

RELEASE 8-16-93

MERIDIAN OIL

Mr. David Catanach
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

RE: Request to surface commingle
Meridian Oil Inc.
Checkerboard 23 Federal Well No's 1 and 2
Red Tank Bone Spring Field
East Livingston Ridge Delaware Field
Sec. 23, T-22-S, R-32-E
Lea County, New Mexico

Gentlemen:

Meridian requests approval to surface commingle the Red Tank Bone Spring and the East Livingston Ridge Delaware Fields on the Checkerboard 23 Federal Lease (NM-81633)

Production will be commingled in a common battery located in unit letter O, SW/4 of the SE/4 of Sec. 23, T-22-S, R-32-E, Lea county, New Mexico. A battery sketch is enclosed with this request.

Each well has it's own heater treater with measurement. Production will be allocated to each well by this method. The production from each zone is compatible.

Bone Spring - 45 degree gravity, 92 BOPD, 190 MCFPD, 16 BWPD
Delaware - 39.1 degree gravity, estimated production 120 BOPD, 60 MCFPD, 60 BWPD

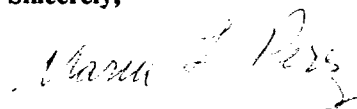
The working interest, royalty interest and overriding royalty interest are the same for both zones.

Currently, both wells produce from the Red Tank Bone Spring Field. Plans are to recomplate well no. 1 to the East Livingston Ridge Delaware Field and surfaced commingle with well no. 2.

The commingling of this production will prevent setting additional tanks which will be a savings of \$25,000.

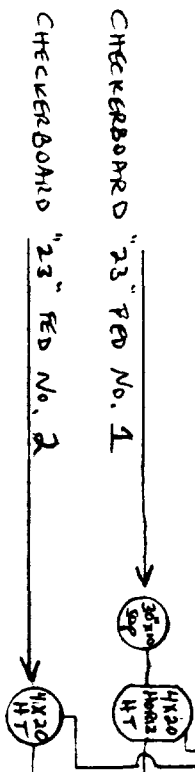
Should you require additional information on this application, please contact me at A/C 915-688-6906.

Sincerely,



Maria L. Perez
Production Asst.

XC:	Lease File	Nancy Kilgore - Resv. Engr'g	Artesia Field Office
	Land Dept.	Prod. Engr.	BLM-Carlsbad
	Jt. Int.	Facility Engr.	Production Services



MERIDIAN OIL
 CHECKBOARD "23" FEDERAL BATTERY
 SW/4 SE/4 SEC 23 T-22-S R-32-E
 EDDY COUNTY, NM

07/20/93

J-I-B SCHEDULE

LWM270NL
<LANDWELL>

WELL: CHECKERBOARD 23

CO-OWNER	BILLING %	TOTAL %
-----	-----	-----
028022 A J LOSEE, FOR ELIZABETH LOSEE	5.024000	
999810 MERIDIAN OIL INC.	94.976000	
		100.000000

