

DHC-1149



State of New Mexico
Commissioner of Public Lands

RAY POWELL, M.S., D.V.M.
COMMISSIONER

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

(505) 827-5760
FAX (505) 827-5766

February 26, 1996

Shell Western E & P, Inc.
Post Office Box 576
Houston, Texas 77001-0576

Attn: Ms. Yvonne Iverson

Re: Downhole Commingling Application
State "A" #10 - API #30-025-32844
Vacuum Wolfcamp and Vacuum Middle Penn Pools
Unit A, Section 31-17S-35E
Lea County, New Mexico

Dear Ms. Iverson:

We have received your letter of February 15, 1996, wherein you requested our approval to downhole commingle the production from the above well.

We understand that production from the subject well will be allocated as follows:

<u>POOL</u>	<u>ALLOCATION</u>	
	<u>Oil</u>	<u>Gas</u>
Vacuum Wolfcamp Pool	35%	37%
Vacuum Middle Penn Pool	65%	63%

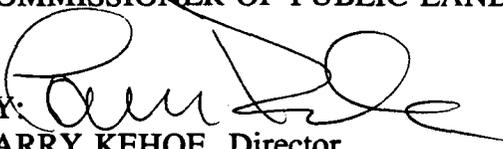
Since it appears that there will be no loss of revenue to the State of New Mexico's beneficiaries from your proposed operation, the Commissioner of Public Lands hereby grants approval. Our approval is given with the understanding that the Commissioner of Public Lands reserves the right to amend or withdraw his approval should this operation prove to be unprofitable to the state at any time in the future. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Shell Western E & P, Inc.
February 26, 1996
Page 2

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

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: 
LARRY KEHOE, Director
Oil, Gas and Minerals Division
(505) 827-5744

RP/LK/cpm

Enclosure

cc: Reader File
OCD--Mr. David Catanach, Mr. Ben Stone