MA" Lease
Permit No. PC-767
Lea County, NM**

Dear Mr. Catanach:

The Federal "MA" No. 2 was recently plugged back and recompleted in the West Corbin (Bone Spring). The referenced permit authorizes the surface commingling of production from the West Corbin (Delaware) and the South Corbin (Wolfcamp). We are requesting this amendment to avoid the need to construct and operate a new tank battery. When approved, Meridian will be able to use existing facilities.

By copy of this letter, I am requesting Mr. Shannon Shaw, BLM-Carlsbad, to review the information and, if he concurs with our request, to so advise you.

If other information is needed, please contact me at (915) 686-5678.

Sincerely,



Robert L. Bradshaw
Sr. Staff Env./Reg. Specialist

RLB/bn

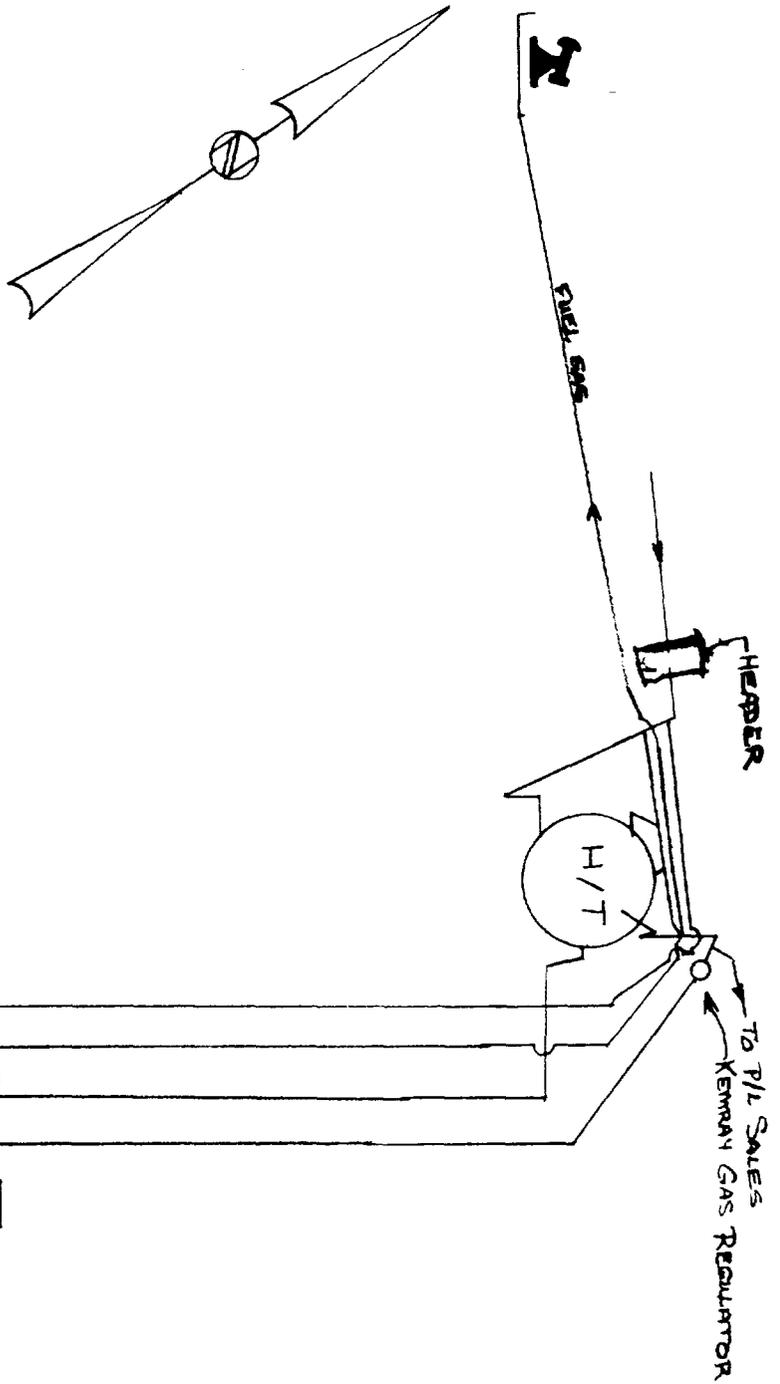
cc: Lease File
D.D. McBee
E.M. Carpenter
J.E. Kramer
Mr. Shannon Shaw - BLM, Carlsbad, NM
Mr. Jerry Sexton - OCD, Hobbs, NM

MERIDIAN OIL INC.
 FEDERAL "MA" LEASE
 REQUEST TO AMEND
 COMMINGLE PERMIT NO. PC-767

| | <u>Wolfcamp</u> | <u>Delaware</u> | <u>Bone Spring</u> | <u>Commingled</u> |
|-----------------|-----------------|-----------------|--------------------|-------------------|
| API Gravity | 42.2° | 39.0° | 37.5° | 39.2° |
| Volume, bbl/day | 75 | 214 | 100 | 389 |
| Volume, \$/bbl | 34.75 | 34.712 | 34.682 | 34.716 |
| Value, \$ | 2606.25 | 7428.368 | 3468.20 | 13,504.524 |