ENTER=MORE

PFX=DETAIL SCREEN

PF12=RETURN TO MENU

PF24=HELP

07/20/93 10:44:13.4

DIVISION ORDER INQUIRY

LWM601NL
<LANDWELL>

PROD: ALL

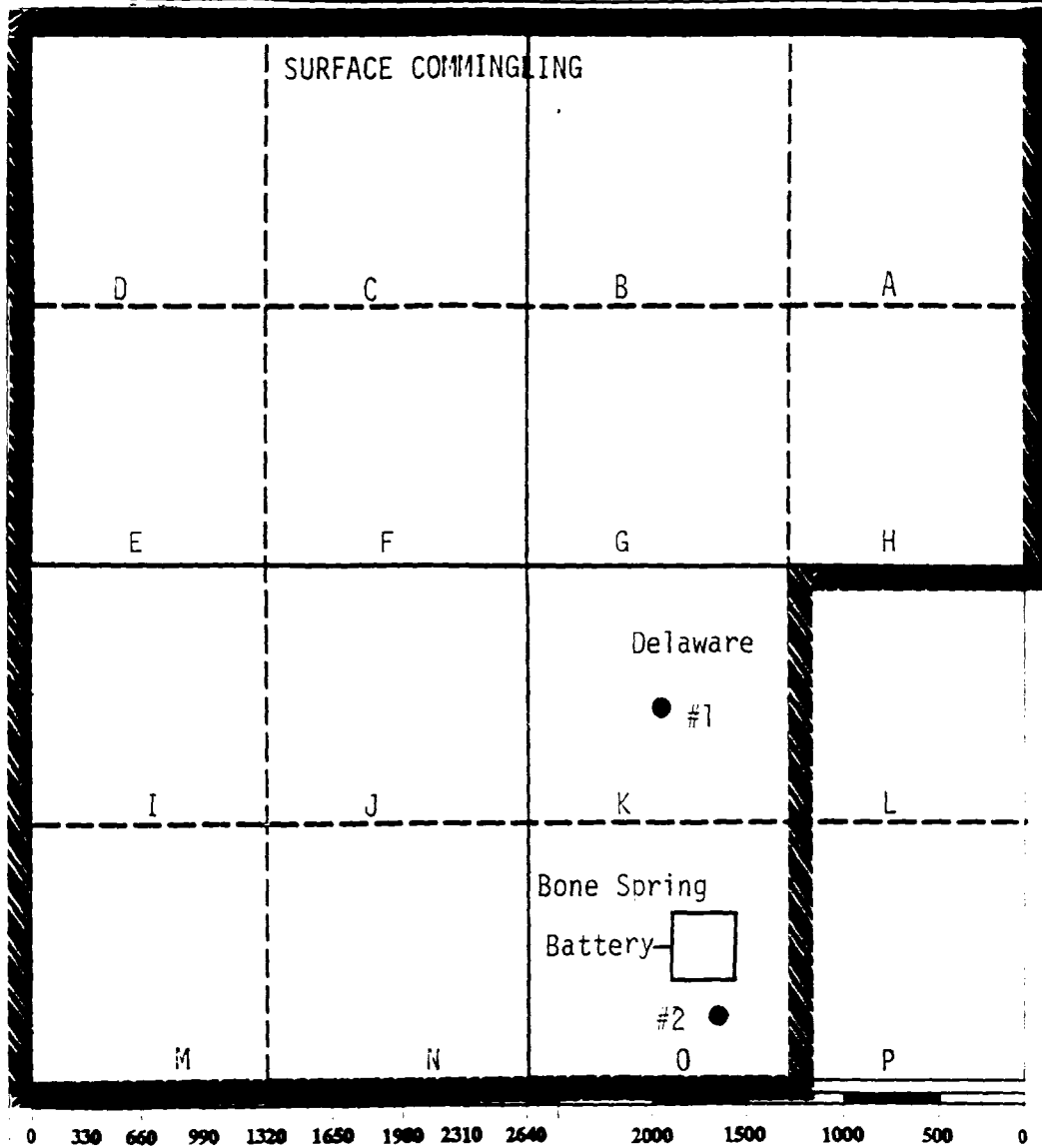
WELL: CHECKERBOARD 23 2

OWNER#	OWNER NAME	RE PAY	REASON FOR SUSP	B/C TYPE	OWNER %
027338 01	MINERALS MANAGEMENT SERV	A PAY		001 RI	12.500000
078496 01	MARIAN MUSSETT	A SUS D.O.	NOT RETURNE	001 ORRI	.251200
078497 01	DR RONALD BARNES	A SUS D.O.	NOT RETURNE	001 ORRI	.502550
078498 01	F PRINCE IV	A SUS D.O.	NOT RETURNE	001 ORRI	2.512500
078499 01	HUGO COTTER	A SUS D.O.	NOT RETURNE	001 ORRI	.418750
078500 01	MATCO 850	A SUS D.O.	NOT RETURNE	001 ORRI	.125650
078501 01	ELIZABETH LOSEE & ANN RA	A SUS D.O.	NOT RETURNE	001 ORRI	.628000
078502 01	CHARLES TIBLOM	A SUS D.O.	NOT RETURNE	001 ORRI	.502550
078503 01	C W TRAINER	A SUS D.O.	NOT RETURNE	001 ORRI	2.349275
078504 01	TROBAUGH PROPERTIES	A SUS D.O.	NOT RETURNE	001 ORRI	.125650
999021 01	MERIDIAN OIL INC	A PAY		NWI	80.083875

ENTER=MORE PFX=DETAILS PF9=D/O LIST PF11=TOP OF LIST PF12=MENU PF24=HELP

Operator MERIDIAN OIL INC.		Lease CHECKERBOARD 23 FEDERAL		Well No. 1 and 2
Unit Letter	Section 23	Township 22-S	Range 32-E	County LEA

Producing Formation
DELAWARE AND BONE SPRINGS



**LEASE DESCRIPTION: 560 ACRES.
ALL OF SECTION 23 EXCEPT FOR THE
E/2 OF THE SE/4.**

MERIDIAN OIL

4 DIVISION

LED

11 33

SEPTEMBER 8, 1993

**MR. DAVID CATANACH
OIL CONSERVATION COMMISSION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87504**

**RE: REQUEST APPROVAL FOR SURFACE COMMINGLING
CHECKERBOARD 23 FEDERAL LEASE (NM-81633)
WEST RED TANK DELAWARE POOL AND
RED TANK BONE SPRING POOL
SEC. 23, T22S, R32E
LEA COUNTY, NEW MEXICO**

DEAR MR. CATANACH:

**ENCLOSED IS AMENDED APPLICATION FOR APPLICATION TO SURFACE COMMINGLE
THE TWO CAPTIONED POOLS ON THE CHECKERBOARD 23 FEDERAL LEASE. THIS
APPLICATION WAS SENT TO YOU TWO TIMES BEFORE. THIS APPLICATION IS
BEING AMENDED TO CORRECT FIELD NAME FROM THE EAST LIVINGSTON RIDGE
DELAWARE POOL TO THE WEST RED TANK DELAWARE POOL AS REQUESTED BY
MR. JERRY SEXTON OF YOUR HOBBS DISTRICT OFFICE.**

**WE HAVE OBTAINED VERBAL APPROVAL FROM MR. ADAM SALAMEH WITH THE
BUREAU OF LAND MANAGEMENT TO COMMINGLE. COULD YOU PLEASE REVIEW
THIS APPLICATION IN ORDER THAT WE CAN OBTAIN COMMINGLING APPROVAL
FROM THE STATE.**

**SHOULD YOU HAVE ANY QUESTIONS ON THIS APPLICATION, PLEASE CONTACT
ME AT A/C 915-688-6906.**

SINCERELY,



**MARIA L. PEREZ
PRODUCTION ASST.**

XC: REGULATORY FACILITY FILE

COPY TO: OIL CONSERVATION DIVISION
SANTA FE, NEW MEXICO
ATTN: Mr. David Catanach

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

5. Lease Designation and Serial No.
NM-81633

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE

7. If Unit or CA, Agreement Designation

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.

2. Name of Operator

MERIDIAN OIL INC.

CHECKERBOARD 23 FEDERAL

3. Address and Telephone No

P.O. Box 51810 Midland, TX 79710

915-688-6906

9. API Well No.

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SEC. 23, T22S, R32E

10. Field and Pool, or Exploratory Area

11. County or Parish, State
LEA

NEW MEXICO

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

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other **SURFACE COMMINGLING AND MEASUREMENT APPROVAL**
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ 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.)*

TO AMEND SUNDRY DATED 9-2-93 AS PER JERRY SEXTON W/OCD-HOBBS. AMEND THE EAST LIVINGSTON RIDGE DELAWARE POOL TO THE WEST RED TANK DELAWARE POOL

APPLICATION FOR SURFACE COMMINGLING AND MEASUREMENT APPROVAL OF HYDROCARBON PRODUCTION FROM THE WEST RED TANK DELAWARE POOL AND THE RED TANK BONE SPRING POOL ON FEDERAL LEASE NO. NM-81633; CHECKERBOARD 23 FEDERAL LEASE.

SEE ATTACH FORMAT.

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

Signed Maria L. Perez **MARIA L. PEREZ**

Title **PRODUCTION ASST.**

Date **9-3-93**

(This space for Federal or State office use)

Approved by _____

Title _____

Date _____

Conditions of approval, if any:

**APPLICATION FOR SURFACE COMMINGLING AND MEASUREMENT
APPROVAL FOR TWO POOLS WITHIN THE SAME LEASE.**

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

**MERIDIAN OIL INC. IS REQUESTING APPROVAL FOR SURFACE
COMMINGLING AND MEASUREMENT OF HYDROCARBON PRODUCTION
FROM THE WEST RED TANK DELAWARE POOL AND THE
RED TANK BONE SPRING POOL ON LEASE NO. NM-81633;
CHECKERBOARD 23 FEDERAL LEASE IN LEA COUNTY, N.M.**

<u>WELL NO.</u>	<u>LOC.</u>	<u>SEC.</u>	<u>TWP.</u>	<u>RNG.</u>	<u>FORMATION</u>
1	J	23	22S	32E	DELAWARE
2	O	23	22S	32E	BONE SPRING

PRODUCTION FROM THE WELLS INVOLVED IS AS FOLLOWS:

<u>WELL NAME AND NO.</u>	<u>BOPD</u>	<u>OIL GRAVITY</u>	<u>MCFPD</u>
CHECKERBOARD 23 FED. #1	230	39.1	230
CHECKERBOARD 23 FED. #2	92	45.0	190

