



PLC 8-9-95
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OIL CONSERVATION DIV.
SANTA FE

July 14, 1995

New Mexico Oil Conservation Division
2040 South Pacheco
PO Box 6429
Santa Fe, New Mexico 87505

Attn: Mr. William J. LeMay
Division Director, New Mexico Oil Conservation Division

**Re: Exception to Rule 309-A
Administrative Approval to Lease Commingle
G. L. Erwin "A" Federal and G. L. Erwin "B" Federal NCT-2 leases
Unit Letters I - P, Section 35, Township 24S, Range 37E
Lea County, New Mexico**

Dear Mr. LeMay,

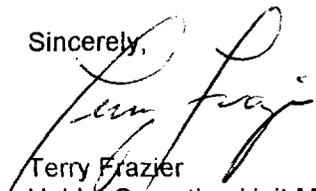
Texaco Exploration and Production Inc. respectfully requests administrative approval to commingle production from the G. L. Erwin "A" Federal and the G. L. Erwin "B" Federal NCT-2 leases. The production from both leases would be commingled in a common facility located in unit letter O, section 35, Township 24S, and range 37E.

At this time, Texaco operates storage facilities on the G. L. Erwin "A" Federal lease and the G. L. Erwin "B" Federal NCT-2 lease. However, the facility located on the Erwin "A" lease lacks sufficient capacity to accommodate all fluids produced from that lease. In an effort to avoid major overhauling expenses on the Erwin "A" facility, Texaco proposes to re-route production from the Erwin "A" lease to the Erwin "B" lease, where a modified facility will be able to accommodate production from both leases.

For additional information, please refer to the attached acreage plats, facility diagrams, facility descriptions, area maps, and lists of mineral interest holders.

All mineral interest holders have been notified of this proposal by copy of this package sent by certified mail. If you have additional questions concerning this proposal, please contact Darrell J. Carriger at (505) 397-0426. Thank you for your consideration of this proposal.

Sincerely,



Terry Frazier

Hobbs Operating Unit Manager

cc: NMOCD-Hobbs, all Mineral Interest Holders

DJC/s

file
chrono
Attachments

JUSTIS FUSSELMAN, NORTH

" MCKEE, "

" CLORIETA PG)

" PADDOCK, N

" DEVONIAN, N

" MONTANA, N

" BLINERS

" TOBB DRINKERS

GLOR

PAD

BLIN

TOBB-DR

DEVON

FUSSEL

MONTANA

MCKEE

The following informational items are required by Rule 309-B (administrative approval for lease commingling).

1) Production from the G. L. Erwin "B" Federal NCT-2 lease is all surface commingled according to Administrative orders PC-80 + amendments, DHC-709, and DHC-274.

Production from the G. L. Erwin "A" Federal lease is commingled according to administrative order PC-82 + amendments.

(Attached are copies of the above orders)

