

TIDEWATER OIL COMPANY

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Box 547 Hobbs, New Mexico September 15, 1958

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New Mexico Oil Conservation Commission P. O. Box 871 Santa-Fe, New Mexico

Gentlemen:

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By this letter of application, Tidewater Oil Company respectfully Trequests administrative approval for the exemption to rule 309 and permission to commingle oil from the same zones on its A. B. Coates "C" (Las Cruces 032650 (b)) and A. B. Coates "D" (Las Cruces 032650 (a)) leases Justis multipay pools, Lea County, New Mexico. In relation to the following application, Tidewater Oil Company submits the following information.

- (1) The A. B. Coates "C" lease consists of 400 acres, more or less, located in the E/2, SE/4 NW/4, NE/4 SW/4, Section 24-25S-37E, Lea County, New Mexico.
- (2) The A. B. Coates "D" lease consists of 40 acres, more or less, located in the SE/4 SW/4 of Section 24-25S-37E, Lea County, New Mexico.
- (3) Tidewater Oil Company is the only working interest owner on these tracts.
- (4) Royality on these tracts are common both being owned by the Federal Government.
- (5) Oil to be commingled will be from a common source of supply.
- No more than eight wells will be produced from each of the commingled zones.
- (7) Production from the Coates "D" lease will be continously measured by metering separators.

- (8) Approval from the royality owner has been obtained and a wavier letter is attached.
- (9) All owners of adjoining oil and gas leases have been notified and a wavier letter from each is attached.
- (10) Attached is a plat of these lease showing location of the proposed facilities and another showing offset owners.
- (11) Granting of this application will protect correlative rights and prevent waste.

Respectfully submitted,

TIDEWATER OIL COMPANY

Area Superintendent

RNM:bh

Attachments