**THE PROPOSED OPERATION IS DESCRIBED IN DETAIL ON THE
ATTACHED DIAGRAM.**

**A MAP IS ENCLOSED SHOWING THE LEASE NUMBER AND LOCATION OF
ALL WELLS THAT WILL CONTRIBUTE PRODUCTION TO THE PROPOSED
COMMINGLING/COMMON STORAGE FACILITY. ALL UNITIZED/
COMMUNITIZED AREAS, PRODUCING ZONES/POOLS ARE ALSO
CLEARLY ILLUSTRATED.**

**A SCHEMATIC DIAGRAM IS ALSO ATTACHED WHICH CLEARLY
IDENTIFIES ALL EQUIPMENT THAT WILL BE UTILIZED.**

THE STORAGE AND MEASURING FACILITY IS LOCATED AT THE SW4/SE4 OF SEC. 23, T-22-S, R-32-E, ON LEASE NO. NM-81633, LEA COUNTY, NEW MEXICO. THE BLM WILL BE NOTIFIED IF THERE IS ANY FUTURE CHANGE IN THE FACILITY LOCATION.

DETAILS OF THE PROPOSED METHOD FOR ALLOCATING PRODUCTION TO CONTRIBUTING SOURCES IS AS FOLLOWS:

WELL NO. 1 OIL AND GAS WILL BE METERED.

WELL NO. 2 OIL WILL BE METERED AND GAS WILL BE CALCULATED.

EACH WELL HAS IT'S OWN 3-PHASE HEATER TREATER. BOTH TREATERS ARE EQUIPPED WITH HALLIBURTON'S TURBINE FLOW METERS ON THE OIL DUMPS AND WATER DUMPS TO CONTINUOUSLY MEASURE THE OIL AND WATER VOLUMES FOR EACH WELL. WELL NO. 1 IS ALSO EQUIPPED WITH AN ORIFICE TEST METER TO MEASURE THE GAS VOLUMES. WELL NO. 2 GAS VOLUME WILL BE CALCULATED BY SUBTRACTING THE VOLUME FOR WELL NO. 1 FROM THE TOTAL LEASE SALES VOLUME.

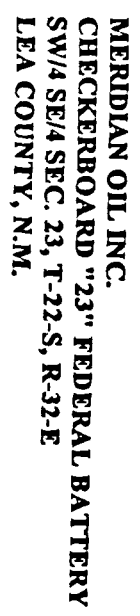
THE WORKING INTEREST OWNERS HAVE BEEN NOTIFIED OF THE PROPOSAL.

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 LEASE.

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, 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: Maria L. Perez
NAME: MARIA L. PEREZ
TITLE: PRODUCTION ASST.
DATE: 9-3-93



(NOT TO SCALE)

MERIDIAN OIL

OCD-SANTA FE'S COPY

SEPTEMBER 2, 1993

**MR. ADAM M. SALAMEH, P. E.
BUREAU OF LAND MANAGEMENT
P. O. BOX 1778
CARLSBAD, NEW MEXICO 88221-1778**

**RE: THIS IS REPLACEMENT PACKAGE FOR PREVIOUSLY
SUBMITTED APPLICATION FOR SURFACE COMMINGLING
AND MEASUREMENT APPROVAL
CHECKERBOARD 23 FEDERAL LEASE
SEC. 23, T22S, R32E
LEA COUNTY, NEW MEXICO
FEDERAL LEASE NUMBER 81633**

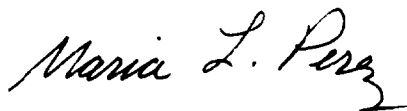
DEAR MR. SALAMEH:

**ENCLOSED IS AMENDED MAP SHOWING THE FLOW LINES AS YOU
REQUESTED. ALSO, I AM RE-SUBMITTING APPLICATION TO SURFACE
COMMINGLE AND USING THE PROPER FORMAT.**

**SUNDRY TO PLUG BACK AND RECOMPLETE THE CHECKERBOARD 23
FEDERAL NO. 1 WAS SUBMITTED TO THE BLM AND VERBAL
APPROVAL WAS OBTAINED FROM YOU TO BEGIN THIS WORK. WE ARE
IN THE PROCESS OF COMPLETING THIS WORK AND REQUEST
APPROVAL TO SURFACE COMMINGLE AS SOON AS POSSIBLE. FOR THE
MOMENT, WE HAVE SET SOME TEST TANKS ON LOCATION IN ORDER
TO TEST THIS WELL BUT WOULD LIKE TO SEND PRODUCTION TO
BATTERY TO SAVE THE DAILY COST OF THE RENTAL TANKS.**

**PLEASE LET ME KNOW IF YOU HAVE ANY QUESTIONS ON THIS
APPLICATION.**

SINCERELY,



**MARIA L. PEREZ
PRODUCTION ASST.
A/C 915 - 688-6906**

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

5. Lease Designation and Serial No.

NM-81633

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

CHECKERBOARD 23 FEDERAL

9. API Well No.

10. Field and Pool, or Exploratory Area

11. Country or Parish, State
LEA

NEW MEXICO

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

MERIDIAN OIL INC.

3. Address and Telephone No.

P.O. Box 51810 Midland, TX 79710

915-688-6906

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SEC. 23, T22S, R32E

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

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other SURFACE COMMINGLING AND MEASUREMENT APPROVAL
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ 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.)*

APPLICATION FOR SURFACE COMMINGLING AND MEASUREMENT APPROVAL OF HYDROCARBON PRODUCTION FROM THE EAST LIVINGSTON RIDGE DELAWARE POOL AND THE RED TANK BONE SPRING POOL ON FEDERAL LEASE NO. NM-81633; CHECKERBOARD 23 FEDERAL LEASE.

SEE ATTACH FORMAT.

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

Signed Maria L. Perez MARIA L. PEREZ Title PRODUCTION ASST.

