N.M. JL CONS. COMMISSION P.O. BOX 1980

June 1990) DEPARTMEN BUREAU OF I SUNDRY NOTICES Do not use this form for proposals to dr Use "APPLICATION FOI	TED STATES IT OF THE INTERIOR LAND MANAGEMENT AND REPORTS ON WELLS ill or to deepen or reentry to a different reservoir R PERMIT—" for such proposals IN TRIPLICATE	FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993 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
MERIDIAN OIL INC. 3. Address and Telephone No. P.O. BOX 51810 MIDLAND, TEXAS 4. Location of Well (Footage, Sec., T., R., M., or Survey Do. SEC. 23, T22S, R32E 1980	escription) -J /S & E	9. API Well No. 3D-D25-31906 10. Field and Pool, or Exploratory Area 11. County or Parish, State LEA COUNTY, NM
TYPE OF SUBMISSION Notice of Intent Subsequent Report Final Abandonment Notice 13. Describe Proposed or Completed Operations (Clearly state al	TYPE OF ACTIO Abandonment Recompletion Plugging Back Casing Repair Altering Casing Other AMEND SURFACE COMMIN & MEASUREMENT APPROVAL PE Il pertinent details, and give pertinent dates, including estimated date of startal depths for all markers and zones pertinent to this work.)*	Change of Plans New Construction Non-Routine Fracturing Water Shut-Off Conversion to Injection GLING Dispose Water RMIT(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)
APPLICATION TO AMEND SURFACE O	COMMINGLING AND MEASUREMENT APPROVAL RE POOL AND THE RED TANK BONE SPRING	OF HYDROCARBON PRODUCTION POOL ON FEDERAL LEASE NO.
(This space for Federal or State office use) Orig. Signed by Ariam Salamah Approved by Conditions of approval, if any Page 1975	ams Title Production Assistant Politicum Engineer Title	Date 12/20/93

APPLICATION FOR SURFACE COMMINGLING AND MEASUREMENT APPROVAL FOR TWO POOLS ON 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, NEW MEXICO.

<u>WELL</u> NO.	LOC.	SEC.	TWP.	RNG.	<u>FORMATION</u>
1	J	23	22 S	32E	DELAWARE
2	0	23	22S	32E	BONE SPRING
3	F	23	22S	32E	DELAWARE
4 (PROPOSED)	C	23	22S	32E	BONE SPRING
5 (PROPOSED)	L	23	22S	32E	BONE SPRING
6 (PROPOSED)	M	23	22S	32E	BONE SPRING

PRODUCTION FROM THE WELLS INVOLVED IS AS FOLLOWS:

WELL NAME AND NO.	BOPD	OIL GRAVITY	MCFPD
CHECKERBOARD 23 FED # 1	230	39.1	230
CHECKERBOARD 23 FED # 2	92	45.0	190
CHECKERBOARD 23 FED # 3	100	39.1	200
CHECKERBOARD 23 FED # 4 (PRO)	100	45.0	190
CHECKERBOARD 23 FED # 5 (PRO)	100	45.0	190
CHECKERBOARD 23 FED # 6 (PRO)	100	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, T22S, R32E 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

WELL NO. 3 OIL AND GAS WILL BE METERED WITH THE # 1 AND ALLOCATED BY WELL TESTS

WELL NO. 4 OIL WILL BE METERED AND GAS WILL BE CALCULATED

WELL NO. 5 OIL WILL BE METERED AND GAS WILL BE CALCULATED

WELL NO. 6 OIL WILL BE METERED AND GAS WILL BE CALCULATED

EACH WELL HAS ITS 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, 4, 5 & 6 GAS VOLUMES WILL BE CALCULATED BY SUBTRACTING THE VOLUME FOR WELL NO. 1 FROM THE TOTAL LEASE SALES VOLUME. WELL NO 3 IS COMMINGLED WITH WELL NO. 1 AND WILL BE ALLOCATED BY MONTHLY WELL TESTS.

