

COMMISSIONER'S OFFICE
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ADMINISTRATION
Phone (505) 827-5700
Fax (505) 827-5853

GENERAL COUNSEL
Phone (505) 827-5713
Fax (505) 827-4262

PUBLIC AFFAIRS
Phone (505) 827-1245
Fax (505) 827-5766



PLC-184

COMMERCIAL RESOURCES
Phone (505) 827-5724
Fax (505) 827-6157

MINERAL RESOURCES
Phone (505) 827-5744
Fax (505) 827-4739

ROYALTY MANAGEMENT
Phone (505) 827-5772
Fax (505) 827-4739

SURFACE RESOURCES
Phone (505) 827-5793
Fax (505) 827-5711

**New Mexico State Land Office
Commissioner of Public Lands
Ray Powell, M.S., D.V.M.**

August 2, 2001

ARCO Permian
P.O. Box 1089
Eunice, New Mexico 88231

Attn: Mr. Robert L. Manthei

Re: Application for Surface Commingling
Crooked Canyon "35" Federal Well No. 1
E/2, Section 35-20S-21E
Leggett Federal Well No. 1
E/2, Section 22-20S-21E
Sweet Thing Federal Unit Well Nos. 1 and 2
W/2, Section 6-21S-22E
All, Section 31-201/2-22E
B & C Federal "25" Well No. 1
S/2, Section 25-20S-21E
Sweet Thing "36" State Well Nos. 1 and 2
All, Section 36-201/2-21E
Little Box State Well Nos. 2, 3, and 4
All, Section 36-20S-21E
Nasser Federal "1" Well No. 1
N/2, Section 1-21S-21E
Hilltop Federal Well No. 1
W/2, Section 1-21S-21E
Indian Loafer Draw-Upper Pennsylvanian (Gas) and Little Box Canyon-Morrow (Gas) Pool
Eddy County, New Mexico

Dear Mr. Manthei:

We have received a copy of the New Mexico Oil Conservation Division's Order #PLC-184 which notifies this office of your application to surface commingle the production from the above-captioned wells.

Pursuant to State Land Office Rule Nos. 1.053, 1.054 and 1.055, please submit a copy of your commingling request to this office. Enclosed is a copy of our commingling rules and regulations. The filing fee for a commingling application is thirty (\$30.00) dollars.

ARCO Permian
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August 2, 2001

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

RP/JB/cpm
Enclosure
xc: Reader File

OCD

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New Mexico State Land Office
Commissioner of Public Lands
Ray Powell, M.S., D.V.M.

120-107
COMMERCIAL RESOURCES
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August 28, 2001

ARCO Permian
P. O. Box 1089
Eunice, NM 88231

Attention: Mr. Robert L. Manthei

Re: Application to Surface Commingle
Crooked Canyon 35 Federal, Leggett Federal, Sweet Thing Federal Unit, B&C 25 Federal, Sweet Thing 36 State, Little Box State, Nasser Federal, Hilltop Federal
Indian Loafer Draw Upper Penn & Little Box Canyon (Morrow Gas) Pools
Sections 01, 06,, 22, 25, 31, 35, 36, T20.5S-21E
Eddy County, New Mexico

Dear Mr. Manthei:

We are in receipt of your letter of August 13, 2001. Your letter requests our approval to surface commingle and sell through one central sales point the Indian Loafer Draw-Upper Pennsylvanian and Little Box Canyon-Morrow Pool production from the following wells:

Well Name and Number	Description
Crooked Canyon "35" Federal No. 1	E/2 Sec. 35-20S-21E
Leggett Federal No. 1	E/2 Sec. 22-20S-21E
Sweet Thing Federal Unit No. 1	W/2 Sec. 6-21S-22E
Sweet Thing Federal Unit No. 2	All Sec. 31-20½S-22E
B & C Federal "25" No. 1	S/2 Sec. 25-20S-21E
Sweet Thing "36" State No. 1	All Sec. 36 20½S-21E
Sweet Thing "36" State No. 2	All Sec. 36 20½S-21E
Little Box State No. 2	All Sec. 36-20S-21E
Little Box State No. 3	All Sec. 36-20S-21E
Little Box State No. 4	All Sec. 36-20S-21E
Nasser Federal "1" No. 1	N/2 Sec. 1-21S-21E
Hilltop Federal No. 1	W/2 Sec. 1-21S-21E

It is our understanding that the above-mentioned production will be allocated by separately metering the production from each well, utilizing allocation meters, prior to commingling.

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August 28, 2001
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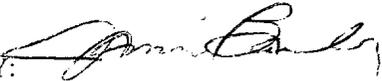
Since it appears that all the New Mexico Oil Conservation Division's rules and regulations have been complied with, and there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request is hereby approved. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Your \$30.00 dollar filing fee has been received.

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: 

JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744
RP/JB/pm

pc: Reader File
OCD-Attention: David Catanach, Ben Stone,
BLM-Roswell, Attn: Mr. Armando Lopez