Date 9-2-93

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval, if any: _____

**APPLICATION FOR SURFACE COMMINGLING AND MEASUREMENT
APPROVAL FOR TWO POOLS WITHIN THE SAME LEASE.**

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

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COMMINGLING AND MEASUREMENT OF HYDROCARBON PRODUCTION
FROM THE EAST LIVINGSTON RIDGE DELAWARE POOL AND THE
RED TANK BONE SPRING POOL ON LEASE NO. NM-81633;
CHECKERBOARD 23 FEDERAL LEASE IN LEA COUNTY, N.M.**

<u>WELL NO.</u>	<u>LOC.</u>	<u>SEC.</u>	<u>TWP.</u>	<u>RNG.</u>	<u>FORMATION</u>
1	J	23	22S	32E	DELAWARE
2	O	23	22S	32E	BONE SPRING

PRODUCTION FROM THE WELLS INVOLVED IS AS FOLLOWS:

<u>WELL NAME AND NO.</u>	<u>BOPD</u>	<u>OIL GRAVITY</u>	<u>MCFPD</u>
CHECKERBOARD 23 FED. #1	187	39.1	187
CHECKERBOARD 23 FED. #2	92	45.0	190

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**A MAP IS ENCLOSED SHOWING THE LEASE NUMBER AND LOCATION OF
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COMMUNITIZED AREAS, PRODUCING ZONES/POOLS ARE ALSO
CLEARLY ILLUSTRATED.**

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IDENTIFIES ALL EQUIPMENT THAT WILL BE UTILIZED.**

THE STORAGE AND MEASURING FACILITY IS LOCATED AT THE SW4/SE4 OF SEC. 23, T-22-S, R-32-E, ON LEASE NO. NM-81633, LEA COUNTY, NEW MEXICO. THE BLM WILL BE NOTIFIED IF THERE IS ANY FUTURE CHANGE IN THE FACILITY LOCATION.

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THE WORKING INTEREST OWNERS HAVE BEEN NOTIFIED OF THE PROPOSAL.

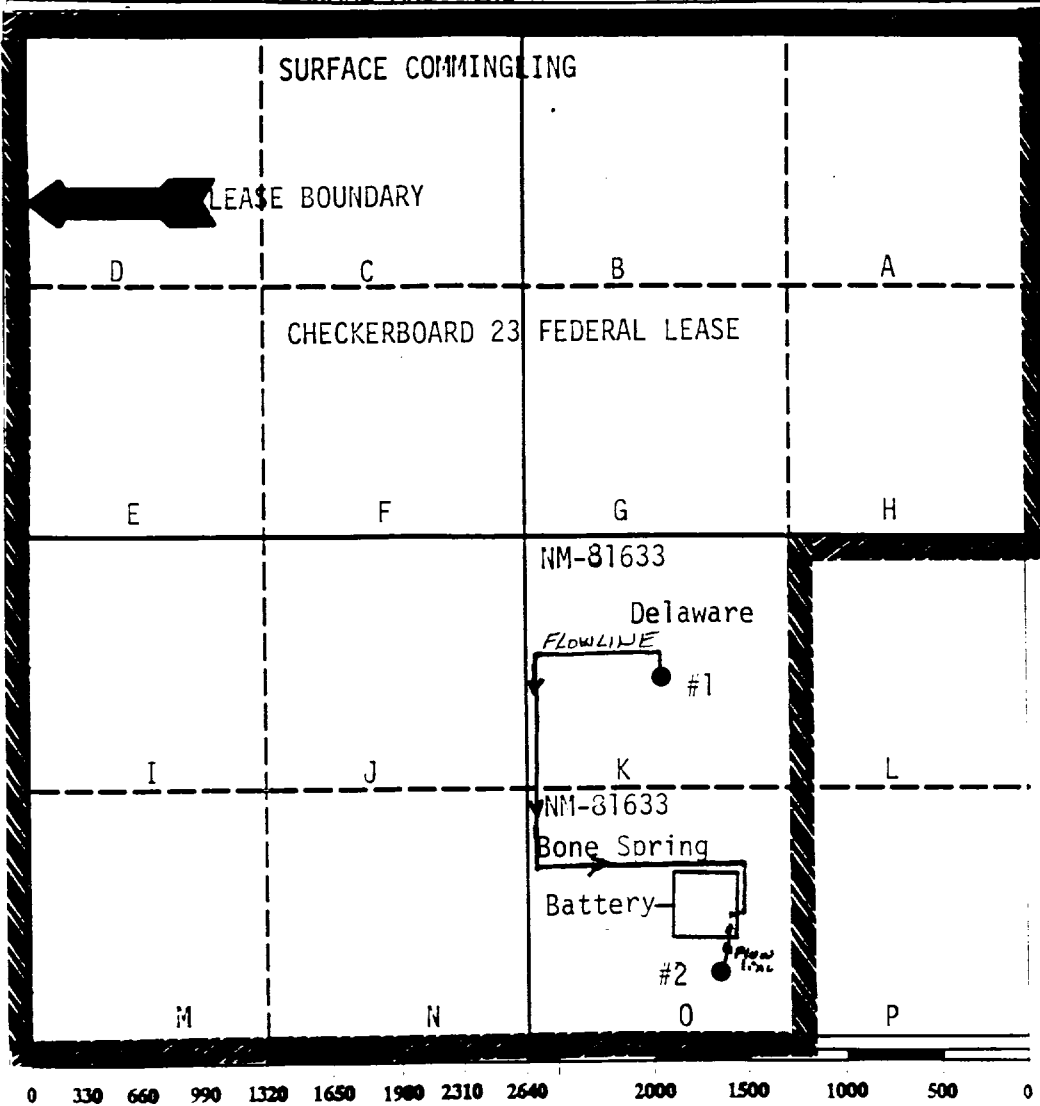
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SIGNATURE: Maria L. Perez
NAME: MARIA L. PEREZ
TITLE: PRODUCTION ASST.
DATE: 9-2-93

Operator		Lease		Well No.	
MERIDIAN OIL INC.		CHECKERBOARD 23 FEDERAL		1 and 2	
Unit Letter	Section	Township	Range	County	
	23	22-S	32-E	NMPM	LEA
Producing Formation					
DELAWARE AND BONE SPRINGS					



WELL NO. 1 LOCATION:
J, 1930' FSL & 1980' FEL

WELL NO. 2 LOCATION:
O, 330' FSL & 1650' FEL

LEASE DESCRIPTION: 560 ACRES.
ALL OF SECTION 23 EXCEPT FOR THE
E/2 OF THE SE/4.

