



JIM BACA
COMMISSIONER

State of New Mexico
OFFICE OF THE
Commissioner of Public Lands
Santa Fe

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

February 23, 1993

Conoco, Inc.
10 Desta Drive
Suite 100W
Midland, Texas 79705-4500

Attention: Mr. Jerry Hoover

Re: Surface Commingling Approval
Grayburg/Abo Production
State Lease B-3196
Section 35, T17S, R-34E
Lea County, New Mexico

Dear Mr. Hoover:

Reference is made to your letter of January 27, 1993, wherein you have requested our approval to surface commingle Grayburg and Abo production from your State H-35 Lease.

We have derived the following information from your application:

1. The State H-35 Well No. 9 is currently shut-in because it was losing money from the operating costs associated with maintaining a separate treatment and storage facility.
2. The State H-35 Well Nos. 1, 2, 3, 5 and 14 are currently producing from the Vacuum Grayburg San Andres pool. The H-35 Well #9 is currently completed in the Vacuum Abo pool.
3. Production to the respective Grayburg and Abo pools will be allocated by monthly well tests.
4. The above wells are located on State Lease No. B-3196 of which Conoco, Inc. is the Lessee of Record.

In view of the above, please be advised that your request for surface commingling operations is hereby approved. Any deviation from the substance of your request will be sufficient grounds for rescinding our approval. Our approval is subject to like approval and all requirements of the New Mexico Oil Conservation Division.

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

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: 

FLOYD O. PRANDO, Director
Oil/Gas and Minerals Division
(505) 827-5744

JB/FOP/pm

encls.

cc: Reader File

OCD - Mr. Ben Stone

OCD - Mr. David Catanach

TRD