

State of New Mexico

OFFICE OF THE

Commissioner of Public Cands

Santa Fe

P.O. BOX 1148

SANTA FE, NEW MEXICO 87504-1148

September 6, 1991

Meridian Oil Inc. 21 Desta Drive Midland, Texas 79710 ATTN: Connie L. Malik

RE: Request for Approval to Surface Commingle State Oil and Gas Lease Nos. V-1357 and E-10001 Section 16, Township 18 South, Range 32 East

Dear Ms. Malik;

We are approving Meridian's request to surface commingle the production for the above captioned Oil and Gas Leases from the following wells, Mitchell 16 State #1 and #2 (Wolfcamp), Mitchell 16 State #3 (San Andres), and the Young State #1 (Delaware). Please be advised that our approval is subject to like approval from the New Mexico Oil Conservation Division. If we can be of further assistance to you, please advise.

New Mexico State Land Office

Jim Baca, Commissioner

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BY: Floyd O. Prando, Director Oil, Gas and Minerals Division

FOP/kkc

cc: OCD-Santa Fe

BLM