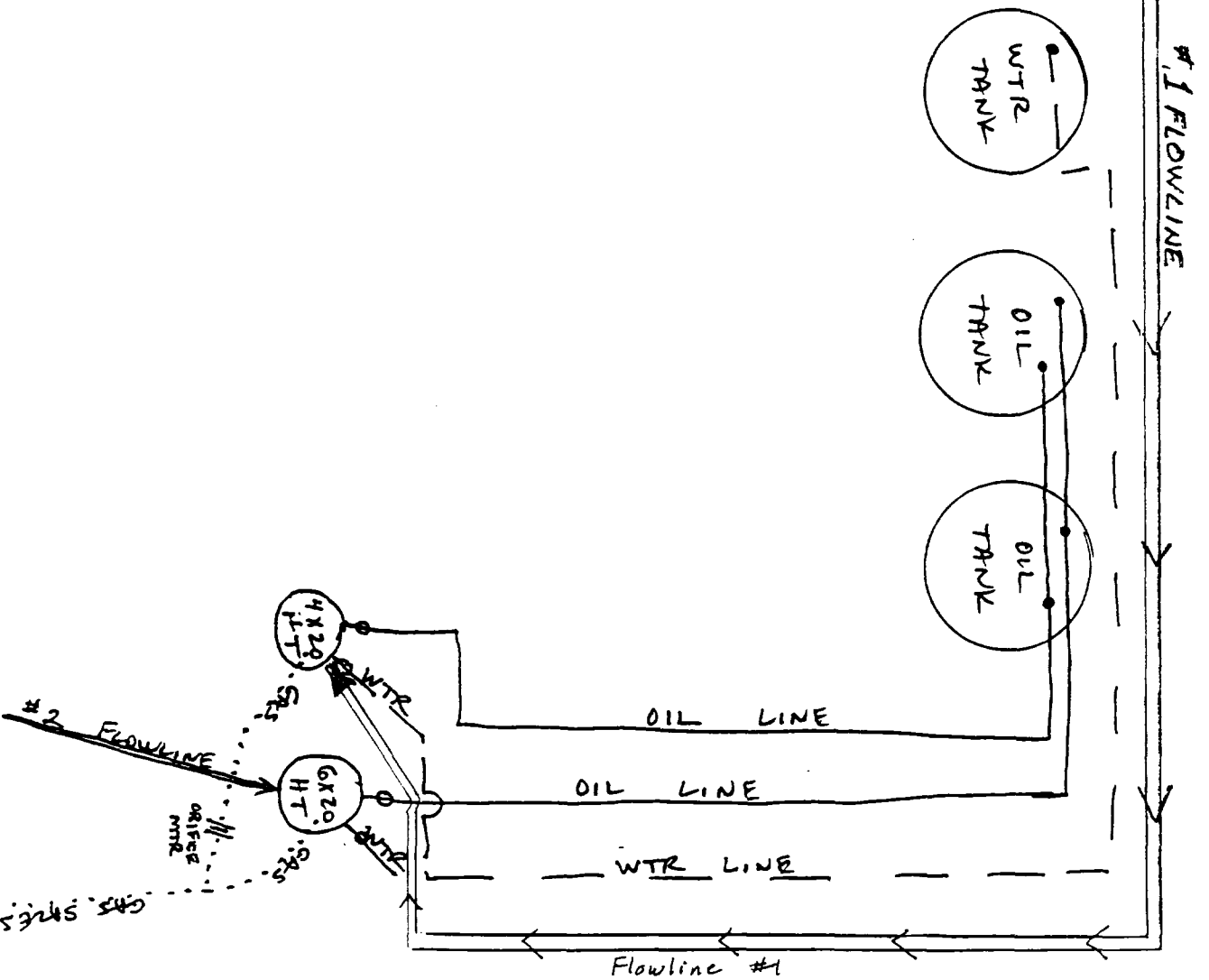
MAIL TO: MR. DAVID CATANACH
OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO

OIL CONSERVATION DIVISION
RECEIVED

SEP 7 1956

MERIDIAN OIL INC.
 CHECKERBOARD "23" FEDERAL BATTERY
 SW/4 SE/4 SEC. 23, T-22-S, R-32-E
 LEA COUNTY, N.M.

(NOT TO SCALE)





STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

November 19, 1993

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

Attention: Maria L. Perez

Re: Duplicate Division Orders

Dear Ms. Perez,

This letter serves to inform you that duplicate Division Orders were inadvertently issued to your company. The subject orders are PC-849 and PC-879, both of which authorize pool commingling for your Checkerboard Federal Well Nos. 1 and 2, located in the W/2 SE/4 of Section 23, Township 22 South, Range 32 East, Lea County, New Mexico. As both orders read the same, PC-849, issued October 12, 1993, will remain in effect. Division Order PC-879, issued November 4, 1993, is hereby rescinded.

Very truly yours,

A handwritten signature in dark ink, appearing to read "William J. LeMay".

William J. LeMay
Director

cc: Oil Conservation Division - Hobbs
US Bureau of Land Management - Carlsbad
OCD Data Processing - Donna McDonald

WJL/BES

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPROVED FOR SIGNATURE
MAY 9 1993

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 81633
2. Name of Operator MERIDIAN OIL INC.	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. P.O. Box 51810 Midland, TX 79710 915-688-6906	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) J, 1980' FSL & 1980' FEL	8. Well Name and No. CHECKERBOARD 23 FEDERAL NO. 1
	9. API Well No. 30-025-31906
	10. Field and Pool, or Exploratory Area RED TANK BONE SPRING
	11. Country or Parish, State LEA, NEW MEXICO

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

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

REQUEST APPROVAL TO SURFACE COMMINGLE THE RED TANK BONE SPRING FIELD AND THE EAST LIVINGSTON RIDGE DELAWARE FIELD AS FOLLOWS:

CHECKERBOARD 23 FEDERAL NO. 1 - PROPOSED RECOMPLETION TO THE EAST LIVINGSTON RIDGE DELAWARE FIELD.
39.1 DEGREE GRAVITY, ESTIMATED PRODUCTION 120 BOPD, 60 MCFPD, 60 BWPD.

CHECKERBOARD 23 FEDERAL NO. 2 - RED TANK BONE SPRING FIELD - 45 DEGREE GRAVITY
PRODUCTION 92 BOPD, 190 MCFPD, 16 BWPD.
COMMINGLE BATTERY LOCATED AT THIS WELL SITE. WELL LOCATION
UNIT LETTER O, 330' FSL & 1650' FEL, SEC. 23, T22S, R32E, LEA COUNTY.

PRODUCTION WILL BE COMMINGLED IN A COMMON BATTERY. BECAUSE THE VARIOUS INTERESTS IN THESE WELLS ARE NOT THE SAME, EACH WELL HAS IT'S OWN 3-PHASE HEATER TREATER. BOTH TREATERS ARE EQUIPPED WITH HALLIBURTON'S TURBINE FLOW METERS ON THE OIL DUMPS AND WATER DUMPS TO CONTINUOUSLY MEASURE THE OIL AND WATER VOLUMES FOR EACH WELL. THE #1 WELL ALSO IS EQUIPPED WITH AN ORIFICE TEST METER TO MEASURE THE GAS VOLUMES; THE #2 WELL'S GAS VOLUME IS CALCULATED BY SUBSTRACTING THE #1 VOLUME FROM THE TOTAL LEASE SALES VOLUME. (CONTINUED ON PAGE 2, ATTACHMENTS ENCLOSED)

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

Signed Maria L. Perez MARIA L. PEREZ Title PRODUCTION ASST. Date 8-12-93
(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval, if any:

**PAGE -2-
FORM 3160-5
REQUEST APPROVAL FOR SURFACE COMMINGLING
CHECKERBOARD 23 FEDERAL WELL'S 1 AND 2**

CURRENTLY BOTH WELLS PRODUCE FROM THE RED TANK BONE SPRING FIELD. IF PROPOSED SURFACE COMMINGLING IS APPROVED, PLANS ARE TO FILE FOR APPROVAL TO RECOMPLETE WELL NO. 1 TO THE EAST LIVINGSTON RIDGE DELAWARE FIELD AND SURFACE COMMINGLE WITH WELL NO. 2 PRODUCING FROM THE BONE SPRING.

