



State of New Mexico

OFFICE OF THE

Commissioner of Public Lands

Santa Fe

RAY B. POWELL
COMMISSIONER

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

November 3, 1993

Texaco Exploration and Production
P. O. Box 730
Hobbs, New Mexico 88241-0730

Attn: Mr. Monte C. Duncan

Re: Amendment of Off-Lease Storage and Surface Commingling
State AN, N.M. AB & R Battery (Formerly State AN Battery)
Vacuum Abo Reef, Vacuum Drinkard Pools
NW/4NE/4 Sec. 7-18S-35E (Battery Location)
Lea County, New Mexico

Dear Mr. Duncan:

This office is in receipt of your application dated October 25, 1993, wherein you have requested our approval to amend your previously approved application for off-lease storage and surface commingling of production from twelve wells into the State AN, N.M. AB & R Battery. Texaco now plans to include the New Mexico AE State Well Nos. 9-C, and the NM AE State Well No. 26-E, Sec. 12-18S-34E into the above captioned battery. It is our understanding that following approval of your request, the commingled battery will be renamed the State AN, N.M. AB & R, N.M. AE State battery.

Since ownership is common throughout and 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, this date approves your request. 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.

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

BY: *Floyd O. Prando*

FLOYD O. PRANDO, Director
Oil/Gas and Minerals Division
(505) 827-5744

RBP/FOP/pm

cc: Reader File

OCD - David Catanach

OCD - Ben Stone

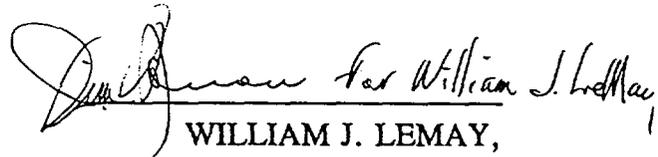
Corrected Commingling Order PLC-103
Texaco Exploration and Production, Inc.
November 23, 1993
Page 2

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 309-B of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority. *(Sent to Jonette Hayes w/ TNAPL copies on 12-3-93)*

REMARKS: The commingled production from the aforementioned leases shall be stored in the "AN", NM "AB" and "R" tank battery facility located in Unit Letter "B" of Section 7, Township 18 South, Range 35 East, NMPM, Lea County, New Mexico.

DONE at Santa Fe, New Mexico, on this 23rd day of November, 1993.

↙ "AN", NM "AB" + "R", "AE" Battery


WILLIAM J. LEMAY,
Division Director

cc: Oil Conservation Division - Hobbs
Oil Conservation Division - Data Processing
NM State Land Office - Oil & Gas Division (Pete Martinez)

COMMINGLE PRE-APPLICATION

STATE LAND OFFICE RULES 1.053-1.055 APPLY TO COMMINGLING OIL AND GAS PRODUCTION FROM NEW MEXICO STATE LANDS. PLEASE PROVIDE THE FOLLOWING INFORMATION SO THAT WE CAN DETERMINE WHETHER OR NOT A COMMINGLE APPLICATION PACKAGE SHOULD BE SUBMITTED.

1. BRIEFLY DESCRIBE WHAT YOU PROPOSE TO DO.

PLEASE SEE ATTACHED LETTER

2. FILL IN THE FOLLOWING INFORMATION FOR EACH WELL.

WELL NUMBER	LEGAL DESCRIPTION	LESSEE OF RECORD	N.M. LEASE NUMBER	FORMATION
Hobbs N State #5	H-8-18S-35E	TEPI	E-6704	Vacuum Abo Reef

NAME: Monte C. Duncan, Engineer's Assistant

COMPANY: Texaco Exploration and Production Inc. 205 E. Bender; Hobbs, N.M.

PHONE NUMBER: (505) 397-0418 or (505) 393-7191

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT THE OIL, GAS AND MINERALS DIVISION AT (505) 827-5744.

