MERIDIAN OIL

OFE CONSERVE A DIVISION SEC. 15

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State of New Mexico Energy, Minerals and Natural Resources Dept. Oil Conservation Commission P. O. Box 2988 Santa Fe. NM 87504

Atten: Mr. David Catanach

July 31, 1991

Re: Amend Commingle Permit PC-780 Mitchell "16" State Battery Sec. 12, T18S, R32E V-1357 Add Young 16 State No. 1 Lea County, NM

Dear Mr. Catanach:

The Young 16 State No. 1 was recently drilled and completed in the North Young (Delaware) and is producing about 80 BOPD. We are requesting this permit to surface commingle this production with the Wolfcamp and San Andres production at the Mitchell 16 State Battery.

The value of the commingled oil will increase slightly, as demonstrated on the attached chart. By commingling at the existing battery, we will eliminate the expense of constructing and operating a new tank battery.

If other information is needed, please contact me at 915/686-5681.

Connie L. Malik

Regulatory Compliance Representative

CLM/cm

attachments (2)

cc: Lease file
Well File
E.M. Carpenter
D.D. McBee

Mr. Jerry Sexton - OCD, Hobbs, NM

MERIDIAN OIL INC. MITCHELL 16 STATE LEASE AMMENDMENT TO COMMINGLE PERMIT PC-780 V-1357

	<u>Battery</u>	<u>Delaware</u>	<u>Commingled</u>
API Gravity Volume, Bbl/day Volume, \$/Bbl Value, \$	41.7 460 20.25 9,315.00	38.5 80 20.22 1,617.60	41.2 540 20.25 10,935.00
	Combined Value Commingled Value Value Gain (Loss)	\$10,932.60 \$10,935.00 2.40	

Note: \$20.25 - W.T.I. price as of 7/31/91.

Existing Commingle

Mitchell 16 State #1 - Wolfcamp Mitchell 16 State #2 - Wolfcamp Mitchell 16 State #3 - San Andres

Proposed addition to Commingle

Young 16 State # 1 - Delaware

Submit to Appropriate District Office State Lease - 4 copies Fee Lease - 3 copies

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-102 Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

<u>DISTRICT I</u> P.O. Box 1980, Hobbs, NM 88240

DISTRICT III 1000 Rio Brazos Rd., Azzec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator				Lease	IV			Well No.
MERIDIAN OIL, INC.			YOUNG STATE			1		
Unit Letter	Section	Township		Range			County	
В	16	18-50	JTH		32-EAST	NMPM		LEA
Actual Footage Loc	cation of Well:							
660	feet from the	NORTH	line and		380	feet from	he EA	ST line
iround level Elev.	Produci	ng Formation		Pool				Dedicated Acreage:
3798′				J <u> </u>				Acres
2. If mo	ne the acreage dedicatere than one lease is de	edicated to the well,	outline each and	d identify the ow	vnership thereof (both as to working		
unitiz	re than one lease of di ation, force-pooling, e Yes er is "no" list the owne n if neccessary.	stc.? No If and ers and tract descripts	swer is "yes" ty ions which have	pe of consolidate actually been o	ion:	e reverse side of		
	vable will be assigned a non-standard unit, ei					ation, unitization	iorcea-por	ning, or otherwise)
			Youngle State OHI		/ <i>88</i> 0'		l here	ATOR CERTIFICATION by certify that the information tree and complete to the cowledge and belief.
	 -		E-10	000/			gnature	
			,3	+ 	·1 mito		ompany	
	 			 		D	ale	
	·							EYOR CERTIFICATION
	 			 - - - - - -	·	0 3 5 6	n this pla ctual surv upervison, orrect to elief	rtify that the well location show t was plotted from field notes of eys made by me or under m and that the same is true an the best of my knowledge an
	 						Date Survey J. Signature &	ANUARY 2, 1991
				 		1	rofessiona	V. LYNN BEZNER NO. 7920
0 330 660	990 1320 1650	1980 2310 26	40 20	00 1500	1000	500 0	LYNN.	# 7920 T LANG