THE COMMINGLING OF THIS PRODUCTION WILL PREVENT SETTING ADDITIONAL TANKS WHICH WILL BE A SAVINGS OF \$25,000.00

THE FOLLOWING ATTACHMENTS ARE ENCLOSED WITH THIS REQUEST.

- 1. SKETCH OF BATTERY**
- 2. PLAT**
- 3. BREAKDOWN OF THE INTEREST FOR EACH WELL**
- 4. COPY OF FLOW METER AND FLOW ANALYZER**

THIS WILL REPLACE PREVIOUS APPLICATION MADE WITH THE BLM TO AMEND STATEMENT CONCERNING THE VARIOUS INTEREST OWNERS. ALSO APPLICATION IS BEING PUT ON A SUNDRY AS PER VICENTE R. BALDERAZ WITH THE BLM IN HOBBS REQUEST.

MERIDIAN OIL

Memorandum

To: Maria Perez

Date: August 2, 1993

From: Don W. Davis

Location: Midland/Land

Re: Interest Breakdown
Checkerboard "23" Federal #1
Checkerboard "23" Federal #2
Section 23, T-22-S, R-32-E
Lea County, New Mexico

Below, please find a breakdown of the working and revenue interests associated with the captioned wells:

Checkerboard "23" Federal #1

<u>Name</u>	<u>Working Interest</u>	<u>Net Interest</u>
Meridian Oil Inc.	94.976%	76.315875% NWI
A. J. Losee	5.024%	4.396% NWI
Hugh Cotter	-0-	.41875% ORRI
Trobaugh Properties	-0-	.12565% ORRI
MATCO 850, Ltd.	-0-	.12565% ORRI
Marian Mussett	-0-	.2512% ORRI
Dr. Ronald Barnes	-0-	.50255% ORRI
Charles Tiblom	-0-	.50255% ORRI
C. W. Trainer	-0-	2.349275% ORRI
F. W. Prince	-0-	2.5125% ORRI
BLM	-0-	<u>12.5% Royalty</u>
	100.00%	100.00%

Checkerboard "23" Federal #2

Meridian Oil Inc.	100.00%	80.083875% NWI
Elizabeth Losee & Ann Ransome Losee	-0-	.628% ORRI
Hugh Cotter	-0-	.41875% ORRI
Trobaugh Properties	-0-	.12565% ORRI

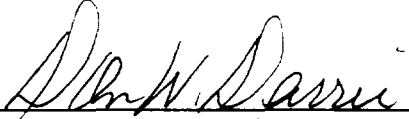
RECEIVED

AUG 03 1993

Maria Perez
August 2, 1993
Page 2

MATCO 850, Ltd.	-0-	.12565% ORRI
Marian Mussett	-0-	.2512% ORRI
Dr. Ronald Barnes	-0-	.50255% ORRI
Charles Tiblom	-0-	.50255% ORRI
C. W. Trainer	-0-	2.349275% ORRI
F. W. Prince	-0-	2.5125% ORRI
BLM	<u>-0-</u>	<u>12.5% Royalty</u>
	100.00%	100.00%

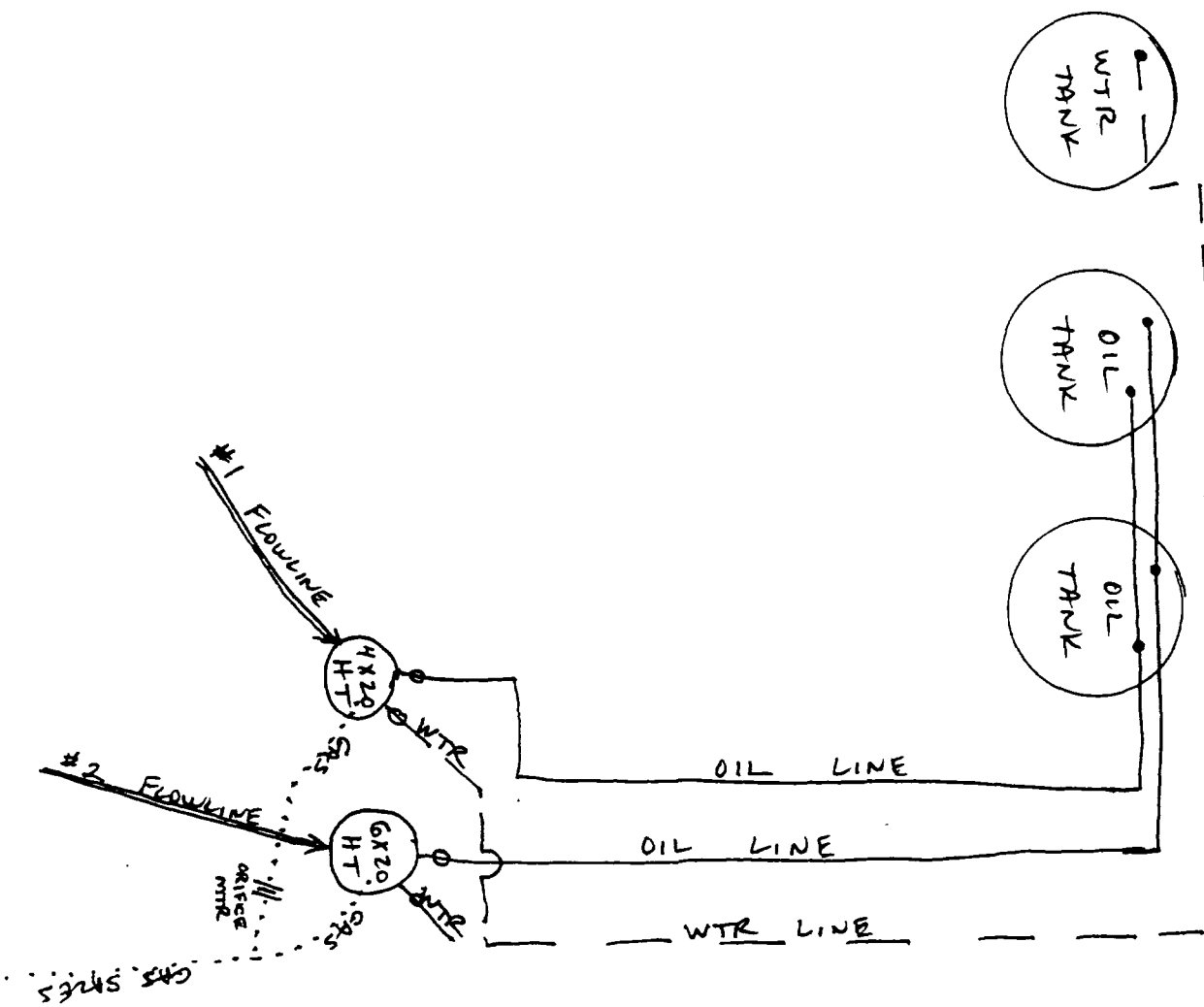
If there are any questions concerning this matter, please advise.

