

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING  
GOVERNOR



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

*OFF LEASE STORAGE ORDER OLS-168*

Meridian Oil Inc.  
P.O. Box 51810  
Midland, Texas 79710-1818

Attention: Maria L. Perez

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: South Corbin Wolfcamp Pool production from the following lease:

Lease Name: Tijeras State Lease

Description: SW/4 SE/4 Section 21, Township 18 South, Range 33 East, NMPM  
Lea County, New Mexico

The aforementioned production is to be transported prior to measurement to its own tank battery to be located in;

Unit Letter K Section 21, Township 18 South, Range 33 East, on the Federal "21" 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, N.M. on this 18th day of February, 1992

A handwritten signature in black ink, appearing to read "William J. Lemay".  
WILLIAM J. LEMAY, Director

SEAL



JIM BACA  
COMMISSIONER

State of New Mexico

OFFICE OF THE

Commissioner of Public Lands

Santa Fe

P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

February 12, 1992

Meridian Oil  
P. O. Box 51810  
Midland, Texas 79710-1810

Attention: Maria L. Perez

Re: Off Lease Storage Application  
Tijeras State Well No. 1-O  
Sec. 21-18S-33E  
South Corbin Wolfcamp Field  
Lea County, New Mexico

Gentlemen:

Reference is made to your letter of February 3, 1992, wherein you request approval to your proposal for off lease storage of production for the captioned well to the Federal "21" Battery located in Unit Letter K, of this same section.

We have derived the following information from your letter of application:

1. Meridian Oil, as operator, owns 100% working interest on both leases.
2. Production from each lease will be metered separately and accounting procedures are in place to account for production and sales from these leases separately.
3. There will be no commingling of production.

The Commissioner of Public Lands has this date granted approval to your proposed request. Please be advised that any deviation from your proposed request will be grounds to rescind our approval. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

JIM BACA  
COMMISSIONER OF PUBLIC LANDS

BY: *Floyd O. Prando*  
FLOYD O. PRANDO, Director  
Oil/Gas and Minerals Division  
(505) 827-5744

JB/FOP/pm

# MERIDIAN OIL

February 3, 1992

Mr. Floyd O. Prando, Director  
State of New Mexico  
Office of Commissioner of Public Lands  
Oil, Gas and Minerals Division  
P. O. Box 1148  
Santa Fe, NM 87504-1148

*Rec'd 2/7*

RE: APPLICATION FOR PERMISSION FOR  
OFF LEASE STORAGE OF PRODUCTION  
TIJERAS STATE NO. 1  
SOUTH CORBIN WOLFCAMP FIELD  
0, SEC. 21, T18S, R33E  
LEA COUNTY, NEW MEXICO  
NM-64944

Dear Mr. Prando:

Meridian requests permission for off lease storage of the captioned well to the Federal "21" Battery located in Unit Letter K, Sec. 21, T18S, R33E, Lea County, NM, Lease No. NM-61605. Enclosed is a money order for \$30.00 to cover the application fee.

Plats are attached showing the location of the leases, well, and flow line.

The only lease involved in this request is the Tijeras State No. 1 in Unit Letter O, Sec. 21, T18S, R33E, Lea County, NM, Lease NM-64944.

The Tijeras State No. 1 produces from the South Corbin Wolfcamp Pool. A schematic diagram of the entire system is enclosed. We plan to add one tank at the Federal 21 Battery and completely separate the oil piping. The double LACT at the West Corbin Battery will be used to sell both leases. Production will be metered at the storage site.