



DAVID L. WACKER DIVISION
David L. Wacker
Division Manager
Hobbs Division
Exploration and Production, North America

Conoco Inc.
726 East Michigan
P.O. Box 460
Hobbs, NM 88241
(505) 397-5800

'90 MAR 23 PM 9 04

March 20, 1990

Mr. William LeMay
State of New Mexico
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

Dear Mr. LeMay:

Proof of Notice to Dee State No. 1 and Dee
State No. 2 Interest Owners of Intent to
Commingle Production at the Dee State No. 2
Battery, SW/4 SW/4, Section 36, T19S, R24E,
Eddy County, New Mexico

Attached is proof of the fact that all interest owners in the Dee State No. 1 and Dee State No. 2 were notified by certified mail of Conoco's intent to commingle Cisco Canyon production from the Dee State No. 1 at the Dee State No. 2 Battery.

Conoco is the purchaser of the oil production at this battery. The gas produced is sold on the spot market.

Please approve Conoco's request for an exception to Rule 309-A to allow for the above-stated surface commingling. Your early consideration of this request would be appreciated.

Should you have any questions concerning this matter, please contact Ms. Kandy Lawson at (505) 397-5892.

Yours very truly,

David L. Wacker
Division Manager

KLL\tm



David L. Wacker
 Division Manager
 Hobbs Division
 Exploration and Production, North America

Conoco Inc.
 726 East Michigan
 P.O. Box 460
 Hobbs, NM 88241
 (505) 397-5800

March 1, 1990

Cathie Cone Auvenshine
 P.O. Box 33280-296
 Austin, TX 78764

Dear Interest Owner:

Conoco is requesting your approval to surface commingle Cisco Canyon production from the Dee State No. 1 and the Dee State No. 2, both located in S/2 of Section 36, T-19S, R-24E, Eddy County. Although the Dee State No. 1 is presently completed in the Morrow, we have NMOCD approval to recomplete this well in the Cisco Canyon and we are seeking partner approval via separate correspondence. The purpose of commingling is to reduce operating costs for storage and treating and thereby extend the economic life of the field.

The production from each lease will be metered separately at the Dee State No. 2 Battery, prior to commingling and storage, using positive displacement temperature compensated oil meters and temperature compensated gas meters. Metering will ensure that all production is accounted for equitably with no significant effect on your revenue.

We would appreciate your returning an approved copy of this letter to us by March 15, 1990 in the enclosed postage paid envelope. If we do not hear from you by that date, we will assume that you have no objections to our proposal, and we will request permission from the New Mexico Oil Conservation Division for the off-lease storage and surface commingling.

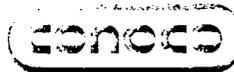
Yours very truly,

David L. Wacker
 David L. Wacker
 Division Manager

KLL/tm

Approval _____

<p>● SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.</p>	
<p>1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. (Extra charge)</p>	
<p>2. <input type="checkbox"/> Restricted Delivery (Extra charge)</p>	
<p>3. Article Addressed to: Cathie Cone Auvenshine P.O. Box 33280-296 Austin, TX 78764</p>	<p>Article Number 117-386986</p>
<p>Type of Service:</p> <p><input type="checkbox"/> Registered <input type="checkbox"/> Insured <input type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise</p>	
<p>Always obtain signature of addressee or agent and DATE DELIVERED.</p>	
<p>5. Signature - Address X</p>	<p>8. Addressee's Address (ONLY if requested and fee paid)</p>
<p>6. Signature - Agent X <i>[Signature]</i></p>	
<p>7. Date of Delivery 3-7-90</p>	



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 Division Manager
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 Exploration and Production, North America

Conoco Inc.
 726 East Michigan
 P.O. Box 460
 Hobbs, NM 88241
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March 1, 1990

Douglas Cone
 P.O. Box 64244
 Lubbock, TX 79474

Dear Interest Owner:

Conoco is requesting your approval to surface commingle Cisco Canyon production from the Dee State No. 1 and the Dee State No. 2, both located in S/2 of Section 36, T-19S, R-24E, Eddy County. Although the Dee State No. 1 is presently completed in the Morrow, we have NMOCD approval to recomplete this well in the Cisco Canyon and we are seeking partner approval via separate correspondence. The purpose of commingling is to reduce operating costs for storage and treating and thereby extend the economic life of the field.

