



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
P. O. Box 1397
Roswell, New Mexico 88201

NEW MEXICO
HOBBES DIVISION

FEB 23 '85

IN REPLY
REFER TO:

NM-1372 et al (060)

February 26, 1985

Conoco, Inc.
Attention: Mr. Donald W. Johnson
P. O. Box 460
Hobbs, New Mexico 88240

Gentlemen:

Your application, dated December 27, 1984 for permission to surface commingle and off lease storage of production from the Barbara Federal lease No. NM-1372, Dagger Draw Federal lease No. NM-0559175, Dee state lease, Julie fee lease, and the Dagger Draw fee lease with production from the Ladewick fee lease and stored in facilities to be located in the NE $\frac{1}{4}$ NW $\frac{1}{4}$, sec. 19, T. 19 S., R. 25 E., Eddy County, New Mexico, Ladewick A fee lease is hereby approved. Also your application for permission to surface commingle and off lease storage of production from the Preston Federal lease No. NM-045276, Vicki Federal lease No. NM-045275, and Penny Federal lease No. NM-045274 with production from the Robin Federal lease No. NM-043625 and stored in facilities to be located in the SE $\frac{1}{4}$ NW $\frac{1}{4}$, sec. 26, T. 20 S., R. 24 E., Eddy County, New Mexico, lease No. NM-043625 is hereby approved.

As a condition of approval, you are required to test each well for a minimum of twenty-four (24) hours once per month. Any wells or leases proposed to be added to the approved commingling facilities must be approved by the Area Manager in Carlsbad prior to their being included in the facility. Any water-flood operations you contemplate in the future must be conducted pursuant to either an approved lease line agreement or a secondary recovery unit agreement as appropriate.

This approval should not be construed as granting any right-of-way or construction rights not granted by the lease instrument. Such approval must be obtained from the surface managing agencies concerned.

Please notify the Area Manager in Carlsbad when this action is initiated.

Sincerely yours,

District Manager

*Robin's Lease
We need
permission
to off lease
storage at
the Vicki's*

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