MEXICO OIL CONSERVATION COMMISSION
 WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
 Supersedes C-128
 Effective 1-1-65

All distances must be from the outer boundaries of the Section

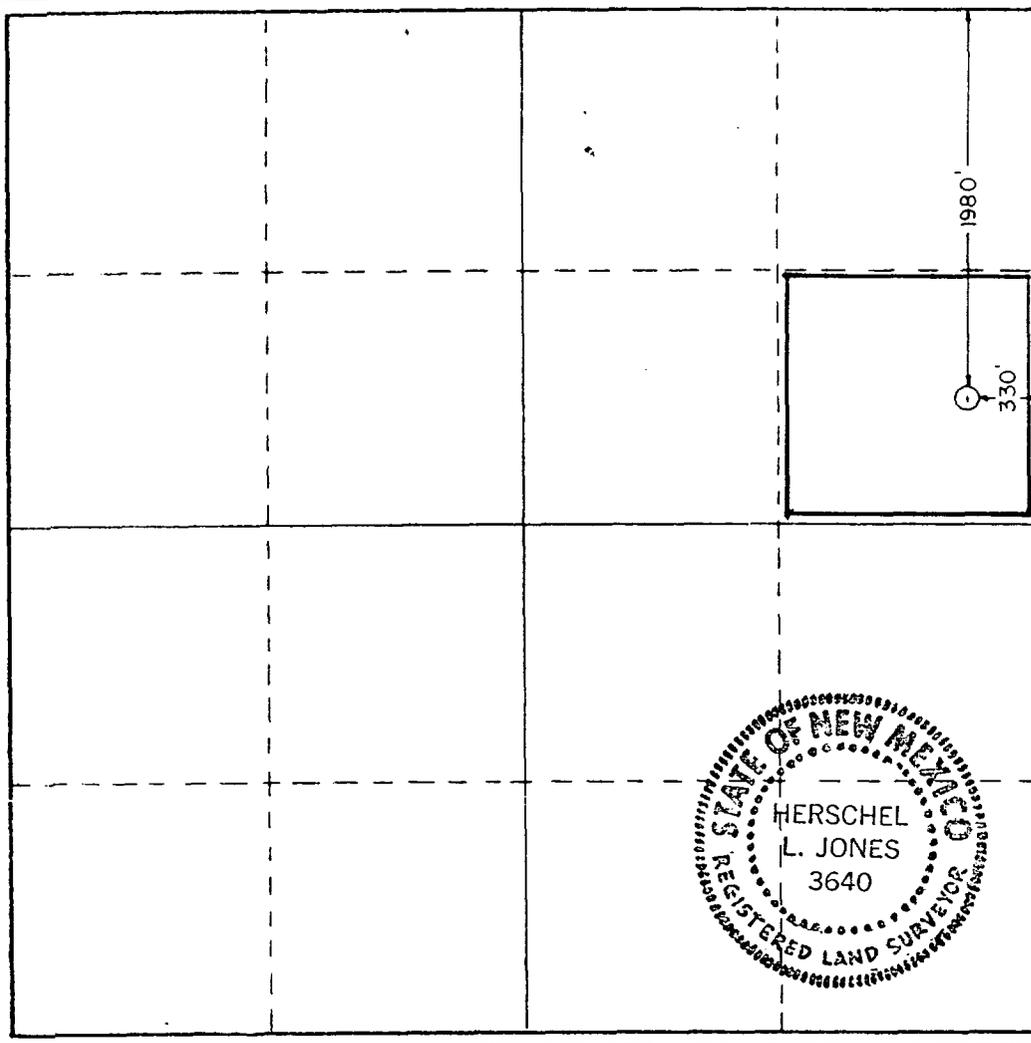
Operator Texaco Exploration and Production Inc.			Lease Hobbs "N" State		Well No. 5
Unit Letter H	Section 8	Township 18 South	Range 35 East	County Lea	
Actual Footage Location of Well: 1980 feet from the North line and 330 feet from the East line					
Ground Level Elev. 3946.6	Producing Formation Vacuum Abo Reef	Pool Vacuum Abo Reef	Dedicated Acreage: 40 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name

