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CTB-536



PATRICK H. LYONS
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

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May 15, 2003

Echo Production, Inc.
P. O. Box 1210
Graham, Texas 76450

Attention: Mr. Joe Joyer

Re: Surface Commingling
Terra Enron 13 State #1-A Sec. 13-18S-34E (V-6564)
State "18" #1-F Sec. 18-18S-35E (V-6312)
Lea County, New Mexico

Dear Mr. Joyer:

We are in receipt of your letter of May 5, 2003 requesting our approval to surface commingle the Vacuum; Grayburg-San Andres pool production from the following wells:

Terra Enron 13 State #1-A, Sec. 13-18S-34E,
State "18" #1-F, Sec. 18-18S-35E

It is our understanding that the production will be commingled at the Terra Enron "13" State tank battery located in the NE/4NE/4 of Sec. 13-18S-34E. The production will be allocated to each lease based on periodic well tests.

Since it appears that all the New Mexico Oil Conservation Division's rules and regulations have been complied with, and there will be no loss of revenue to the State of New Mexico, as a result of your proposed operation, your request is hereby approved. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Please contact Ms. Debbie Padilla of our Right-of-Way Division at (505) 827-5729 for a possible right-of-way through the NE/4NE/4 of Sec. 13-18S-34E.

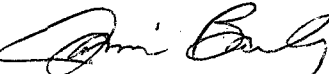
Your \$30.00 dollar filing fee has been received.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS
COMMISSIONER OF PUBLIC LANDS

BY:


JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

PL/JB/pm

pc: Reader File, OCD-Attention: David Catanach