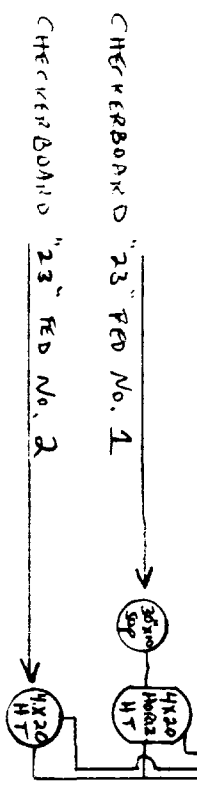

Don W. Davis

DWD/cs

**MERIDIAN OIL INC.
CHECKERBOARD "23" FEDERAL BATTERY
SW/4 SE/4 SEC. 23, T-22-S, R-32-E
LEA COUNTY, N.M.**

(NOT TO SCALE)



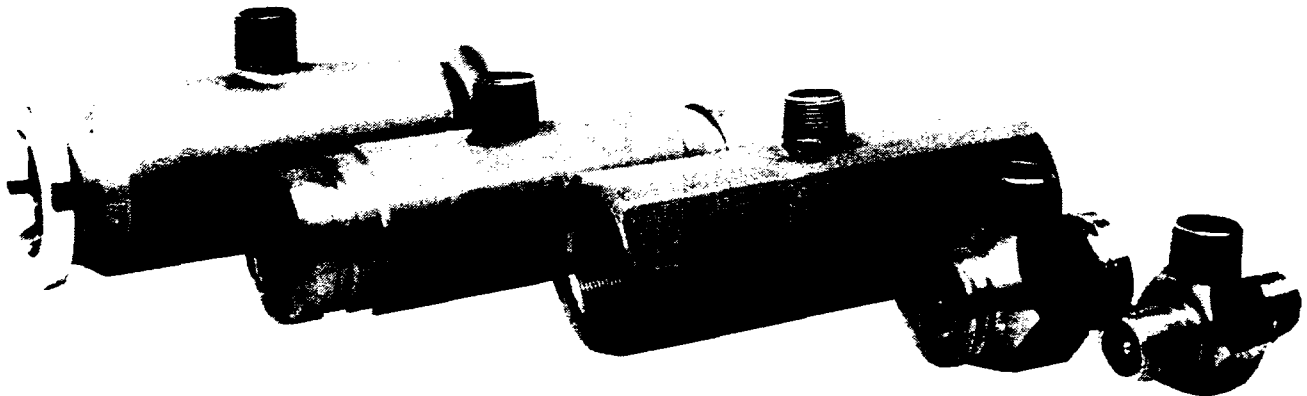


MERIDIAN OIL INC.
 CHECKERBOARD "23" FEDERAL BATTERY
 SW/4 SE/4 SEC. 23, T-22-S, R-32-E
 LEA COUNTY, N.M.



Halliburton Services Special Products Division

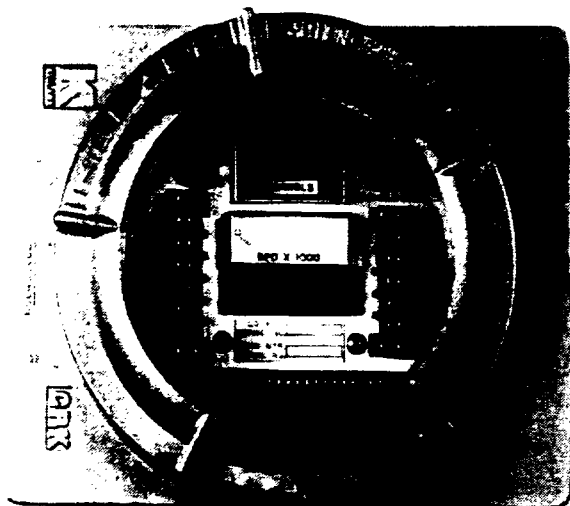
Standard Grade Turbine Flow Meters



FLOW METER SIZE	LINEAR FLOW RANGE				NOMINAL CALIBRATION FACTOR		MAXIMUM OUTPUT FREQUENCY PULSES/SEC
	gal/min	bbl/hr	bbl/D	(m ³ /d)	PULSES/GAL	(PULSES/dm ³)	
*3/8 in. (10 mm)	.3-3	.4-4	10-100	(1.6-16)	20,000	(5,284)	1,000
*1/2 in. (13 mm)	.75-7.5	1-10	25-250	(4-40)	13,000	(3,435)	1,625
*3/4 in. (19 mm)	2-15	3-20	68-515	(11-80)	3,000	(793)	750
7/8 in. (22 mm)	3-30	4-40	100-1000	(16-160)	1600	(423)	800
1 in. (25 mm)	5-50	7-70	170-1,700	(27-270)	870	(230)	725
1 1/2 in. (38 mm)	15-180	21-250	515-6,000	(80-1,000)	330	(87)	990
2 in. (51 mm)	40-400	54-540	1,300-13,000	(210-2,100)	55	(14.5)	365
3 in. (76 mm)	60-600	88-880	2,100-21,000	(335-3,300)	57	(15.2)	570
4 in. (102 mm)	100-1,200	142-1,708	3,400-41,000	(540-6,500)	29	(7.7)	580
6 in. (152 mm)	200-2,500	283-3,570	6,800-86,000	(1,100-14,000)	7	(1.8)	350
8 in. (203 mm)	350-3,500	500-5,000	12,000-120,000	(1,900-19,000)	3	(.8)	200

* Contact the factory for engineering assistance for applications involving liquids with viscosity above 5 centistokes.

