



Aubrey Dunn
COMMISSIONER

July 29, 2016

V-F Petroleum
500 W. Texas, Suite 350
Midland, TX 79702

Attention: Mr. Eric Sprinkle

Re: Request Surface Commingle
State AF #2 Central Tank Battery
Sec 08-18S-35E
State AF #2 API #30-025-20979
Mid-Vac 8 State #1 API #30-025-42457
Vacuum:Abo Reef Pool 61780
Lea County, New Mexico

State of New Mexico
Commissioner of Public Lands

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

COMMISSIONER'S OFFICE

Phone (505) 827-5760
Fax (505) 827-5766
www.nmstatelands.org

Dear Mr. Sprinkle:

We are in receipt of your amended application requesting to surface commingle the above captioned wells into a central tank battery at State AF #2 Central Tank Battery located in the S/2 of Sec 08-18S-35E Lease VO8722-01.

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 submit a copy of the NMOCD's approval to this office.

Our approval does not constitute the granting of any right-of-way or construction rights not granted by the lease instrument. Our approval is subject to V-F Petroleum submitting a business lease application for the tank battery site located in the S/2 of Sec 08-18S-35E.

Please submit a \$30.00 dollar filing fee. When you provide a check as payment, you authorize the State of New Mexico to either use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.

If you have any questions, or if we may be of further help, please contact Sue Keelin at (505) 827-5783.

Respectfully,


AUBREY DUNN
COMMISSIONER OF PUBLIC LANDS

AD/sk
cc: Reader File
OCD-Mr. Daniel Sanchez