Position

Company

Date

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

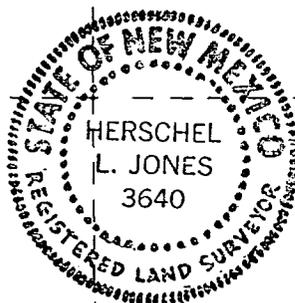
Date Surveyed

December 12, 1979

Registered Professional Engineer and/or Land Surveyor

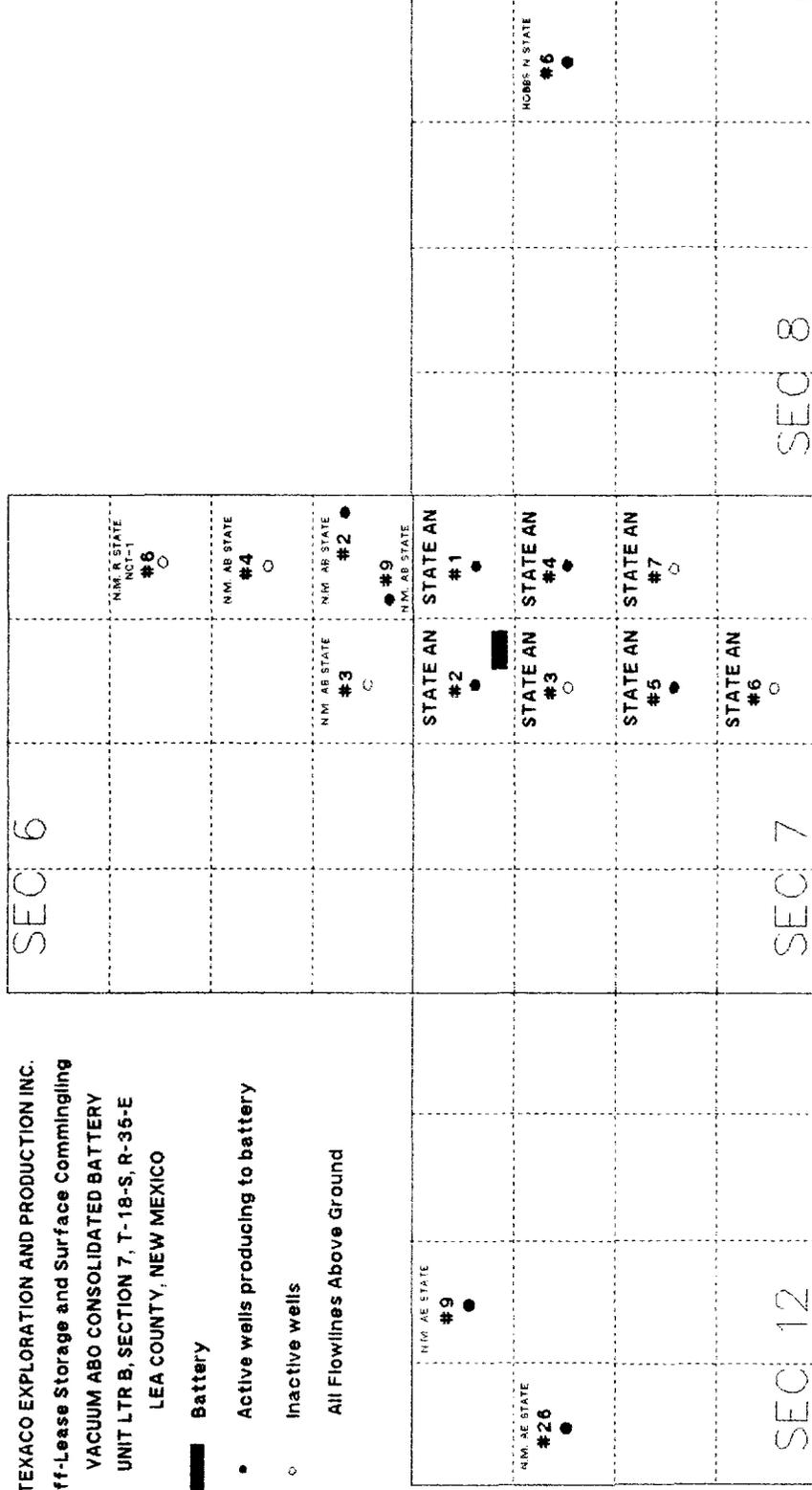
Herschel L. Jones
 Certificate No.

3640



TEXACO EXPLORATION AND PRODUCTION INC.
 Off-Lease Storage and Surface Commingling
 VACUUM ABO CONSOLIDATED BATTERY
 UNIT LTR B, SECTION 7, T-18-S, R-35-E
 LEA COUNTY, NEW MEXICO

- Battery
 - Active wells producing to battery
 - Inactive wells
- All Flowlines Above Ground



T-18-S, R-34-E T-18-S, R-35-E T-18-S, R-35-E