

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

May 24, 1990

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Texaco USA
P.O. Box 730
Hobbs, New Mexico 88240

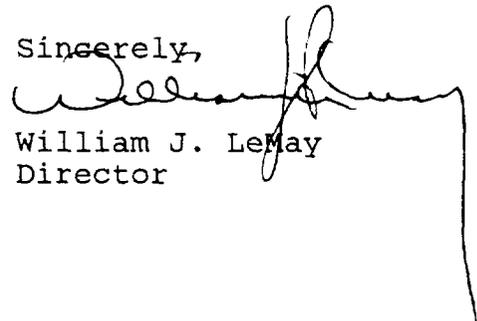
Attention: Richard B. DeSoto

Dear Mr. DeSoto:

Reference is made to your request dated April 11, 1990, to cancel Division Commingling Order No. CTB-319, which order authorized the surface commingling of Lazy J Penn Pool production from the New Mexico "AQ" State Lease and Amerada State Lease, located in portions of Sections 2 and 3, Township 14 South, Range 33 East, NMPM, Lea County, New Mexico.

It is our understanding that the Amerada State Lease has been sold by Texaco, and that the commingling authority is no longer necessary. As per your request, Division Order No. CTB-319 is hereby cancelled.

Sincerely,



William J. LeMay
Director

xc: OCD-Hobbs
State Land Office