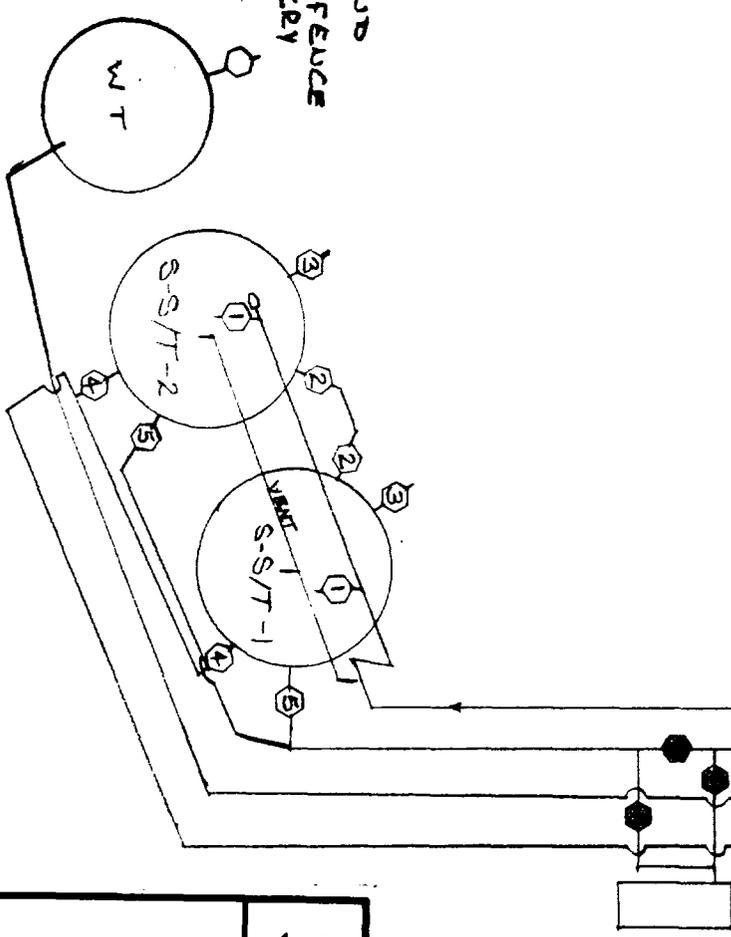
Combined Value \$13,502.818
 Commingled Value \$13,504.524
 Value Gain (Loss) \$ 1.706

- Note: a) \$34.75 - weighted average price as of 10/31/90.
 \$0.02 deduct per °API below 40.9° API gravity.
- b) This amendment request is to add Bone Spring production to
 Commingle Permit No. PC-767.
- Wolfcamp - Well No. 4 *m*
- Delaware - Well Nos. ~~6~~ & 7 *?*
- Bone Spring - Well Nos. 2 & 3 *m*



- -- SEW FIB VALVE
- -- NON SEW FIB VALVE

NOTE: FIRE WALL AND
BARBED WIRE FENCE
AROUND BATTERY



Southland Royalty Company

MIDLAND, TEXAS

SITE SECURITY DIAGRAM

Federal "MA" No. 2
NE/4 SE/4 Sec. 21, T-18-S, R-33-E
Lea County, New Mexico

By: R. L. Bradshaw
Not to Scale

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

| | | | | | | | | |
|---|----------------------|-----------------------------|------------------------------|-----------------------|-----|--|--|--|
| Operator SOUTHLAND ROYALTY COMPANY | | | Lease FEDERAL 'MA' | | | Well No. | | |
| Unit Letter | Section 27 | Township 18 SOUTH | Range 33 East | County NMPM | LEA | | | |
| Actual Footage Location of Well: | | | | | | | | |
| feet from the | | line and | | feet from the | | line | | |
| Ground level Elev. | Producing Formation | | Pool | Dedicated Acreage: | | Acres | | |
| <p>1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.</p> <p>2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communization, unitization, force-pooling, etc.? <input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation _____ If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____ No allowable will be assigned to the well until all interests have been consolidated (by communization, unitization, forced-pooling, or otherwise) _____</p> | | | | | | | | |
| | | | | | | <p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Robert L. Bradshaw</i> Signature</p> <p>ROBERT L. BRADSHAW Printed Name</p> <p>R. STAFF ENV/REG SPEC. Position</p> <p>MERIDIAN OIL INC. Company</p> <p>NOVEMBER 28, 1990 Date</p> <hr/> <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.</p> <p>Date Surveyed _____</p> <p>Signature & Seal of Professional Surveyor _____</p> <p>Certificate No. _____</p> | | |

SEC. 21 PORTION OF LEASE

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

| | | | | | |
|--|----------------------|-----------------------------|------------------------------|-----------------------|------------|
| Operator SOUTHLAND ROYALTY COMPANY | | | Lease FEDERAL "MA" | | Well No. |
| Unit Letter | Section 21 | Township 18 SOUTH | Range 33 East | County NMPM | LEA |

| | | | |
|----------------------------------|---------------------|---------------|--------------------|
| Actual Footage Location of Well: | | | |
| feet from the | line and | feet from the | line |
| Ground level Elev. | Producing Formation | Pool | Dedicated Acreage: |
| | | | Acres |

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
 Yes No If answer is "yes" type of consolidation _____
 If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)
 No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, force-pooling, or otherwise) and approved by the Division.

OPERATOR CERTIFICATION
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.
 Signature: *Robert L. Bradshaw*
ROBERT L. BRADSHAW
 Printed Name
R. STAFF ENV/REG SPEC.
 Position
MERIDIAN OIL, INC.
 Company
NOVEMBER 23, 1990
 Date

SURVEYOR CERTIFICATION
 I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.
 Date Surveyed _____
 Signature & Seal of Professional Surveyor _____
 Certificate No. _____

SEC. 27 PORTION OF LEASE