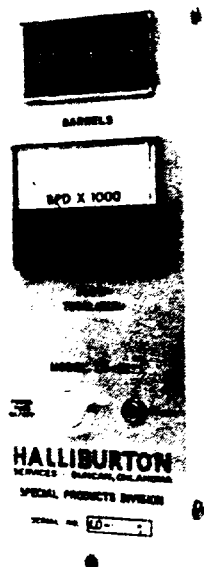
**Standard Grade Turbine Flow Meters are
Designed For Use With These Reliable Halliburton Totalizers**



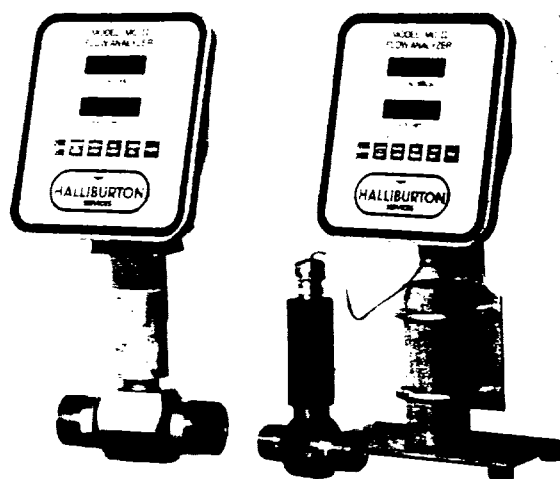
**Model LO-II EXP Flow Totalizer
With Flow Rate Indicator**



Model LO-II PD Batch Totalizer



**LO-II With Rate Indicator
Option**



MC-II Flow Analyzer

WARRANTY-LIMITATION OF LIABILITY: Seller warrants only title to the products, software, supplies and materials and that, except as to software, the same are free from defects in workmanship and materials for a period of one (1) year from the date of delivery. Seller does not warrant that software is free from error or that software will run in an uninterrupted fashion. Seller provides all software "as is". THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, OF MERCHANTABILITY, FITNESS OR OTHERWISE WHICH EXTEND BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE. Seller's liability and Buyer's exclusive remedy in any cause of action (whether in contract, tort, breach of warranty or otherwise) arising out of the sale or use of any products, software, supplies, or materials is expressly limited to the replacement of such products, software, supplies, or materials on their return to Seller or, at Seller's option, to the allowance to the customer of credit for the cost of such items. In no event shall Seller be liable for special, incidental, indirect, punitive or consequential damages. Seller does not warrant in any way products, software, supplies, and materials not manufactured by Seller, and such will be sold only with the warranties that are given by the manufacturer thereof. Seller will pass only through to its purchaser of such items the warranty granted to it by the manufacturer.

Special Products Division



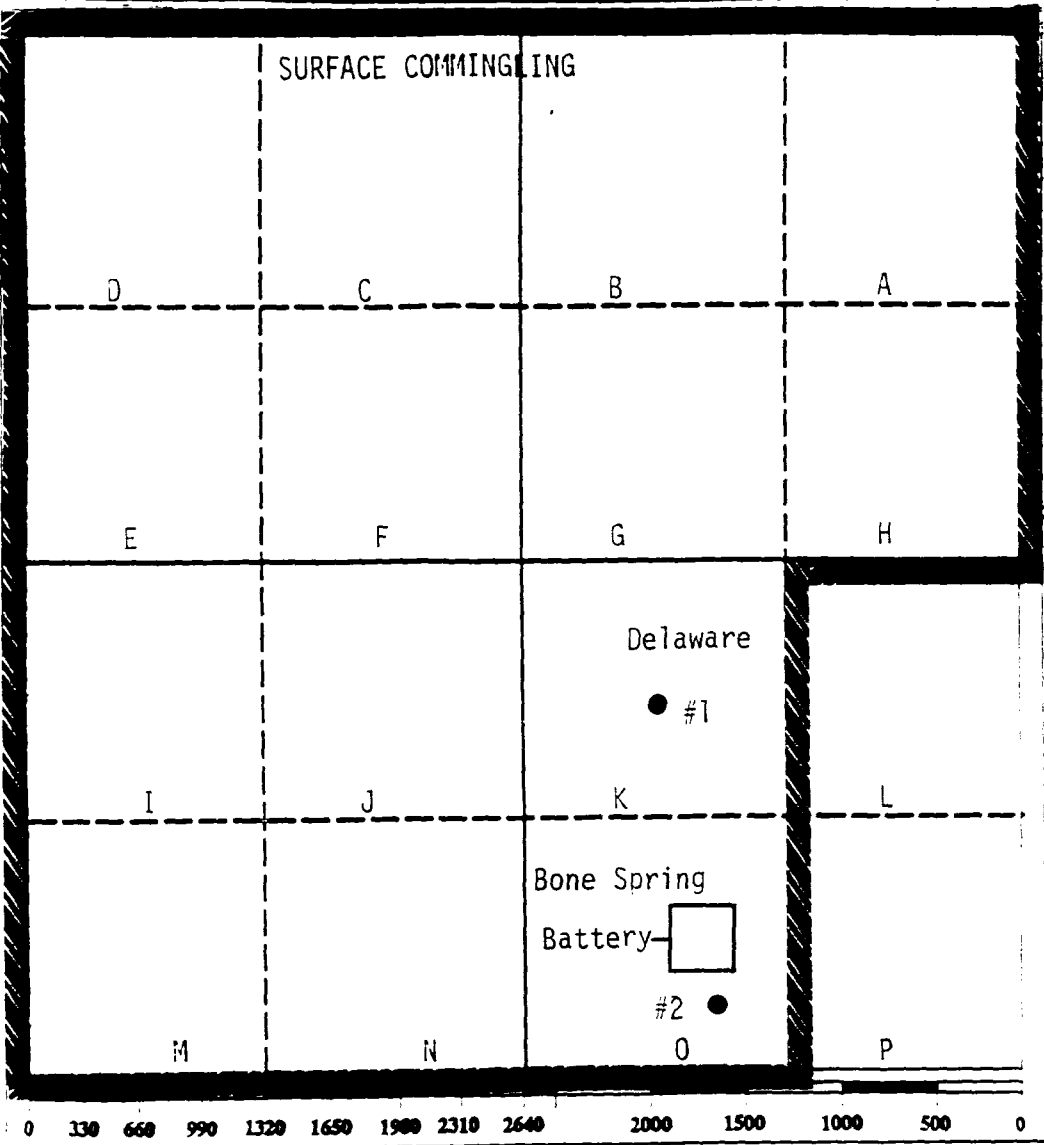
HALLIBURTON SERVICES

Executive Offices, Houston, Texas 77056
General Offices, Duncan, Oklahoma 73536

H A Halliburton Company

Operator MERIDIAN OIL INC.		Lease CHECKERBOARD 23 FEDERAL		Well No. 1 and 2
Unit Locality	Section 23	Township 22-S	Range 32-E	County WFA

Producing Formation DELAWARE AND BONE SPRINGS
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LEASE DESCRIPTION: 560 ACRES.
ALL OF SECTION 23 EXCEPT FOR THE
E/2 OF THE SE/4.