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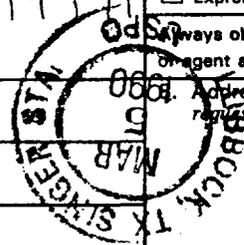
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 David L. Wacker
 Division Manager

KLL/tm

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1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. <i>(Extra charge)</i>	2. <input type="checkbox"/> Restricted Delivery <i>(Extra charge)</i>
3. Article Addressed to: <i>Douglas Cone P.O. Box 64244 Lubbock, TX 79474</i>	4. Article Number <i>P 117 386985</i>
Type of Service:	
<input type="checkbox"/> Registered	<input type="checkbox"/> Insured
<input type="checkbox"/> Certified	<input type="checkbox"/> COD
<input type="checkbox"/> Express Mail	<input type="checkbox"/> Return Receipt for Merchandise
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature - Address <i>X Pat Kniff</i>	6. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent <i>X</i>	
7. Date of Delivery	





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 Division Manager
 Hobbs Division
 Exploration and Production, North America

Conoco Inc.
 726 East Michigan
 P.O. Box 460
 Hobbs, NM 88241
 (505) 397-5800

March 1, 1990

Kathleen Cone
 P.O. Drawer 1509
 Lovington, NM 88260

Dear Interest Owner:

Conoco is requesting your approval to surface commingle Cisco Canyon production from the Dee State No. 1 and the Dee State No. 2, both located in S/2 of Section 36, T-19S, R-24E, Eddy County. Although the Dee State No. 1 is presently completed in the Morrow, we have NMOCD approval to recomplate this well in the Cisco Canyon and we are seeking partner approval via separate correspondence. The purpose of commingling is to reduce operating costs for storage and treating and thereby extend the economic life of the field.

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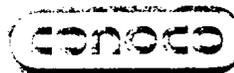
Yours very truly,

David L. Wacker
 David L. Wacker
 Division Manager

KLL/tm

Approval _____

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<p>1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. (Extra charge) 2. <input type="checkbox"/> Restricted Delivery (Extra charge)</p>	
<p>3. Article Addressed to: <i>Kathleen Cone P.O. Drawer 1509 Lovington, NM 88260</i></p>	<p>4. Article Number <i>P117386984</i></p>
<p>Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise</p>	
<p>Always obtain signature of addressee or agent and DATE DELIVERED.</p>	
<p>5. Signature - Address <i>X Kathleen Cone by Clerk</i></p>	<p>8. Addressee's Address (ONLY if requested and fee paid)</p>
<p>6. Signature - Agent <i>X</i></p>	
<p>7. Date of Delivery <i>3-5-90</i></p>	



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 Division Manager
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Conoco Inc.
 726 East Michigan
 P.O. Box 460
 Hobbs, NM 88241
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March 1, 1990

Clifford Cone
 P.O. Box 6010
 Lubbock, TX 79493-6010

Dear Interest Owner:

Conoco is requesting your approval to surface commingle Cisco Canyon production from the Dee State No. 1 and the Dee State No. 2, both located in S/2 of Section 36, T-19S, R-24E, Eddy County. Although the Dee State No. 1 is presently completed in the Morrow, we have NMOCD approval to recomplate this well in the Cisco Canyon and we are seeking partner approval via separate correspondence. The purpose of commingling is to reduce operating costs for storage and treating and thereby extend the economic life of the field.

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David L. Wacker
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 Division Manager

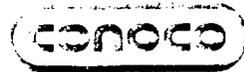
KLL/tm

Approval _____

P 117 384 483
 RECEIPT FOR CERTIFIED MAIL

TO: Clifford Cone	POSTAGE PAID: 2.00
PO BOX 6010	
Lubbock, TX 79493-6010	
DATE: 3/1/90	
SIGNATURE OF POSTMASTER: [Signature]	

PS Form 3800, June 1988



David L. Wacker
 Division Manager
 Hobbs Division
 Exploration and Production, North America

Conoco Inc.
 726 East Michigan
 P.O. Box 460
 Hobbs, NM 88241
 (505) 397-5800

March 1, 1990

Kenneth G. Cone
 P.O. Box 11310
 Midland, TX 79702

Dear Interest Owner:

Conoco is requesting your approval to surface commingle Cisco Canyon production from the Dee State No. 1 and the Dee State No. 2, both located in S/2 of Section 36, T-19S, R-24E, Eddy County. Although the Dee State No. 1 is presently completed in the Morrow, we have NMOCD approval to recomplete this well in the Cisco Canyon and we are seeking partner approval via separate correspondence. The purpose of commingling is to reduce operating costs for storage and treating and thereby extend the economic life of the field.

