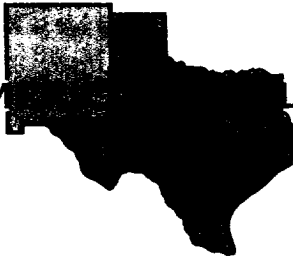


TEXAS-NEW MEXICO PIPE LINE COMPANY



RECEIVED

MAY 11 '94

C. C. D.
ARTESIA, OFFICE

DOUGLAS D. BEU
ASSISTANT DISTRICT MANAGER

PO BOX 2528
HOBBS NM 88241-2528
505-893-2135

March 23, 1994

Mr. Jerry Sexton
New Mexico Oil Conservation Division
Box 1980
Hobbs NM 88241

Re: Meridain Oil Inc.
Federal #1
Sec 5, T-18-S, R-31-E
Eddy County, New Mexico
LACT Facility Approval

Dear Mr. Sexton:

Meridian Oil Inc. has advised us they plan to apply for permission to install and operate a LACT unit on the following lease.

Meridian - Federal #1
Sec 5, T-18-S, R-31-E
Lea County, New Mexico

Texas-New Mexico Pipe Line Company will gather the production from this facility and supports the operator's application for a LACT unit. Please direct any correspondence regarding this unit to this office.

Sincerely,

RGB:RB

xc: JTJ
JDH (sa)
xmlact.txt