



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Carlsbad Resource Area Headquarters

P.O. Box 1778

Carlsbad, New Mexico 88221-1778

OIL CONSERVATION DIVISION
RECEIVED TAKE
PRIDE IN
AMERICA

3162 (067)
NM-0997
NM-21171

SEP 21 1992

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

RE: NM-0997, Aztec 22 Fed. No. 2, Sec. 22
NM-21171, Percha 15 Fed. Com. No. 3, Sec. 15
T18S, R33E., Lea County, New Mexico

Gentlemen:

Your request to surface commingle hydrocarbons from the Wolfcamp formation from both of well No. 2 on the Aztec 22 Federal lease NM-0997, and Comm well No. 3 on the Percha 15 Federal lease NM-21171, Lea County, New Mexico, is hereby approved subject to the concurrence of the New Mexico Oil Conservation Division.

Also, your request for off-lease storage from the Percha 15 Federal Com. well No. 3 to the Aztec 22 Federal Battery located in SE $\frac{1}{4}$ NW $\frac{1}{4}$, Sec. 22, T. 18 S., R. 33 E., Lea County, New Mexico, is hereby approved.

It is our understanding that proper production allocation back to these two wells will be through metered heater treater.

We understand that the working interest owners have been notified and the Federal royalty interests are identical. Further, your request is made in the interest of conservation and will not result in reduced royalty or improper measurement of production.

Please contact Adam M. Salameh, Petroleum Engineer, at (505) 887-6544 or at the letterhead address if further information is required.

Sincerely,

Orig. Signed by Richard L. Manus

Richard L. Manus
Area Manager

cc:

✓ NMOCD - Santa Fe, D. R. Catanach
P.O. Box 2088
Santa Fe, NM 87504-2088