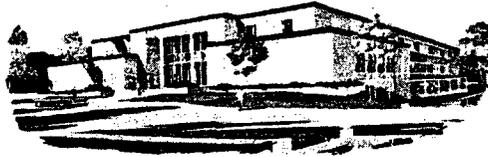


State of New Mexico

File DHC-390



JIM BACA
COMMISSIONER

Commissioner of Public Lands

February 25, 1983

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

Exxon Company, U.S.A.
P. O. Box 1600
Midland, Texas 79702

Re: Downhole Commingling
S. Carlsbad Gas Com. 2, Well No. 1
Sec. 26-T23S-R26E
Eddy County, New Mexico

ATTENTION: Mr. J. K. Lytle

Gentlemen:

Reference is made to your letter dated February 10, 1983 and your application dated August 31, 1982, requesting approval to allow commingling of the Strawn and Morrow formations in your South Carlsbad Gas Com. 2 Well No. 1. Said well is located in State of New Mexico Lease No. K-3403-2 and is communitized with lease No. L-1649-1 for the Morrow and Strawn formations.

Your are hereby given approval to the above request. Any deviation from your proposed request will be reason to cancel our approval. This approval is subject to like approval by the New Mexico Oil Conservation Division.

Please remit a Ten (\$10.00) Dollar filing fee.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY:
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-5744

JB/RDG/pm
encls.

cc: OCD-Santa Fe, New Mexico)
New Mexico Oil and Gas Accounting Division
State of New Mexico Lease No. K-3403-2
Administration