



State of New Mexico
Commissioner of Public Lands

RAY POWELL, M.S., D.V.M.
COMMISSIONER

310 OLD SANTA FE TRAIL P.O. BOX 1148

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SANTA FE, NEW MEXICO 87504-1148

February 15, 1995

Kellahin and Kellahin
P.O. Box 2265
Santa Fe, New Mexico 87504-2265

Attention: Mr. W. Thomas Kellahin

Re: Request for Preliminary Approval
East Corbin Delaware Unit
Lea County, New Mexico

BEFORE THE
OIL CONSERVATION DIVISION
Case No. 11207/11208 Exhibit No. 13
Submitted By:
MERIDIAN OIL, INC.
Hearing Date: February 16, 1995

Dear Mr. Kellahin:

This office has reviewed the unexecuted copy of the proposed East Corbin Delaware Unit Agreement, Lea County, New Mexico which you have submitted on behalf of Meridian Oil Incorporated. This agreement meets the general requirements of the Commissioner of Public Lands who has this date granted you preliminary approval as to form and content.

Preliminary approval shall not be construed to mean final approval of this agreement in any way and will not extend any short term leases until final approval and an effective date are given.

When submitting your agreement for final approval, please submit the following:

1. Application for final approval by the Commissioner setting forth the tracts that have been committed and the tracts that have not been committed.
2. The filing fee in the amount of \$120.00. The filing fee for a unit agreement is thirty (\$30.00) dollars for every section or partial section thereof.
3. Two copies of the Unit Agreement.
4. All ratifications from Lessees of Record and Working Interest Owners. All signatures should be acknowledged before a notary. One set of ratifications must contain original signatures.
5. Initial Plan of Operation.

6. Order of the New Mexico Oil Conservation Division. Our approval will be conditioned upon subsequent favorable approval by the New Mexico Oil Conservation Division.
7. A copy of the Unit Operating Agreement (if applicable).
8. Designation letter from the Bureau of Land Management. Our approval will be conditioned upon subsequent favorable approval by the Bureau of Land Management.
9. A redesignation of all well names and numbers (including API numbers).

In addition, we have also taken the liberty of reviewing the unexecuted copy of the East Corbin Delaware Unit Agreement which was also submitted with your application and would like to point out the following corrections:

- A. On Page 2, Subsection (a) of the Unit Agreement, the acreage should be changed from 880.00 acres to 760.00 acres.
- B. On Page 5, Subsection 13. Tract Participation of the Unit Agreement, please correct the participation formula per your letter of February 9, 1995.
- C. On Revised Exhibit "B" Tract No. 2, the correct description should be N2SW4, SW4NW4, Section 22-18S-33E, and the correct acreage should be 120.00 acres.
- D. On Revised Exhibit "B" Tract No. 3, the correct description should be N2NW4, SE4NW4, Section 21-18S-33E, and the correct acreage should be 120.00 acres.
- E. On Revised Exhibit "B" Tract No. 4, the correct description should be SW4, NE4SE4, S2SE4, Section 16-18S-33E, and the correct acreage should be 280.00 acres.
- F. On Exhibit "B" please also provide a recapitulation by land type:

| | | |
|---------------|-----------|------|
| Federal Lands | 400 acres | 53% |
| State Lands | 360 acres | 47% |
| <hr/> | | |
| Total | 760 acres | 100% |

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- G. On Exhibit "C", please change the land descriptions for each tract to coincide with Exhibit "B".

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 POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: 
JAMES B. LEWIS, Director
Oil/Gas and Minerals Division
(505) 827-5744

RP/JBL/cpm

Enclosure

cc: Reader File
BLM-Roswell--Attn: Ms. Alexis Swoboda
OCD-Santa Fe--Attn: Mr. Roy Johnson