



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

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

February 6, 1989

Southland Royalty Co.
c/o Meridian Oil, Inc.
21 Desta Drive
Midland, TX 79705

Attention: Connie Monahan,
Operations Tech III

Administrative Order NSP-1555

Dear Ms. Monahan:

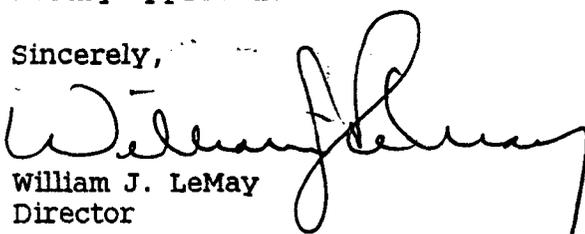
Reference is made to your application of December 2, 1988 for a 40-acre non-standard oil proration unit consisting of the following acreage in the Scharb Bone Spring Pool:

LEA, NEW MEXICO
TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 4: SE/4 NW/4

It is my understanding that this unit is to be dedicated to your Scharb "4" Well No. 2 located at a standard oil well location 1980 feet from the North and West lines (Unit F) of said Section 4.

By authority granted me under the provisions of Rule 3 of the Special Rules and Regulations for the Scharb Bone Spring Pool as promulgated by Division Order No. R-2589, as amended, the above non-standard proration unit is hereby approved.

Sincerely,


William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Hobbs
NM Oil and Gas Engineering Committee - Hobbs
NM State Land Office - Santa Fe