

PLC-77

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT - " for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. NM 0997, NM 91067X, NM 21171, V8-161
2. Name of Operator Meridian Oil Inc.	6. Indian, Allottee or Tribe Name
3. Address and Telephone No. P.O. Box 51810, Midland, TX 79710-1810 915-688-6943	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec. 22, T18S, R33E	8. Well Name and No. Aztec '22' Federal Battery
	9. API Well No.
	10. Field and Pool, or exploratory Area South Corbin Wolfcamp WEST Corbin Delaware
	11. County or Parish, State Lea NM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other <u>Commingling Request</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Meridian Oil Inc. respectfully requests approval to amend the permit for surface commingling, off-lease storage, and measurement of hydrocarbons for two (2) pools, West Corbin Delaware and South Corbin Wolfcamp, regarding the Aztec '22' Federal (NM 0997), East Corbin Delaware Unit (NM 91067X), and the Percha '15' Federal Com (NM 21171, V8-161), Sec(s). 15 & 18, T18S, R33E, Lea County, New Mexico.

Please see attached information.

14. I hereby certify that the foregoing is true and correct

Signed [Signature] Title Regulatory Compliance Date 4/2/96

(This space for Federal or State office use)

Approved by Orig. Signed by Adam Salameh Title Petroleum Engineer Date 5/17/96

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

* See Instruction on Reverse Side

AMENDING OF APPROVED APPLICATION FOR SURFACE COMMINGLING, OFF-LEASE STORAGE AND MEASUREMENT OF HYDROCARBON OF PRODUCTION FOR TWO (2) POOLS, SOUTH CORBIN WOLFCAMP AND WEST CORBIN DELAWARE, REGARDING THE AZTEC '22' FEDERAL LEASE (NM 0997), EAST CORBIN DELAWARE UNIT WELL NO. 10 (NM91067X) AND THE PERCHA 15 FEDERAL COM (NM 21171, V8-161).

**TO: BUREAU OF LAND MANAGEMENT
 P.O. BOX 1778
 CARLSBAD, NEW MEXICO 88221-1778**

MERIDIAN OIL INC. IS REQUESTING APPROVAL TO AMEND THE SURFACE COMMINGLING, OFF LEASE STORAGE AND MEASUREMENT OF HYDROCARBON PERMIT FOR TWO (2) POOLS, SOUTH CORBIN WOLFCAMP AND WEST CORBIN DELAWARE REGARDING THE AZTEC '22' FEDERAL (NM 0997), EAST CORBIN DELAWARE UNIT (NM 91067X), AND THE PERCHA 15 FEDERAL COM (NM 21171, V8-161) , SEC. 15 AND 18, T18S, R33E, LEA COUNTY, NEW MEXICO.

AZTEC '22' FEDERAL LEASE (NM 0997)

Aztec '22' Federal Lease # 2	22	18S	33E	Wolfcamp	NM 0997	Prod.
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EAST CORBIN DELAWARE UNIT (NM 91067X)

East Corbin Delaware Unit Well # 10	22	18S	33E	Delaware	NM 91067X	Prod.
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PERCHA 15 FEDERAL COM (NM 21171, V8-161)

Percha 15 Federal Com # 3	15	18S	33E	Wolfcamp	NM 21171, V8-161	Prod.
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PRODUCTION FROM LEASES

<u>WELL NUMBER</u>	<u>BOPD</u>	<u>MCFPD</u>	<u>WATER</u>	<u>FORMATION</u>
Aztec '22' Federal # 2	14	130	0	Wolfcamp
East Corbin Delaware Ut. # 10	08	080	7	Delaware
Percha 15 Federal Com # 3	01	001	0	Wolfcamp

All the production is stored in the Aztec '22' Federal Battery located in Unit F, Sec. 22, T18S, R33E, Lea County, New Mexico. Originally, all the production from the two leases, Aztec '22' Federal and the Percha '15' Federal Com, were separately metered prior to being commingled. With the commencement of the East Corbin Delaware Unit agreement, production from said well is allocated back by subtraction method. After which, the production is ran through a lact unit prior to Texas - New Mexico Pipeline transporting it.

Meridian is 100% working interest owners for all the wells in the Aztec '22' Federal Lease and the East Corbin Delaware Unit. Since the Percha '15' Federal Com # 3 has an agreement with the State Land Office regarding the 'com' terms, the State has been notified of the application to amend.

The proposed commingling of production is in the interest of conservation and will not result in reduced royalty or improper measurement of production.

The proposed commingling is necessary for continued operation of the above referenced federal leases.

WE UNDERSTAND THAT THE REQUESTED APPROVAL WILL NOT CONSTITUTE THE GRANTING OF ANY RIGHT OF WAY OR CONSTRUCTION RIGHTS NOT GRANTED BY THE LEASE INSTRUMENT, AND IF APPLICABLE, WE WILL SUBMIT WITHIN 30 DAYS AN APPLICATION FOR RIGHT OF WAY APPROVAL TO THE BLM'S REALTY SECTION IN YOUR OFFICE IF WE HAVE NOT ALREADY DONE SO.

SIGNATURE:

NAME:

TITLE:

DATE:



Donna Williams

Regulatory Compliance

April 2, 1996

**SURFACE COMMINGLING, OFF LEASE STORAGE, &
MEASUREMENT OF HYDROCARBONS**

<u>WELL NAME</u>	<u>API NUMBER</u>
Aztec '22' Federal Well No. 2	30-025-31278
East Corbin Delaware Unit Well No. 10 (Formerly the Aztec '22' Federal Well No. # 3)	30-025-31922
Percha '15' Federal Com Well No. 3	30-025-31575