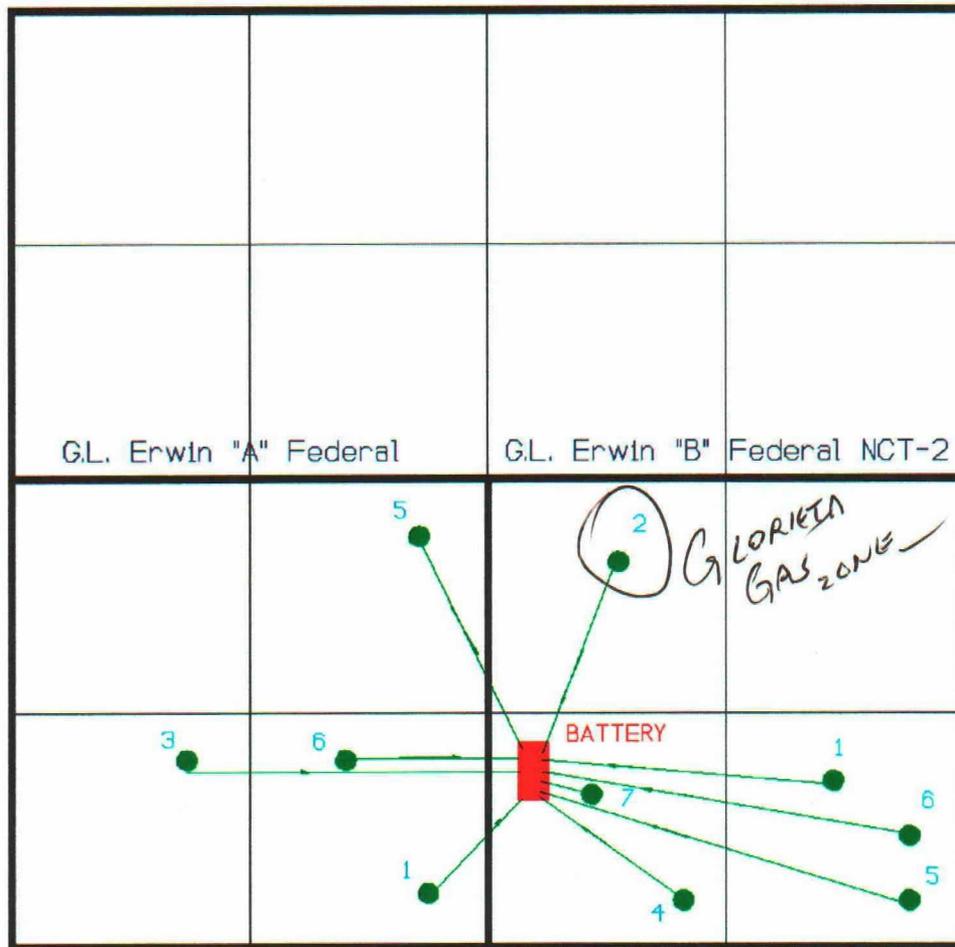
2) The facility installation is in compliance with the "Manual for the Installation and Operation of Commingling Facilities", which is published by the NMOCD.

3-4) All mineral interest holders and transporters have been notified of this proposal by copy application sent by certified mail.

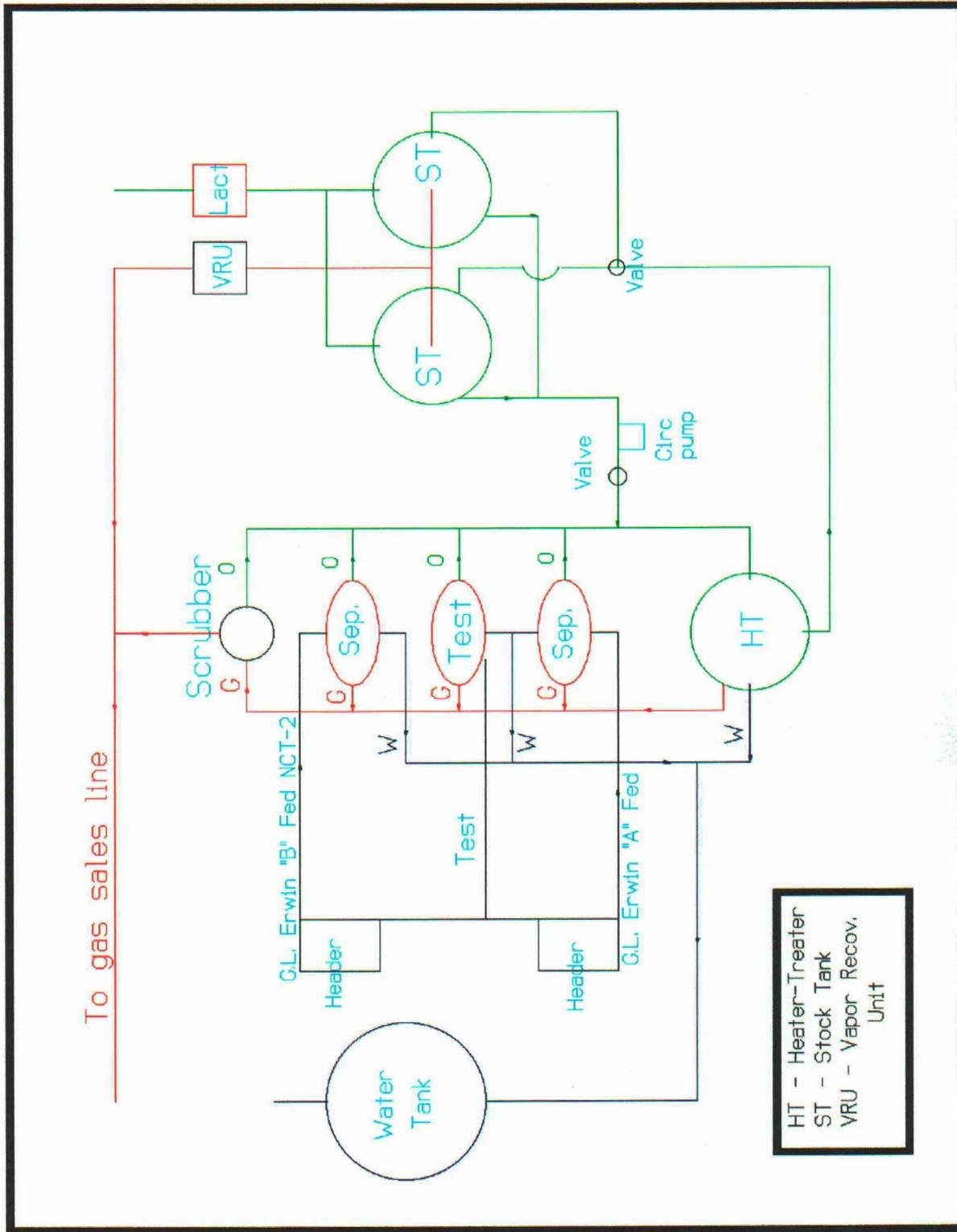
5) In this case, where there is diversity in royalty interest, the metering and storage facilities will be in compliance with the "Manual for the Installation and Operation of Commingling Facilities".

