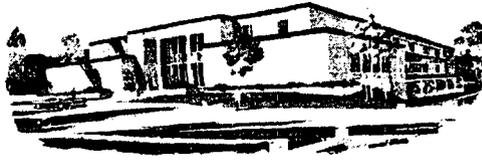


State of New Mexico



W.R. HUMPHRIES
COMMISSIONER

Commissioner of Public Lands

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

October 29, 1990

Mr. Ron Gilbreath, V-P Operations
Chisos Operating Incorporated
P.O. Box 10865
Midland, TX 79702

DHC - 767

Re: Downhole Commingle
State 1-30 Well
Hightower Lower Penn & Hightown Upper Penn
New Mexico State Lease # E-2109-1
B-30-12S-34E
Lea County, New Mexico

Dear Mr. Gilbreath:

Reference is made to your application dated September 25, 1990 wherein you requested approval to downhole commingel production from the Hightower Upper and Lower Penn zones in the State 1-30 well located on New Mexico State lease number E-2109, in B-30-12S-34E, Lea County, New Mexico.

The Commissioner hereby grants approval to commingele the production as outlined above. Please be advised that any deviation from the approved operations will be grounds to rescind our approval. Our approval is subject to like approval by the Oil Conservation Division.

We received your filing fee in the amount of thirty dollars (\$30.00). If you have any questions please call Clyde Langdale at (505) 827-5791.

Sincerely,

W. R. HUMPHRIES
COMMISSIONER OF PUBLIC LANDS

BY: 
Floyd O. Prando, Director
Oil, Gas & Minerals Division

WRH/FOP/CL/dm

cc: OCD - David Catanach
BLM - Jerry Dutchover
TRD - O & G Accounting Division