

State of New Mexico

OFFICE OF THE

## Commissioner of Public Lands

RAY B. POWELL COMMISSIONER

Santa Fe

P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148

August 3, 1993

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

Attention: Ms. Donna J. Williams

Re: Off Lease Storage Application Parkway "C" State Well No.1-F Section 15-19S-29E Lease Nos. L-1493-2 and L-4893-2 Eddy County, New Mexico

Dear Ms. Williams:

Reference is made to your letter of July 16, 1993, wherein you have requested our approval to off lease store the production from the Parkway "C" State Well No. 1-F (L-1493-2) to the Parkway "B" State Lease (L-4893-2) located in the NE4SE4 of Section 15-19S-29E.

We have derived the following information from your application:

- 1. The parties involved owning an interest in this lease have consented to the operation.
- 2. Production from each lease will be metered separately and accounting procedures are in place to account for production and sales from these leases separately.
- 3. There will be no commingling of production.

The Commissioner of Public Lands has this date granted approval to your proposed request. Please be advised that any deviation from your proposed request will be grounds to rescind our approval. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Also, please be advised that since you plan to run an above ground tubing line across various state leases, a right-ofway may be needed, and we have enclosed an application packet for this purpose. Please contact Debbie Padilla of our rightof-way section for further details regarding this matter. Meridian Oil, Inc. Page 2 August 3, 1993

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY B. POWELL COMMISSIONER OF PUBLIC LANDS BY: Ami Ouly for 7.0 And FLOYD O. PRANDO, Director Oil/Gas and Minerals Division (505) 827-5744 RBP/FOP/pm CC: Reader File OCD-David Catanach and Ben Stone TRD L-1493-2 L-4893-2