

UNITED STATES DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY P. O. Drawer 1857 Roswell, New Mexico 88201

January 5, 1968

Windfohr Oil Company c/o Mr. Ralph Gray Post Office Box 198 Artesia, New Mexico 88210

Gentlemen:

Your letter of December 1, 1967, requests approval to commingle Grayburg production from dually completed well No. 38 Grayburg-Jackson (San Andres) Unit located in NEWNER sec. 12, T. 17 S., R. 30 E., on lease Las Cruces 055264 with Grayburg production on segregated lease New Mexico 2747 (formerly Las Cruces 055264) in sec. 1, T. 17 S., R. 30 E., N.M.P.M., Eddy County, New Mexico.

For royalty purposes, monthly Grayburg production on each lease will be allocated as follows:

- Las Cruces 055264 to be based on semi-monthly tests from Grayburg formation in well No. 38 Grayburg-Jackson (San Andres) Unit,
- 2. New Mexico 2747 to be the difference by subtracting above production from total Grayburg production,

and reported on Lessee's Monthly Report of Operations (form 9-329). The Lessee's Monthly Report of Sales and Royalty (form 9-361) must show all computations used in the calculation of lease sales.

The method of commingling described by your application is hereby approved until April 1, 1968. This approval is subject to further approval of the New Mexico Oil Conservation Commission.

You are requested to notify the District Engineer, U. S. Geological Survey, Post Office Drawer U, Artesia, New Mexico 88210, when the IN OFFICE WALL installation is completed and operative so that an inspection can be made. 268 JAN 8 AM 6 58

Sincerely yours,

JORIG. SGD.) JOHN A. ANDERSON

JOHN A. ANDERSON Regional Oil & Gas Supervisor

cc: N.M.O.C.C., Santa Fe Artesia (3) Roswell

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