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:

NAME:

Donna Williams

TITLE:

Production Assistant

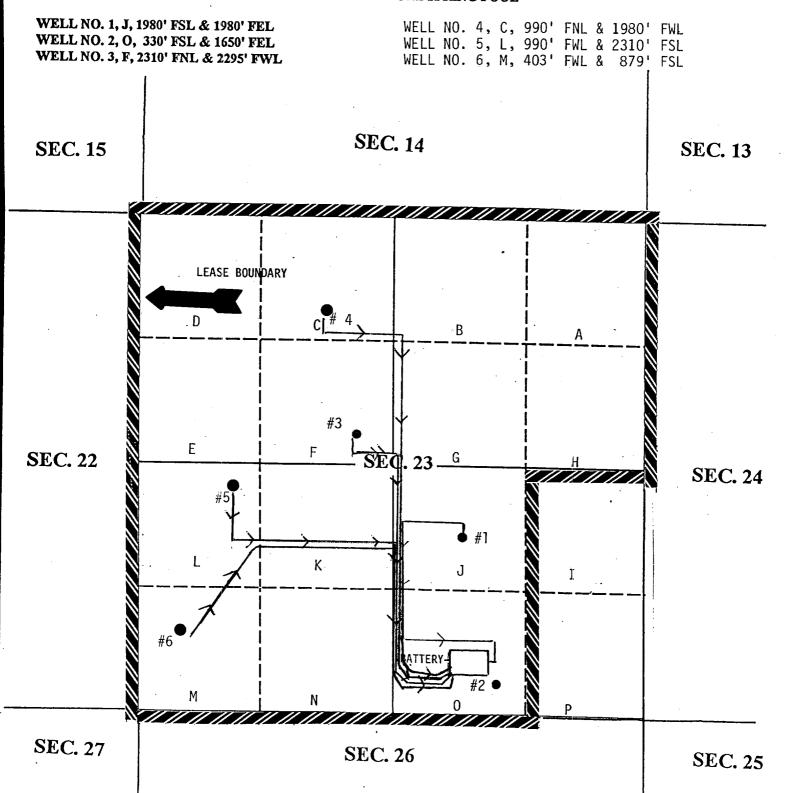
DATE:

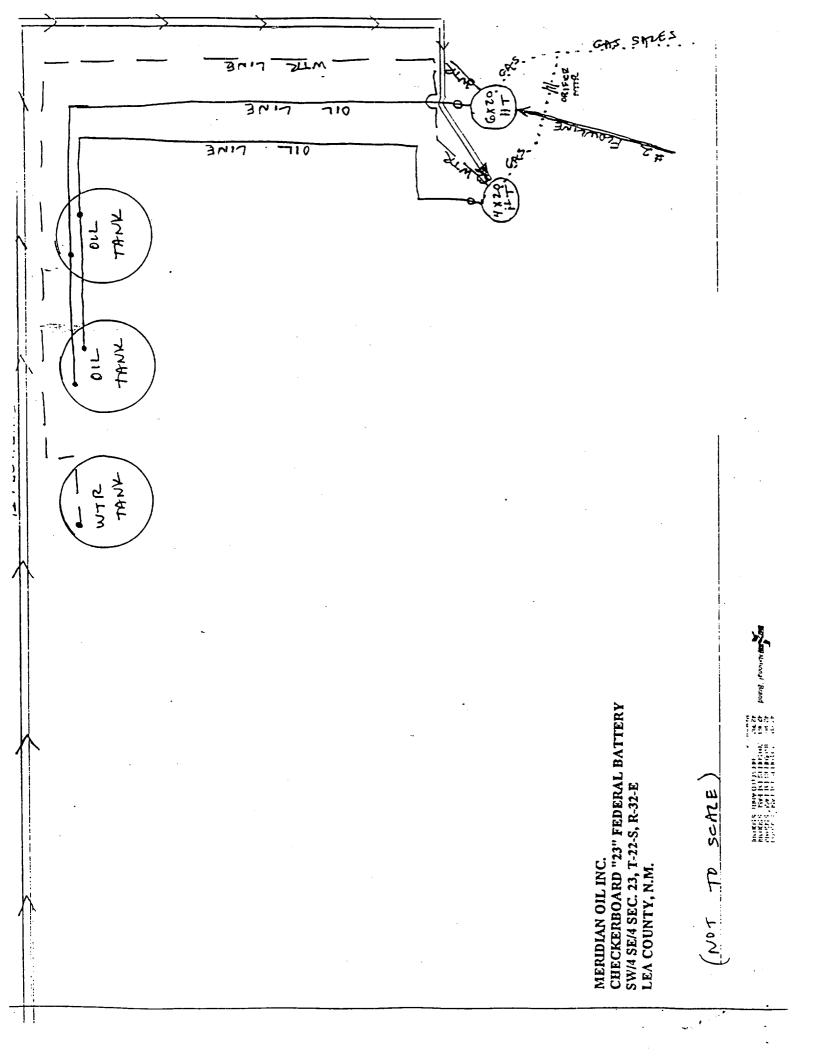
December 20, 1993

MERIDIAN OIL INC. <u>CHECKERBOARD 23 FEDERAL LEASE</u> LEASE NO. NM-81633 SEC. 23, T-22-S, R-32-E LEA COUNTY, NEW MEXICO

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

WEST RED TANK DELAWARE POOL AND RED TANK BONE SPRING POOL





N.A)IL CONS. COMMISSION P.O. BOX 1980

Form 3160-5 UNITED STATES (June 1990) DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT	FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993 5. Lease Designation and Serial No.
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	NM 81633 6. If Indian, Allottee or Tribe Name
SUBMIT IN TRIPLICATE	7. If Unit or CA, Agreement Designation
1. Type of Well X Oil	8. Well Name and No. # (CHECKERBOARD 23 FEDER 9. API Well No.
3. Address and Telephone No. P.O. BOX 51810 MIDLAND, TEXAS 79710 915-688-6943	3D-D25-3190b
SEC. 23, T22S, R32E Unit J 1980/54E	11. County or Parish, State LEA COUNTY, NM
12 CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPO	·
Abandonment Recompletion Plugging Back Casing Repair Altering Casing Other SURFACE COMMINGLING & MEASUREMENT APPROVAL 13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)* Abandonment Recompletion Recompletion Plugging Back Casing Repair Altering Casing Other SURFACE COMMINGLING & 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.) and any proposed work. If well is directionally drille
14. I hereby dertify that the Gregoing is true and correct Signed PRODUCTION ASSISTANT	Date 12/17/93
(This space for Federal or State office use) Orig. Signed by Adam Salameh Approved by Conditions of approval, if any 1000 500	Date /2/23/93

*See Instruction on Reverse Side

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.

Lika Approval

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

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NAME: Donna Williams
TITLE: Production Assistant
DATE: December 17, 1993

MERIDIAN OIL INC.

<u>CHECKERBOARD 23 FEDERAL LEASE</u>

LEASE NO. NM-81633

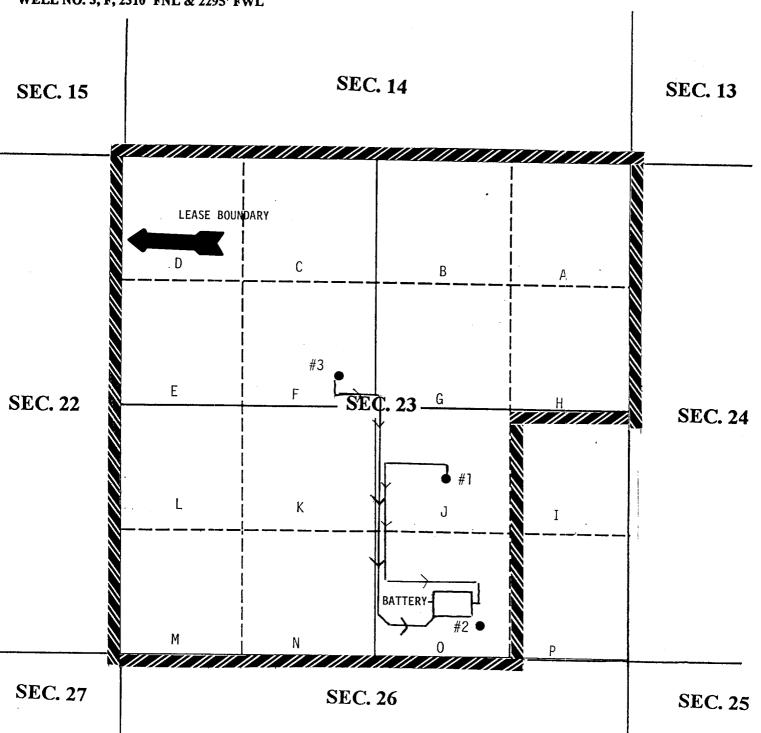
SEC. 23, T-22-S, R-32-E

LEA COUNTY, NEW MEXICO

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

WEST RED TANK DELAWARE POOL AND RED TANK BONE SPRING POOL

WELL NO. 1, J, 1980' FSL & 1980' FEL WELL NO. 2, O, 330' FSL & 1650' FEL WELL NO. 3, F, 2310' FNL & 2295' FWL



CHECKERBOARD "23" FEDERAL BATTERY MERIDIAN OIL INC. WTR TANK TANK 017 オヤマド 917 011 LINE 016 LINE W1268 दंशाई डामहर