Area map of G.L. Erwin "A" Federal & G.L. Erwin "B" Federal NCT-2

Section 35, Township 24S, Range 37E



Overhead view of lease commingling facilities



**Royalty Interest Holders
G. L. Erwin "A" Federal**

Crenshaw Royalty Corporation
Milam Building STE 1039
115 E Travis
San Antonio, TX 78205

Lorraine Hyde
213 North 31st Street
Duncan, OK 73533

Mary D. Fleming Walsh
PO Drawer 848537
Dallas, TX 75284

Gerome A. Smith
4707 Wilshire Terr
Lawton, OK 73501

Wanda B. Clark
2615 80th Street
Lubbock, TX 79423

Sylvia Kay Houston
723 Woodridge Dr.
Cedar Hill, TX 75104

W. J. Sewell, Catherine Frances Sewell
PO Box 2422
Ruidoso, NM 88345

Sherry Lynn Richardson
3 Cornwallis
Irvine, CA 92720

June Bobb
C/O Joe Coleman
522 E. Baja
Hobbs, NM 88240

Ann Calhoun
Rt 1 Box 124
Ninnekah, OK 73607

Lloyd Garringer Estate Etta Vivian
Brooks

David Allen Smith
1228 E. Broadway
Apt 206
Enid, OK 73701

Mrs. Sue Saunders Graham
PO Box 987
Roswell, NM 88201

Rubie Crosby Bell Family Limited
Partnership #1
1331 Third Street
New Orleans, LA 70130

Robert L. Parker Trust Catherine Mae Parker
and Robert L. Parker Trust
Parker Bldg
3rd and Main
Tulsa, OK 74103

Hattie C. William Trust America
State Bank and Martha McEvoy Pope
COTRS
PO Box 1401
Lubbock, TX 79408

H. M. Dow Trust United New Mexico Trust CoTTE
PO Box 5614
Hobbs, NM 88241

Minerals Managemnet Service
Royalty Mgmt. Program (West Region - Oil)
PO Box 5810 TA
Denver, Colorado 80217

Sharon P. Schieffer Trust Bank One
Texas NA
Account 6420
PO box 99084
Fort Worth, TX 76199

Elyse S. Patterson Trust B
Commerce Bank of Kansas City TTE
PO Box 13366
Kansas City, Kansas 64199

Susan N. Schieffer Trust Team
Bank/Trustee
Trust 6421
Drawer NO 99084
Fort Worth, TX 76199

The Toles Co
PO Drawer 1300
Roswell, NM 88202

**Royalty Interest Holders
G. L. Erwin "B" Federal NCT-2**

Minerals Management Service
Royalty Management Program (West Region - Oil)
PO Box 5810 TA
Denver, Colorado 80217