

CRA BLM FORMAT

**APPLICATION FOR SURFACE COMMINGLING,
OFF LEASE STORAGE AND MEASUREMENT APPROVAL**

This Format Should Be Attached To A Sundry Notice

To: Bureau of Land Management
P. O. Box 1778
Carlsbad, New Mexico 88221-1778

Sonat Exploration Company - Midland is requesting approval for surface commingling and off-lease storage and measurement of hydrocarbon production from the following formation(s) and well(s) on **Federal Lease No. NM 63757; Lease Name: Lotos "C" Federal.**

<u>Well No.</u>	<u>Location</u>	<u>Section</u>	<u>Twp.</u>	<u>Rng.</u>	<u>Formation</u>
<u>901</u>	<u>NE1/4 NE1/4</u>	<u>9</u>	<u>24S</u>	<u>31E</u>	<u>Delaware</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

with hydrocarbon production from the following formation(s) and well(s) on **Federal Lease Number NM 29234; Lease Name: Lotos Federal.**

<u>Well No.</u>	<u>Location</u>	<u>Section</u>	<u>Twp.</u>	<u>Rng.</u>	<u>Formation</u>
<u>4</u>	<u>NW1/4 SE1/4</u>	<u>9</u>	<u>24S</u>	<u>31E</u>	<u>Delaware</u>
<u>801</u>	<u>NW1/4 NW1/4</u>	<u>8</u>	<u>24S</u>	<u>31E</u>	<u>Delaware</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Production from the well(s) involved is as follows:

<u>Well Name and No.</u>	<u>BOPD</u>	<u>Oil Gravity</u>	<u>MCFPD</u>
Lotos "C" Federal No. 901 *	<u>40 Est</u>	<u>40 Est.</u>	<u>40 Est.</u>
Lotos Federal No. 4	<u>30</u>	<u>40</u>	<u>23</u>
Lotos Federal No. 801	<u>50</u>	<u>40</u>	<u>27</u>

* Lotos "C" Federal No. 901 is a new well which is currently being competed.

The proposed operation is described in detail on the attached diagrams.

continued ...