



PATRICK H. LYONS
COMMISSIONER

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State of New Mexico
2007 JUN 14 PM 2:03
Commissioner of Public Lands

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COMMISSIONER'S OFFICE

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June 11, 2007

Chevron U.S.A. Inc.
15 Smith Road
Midland, TX 79705

Attention: Ms. Carolyn J. Haynie

Re: Pool Lease Surface Commingling Amendment
NMOCD Commingling Order PLC-256-A
H. T. Orcutt (NCT) E Lease & Jayhawk #1 Lease
Section 2-20S-37E & 35-19S-37E
Lea County, New Mexico

Dear Ms. Haynie:

Your letter of March 12, 2007 was received on March 22, 2007. Your letter requests our approval to amend NMOCD's Commingling Order PLC-256 to add the Undesignated Monument Paddock pool (46080) to the H.T. Orcutt NCT-E commingled well battery.

Well Name and Number	Description	Pool
H.T. Orcutt NCT-E Well No. 2-D (B-244-1)	Sec. 2-20S-37E	Monument, Tubb
H.T. Orcutt NCT-E Well No. 3-E (B-244-1)	Sec. 2-20S-37E	Weir, Blinebry
H.T. Orcutt NCT-E Well No. 3-E (B-244-1)	Sec. 2-20S-37E	Skaggs, Glorieta, NW
H.T. Orcutt NCT-E Well No. 3-E (B-244-1)	Sec. 2-20S-37E	Ud. Monum. Paddock
H.T. Orcutt NCT-E Well No. 4-D (B-244-1)	Sec. 2-20S-37E	Weir, Blinebry
H.T. Orcutt NCT-E Well No. 4-D (B-244-1)	Sec. 2-20S-37E	Skaggs; Glorieta, NW
Jayhawk Well No. 1-M (B-2277-1)	Sec. 35-19S-37E	Monument, Tubb
Jayhawk Well No. 1-M (B-2277-1)	Sec. 35-19S-37E	Weir, Blinbry
Jayhawk Well No. 1-M (B-2277-1)	Sec. 35-19S-37E	Skaggs, Glorieta, NW

It is our understanding that the production will be allocated to each of the commingled wells on the basis of semi-annual well tests. The commingled production will be stored at the H.T. Orcutt NCT-E Tank Battery located in Lot 4 of Section 2-20S-37E.

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. Any deviation from the substance of your request will be sufficient grounds for rescinding our approval. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Your \$30.00 dollar filing fee has been received.

-State Land Office Beneficiaries -

Carrie Tingley Hospital • Charitable Penal & Reform • Common Schools • Eastern NM University • Rio Grande Improvement • Miners' Hospital of NM • NM Boys School • NM Highlands University • NM Institute of Mining & Technology • New Mexico Military Institute • NM School for the Deaf • NM School for the Visually Handicapped • NM State Hospital • New Mexico State University • Northern NM Community College • Penitentiary of New Mexico • Public Buildings at Capital • State Park Commission • University of New Mexico • UNM Saline Lands • Water Reservoirs • Western New Mexico University

Chevron U.S.A. Inc.

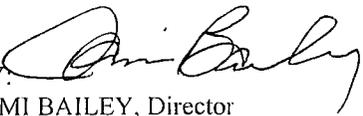
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If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

PATRICK H. LYONS
COMMISSIONER OF PUBLIC LANDS

BY: 

JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

PL/JB/pm

pc: Reader File

 OCD-Attention: David Catanach,