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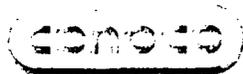
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David L. Wacker
 Division Manager

KLL/tm

Approval _____

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<p>1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. (Extra charge) 2. <input type="checkbox"/> Restricted Delivery (Extra charge)</p>	
<p>3. Article Addressed to: Kenneth G. Cone P.O. Box 11310 Midland, TX 79702</p>	<p>4. Article Number 2117 386 983</p> <p>Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise</p>
<p>Always obtain signature of addressee or agent and DATE DELIVERED.</p>	
<p>5. Signature / Address X Kenneth G. Cone</p>	<p>8. Addressee's Address (ONLY if requested and fee paid)</p>
<p>6. Signature - Agent X</p>	
<p>7. Date of Delivery 3-7-90</p>	



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 Exploration and Production, North America

Conoco Inc.
 726 East Michigan
 P.O. Box 460
 Hobbs, NM 88241
 (505) 397-5800

March 1, 1990

Tom R. Cone
 P.O. Box 778
 Jay, Oklahoma 74346

Dear Interest Owner:

Conoco is requesting your approval to surface commingle Cisco Canyon production from the Dee State No. 1 and the Dee State No. 2, both located in S/2 of Section 36, T-19S, R-24E, Eddy County. Although the Dee State No. 1 is presently completed in the Morrow, we have NMOCD approval to recomplete this well in the Cisco Canyon and we are seeking partner approval via separate correspondence. The purpose of commingling is to reduce operating costs for storage and treating and thereby extend the economic life of the field.

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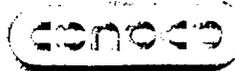
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<p>1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. 2. <input type="checkbox"/> Restricted Delivery (Extra charge) (Extra charge)</p>	
<p>3. Article Addressed to: Tom R. Cone P.O. Box 778 Jay, OK 74346</p>	<p>4. Article Number # 117386982</p>
<p>Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise</p>	
<p>Always obtain signature of addressee or agent and DATE DELIVERED.</p>	
<p>5. Signature -- Address X</p>	<p>8. Addressee's Address (ONLY if requested and fee paid)</p>
<p>6. Signature -- Agent X <i>Jim Ray</i></p>	
<p>7. Date of Delivery 3-5-90</p>	



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 Division Manager
 Hobbs Division
 Exploration and Production, North America

Conoco Inc.
 726 East Michigan
 P.O. Box 460
 Hobbs, NM 88241
 (505) 397-5800

March 1, 1990

Elsie G. Gorman
 Box 96
 Artesia, NM 88211-0096

Dear Interest Owner:

Conoco is requesting your approval to surface commingle Cisco Canyon production from the Dee State No. 1 and the Dee State No. 2, both located in S/2 of Section 36, T-19S, R-24E, Eddy County. Although the Dee State No. 1 is presently completed in the Morrow, we have NMOCD approval to recomplete this well in the Cisco Canyon and we are seeking partner approval via separate correspondence. The purpose of commingling is to reduce operating costs for storage and treating and thereby extend the economic life of the field.

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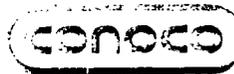
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Approval _____

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<p>1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. (Extra charge) 2. <input type="checkbox"/> Restricted Delivery (Extra charge)</p>	
<p>3. Article Addressed to: <i>Elsie G. Gorman</i> <i>P.O. Box 96</i> <i>Artesia, NM</i> <i>88211-0096</i></p>	<p>4. Article Number <i>717 386981</i></p> <p>Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise</p>
<p>Always obtain signature of addressee or agent and DATE DELIVERED.</p>	
<p>5. Signature - Address <input checked="" type="checkbox"/></p>	<p>8. Addressee's Address (ONLY if requested and fee paid)</p>
<p>6. Signature - Agent <input checked="" type="checkbox"/> <i>[Signature]</i></p>	
<p>7. Date of Delivery <i>3.7.90</i></p>	



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 Division Manager
 Hobbs Division
 Exploration and Production, North America

Conoco Inc.
 726 East Michigan
 P.O. Box 460
 Hobbs, NM 88241
 (505) 397-5800

March 1, 1990

R. E. Chambers
 2413 Clayton Lane
 Wichita Falls, TX 76308

Dear Interest Owner:

Conoco is requesting your approval to surface commingle Cisco Canyon production from the Dee State No. 1 and the Dee State No. 2, both located in S/2 of Section 36, T-19S, R-24E, Eddy County. Although the Dee State No. 1 is presently completed in the Morrow, we have NMOCD approval to recomplete this well in the Cisco Canyon and we are seeking partner approval via separate correspondence. The purpose of commingling is to reduce operating costs for storage and treating and thereby extend the economic life of the field.

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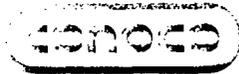
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<p>3. Article Addressed to: RE Chambers 2413 Clayton Ln. Wichita Falls, TX 76308</p>	<p>4. Article Number 2117384482</p> <p>Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise</p> <p>Always obtain signature of addressee or agent and DATE DELIVERED.</p>
<p>5. Signature - Address X <i>Shirley Reynolds</i></p>	<p>8. Addressee's Address (ONLY if requested and fee paid)</p>
<p>6. Signature - Agent X</p>	
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 726 East Michigan
 P.O. Box 460
 Hobbs, NM 88241
 (505) 397-5800

March 1, 1990

W. T. Probandt
 415 W. Wall STE 1608
 Midland, TX 79701

Dear Interest Owner:

Conoco is requesting your approval to surface commingle Cisco Canyon production from the Dee State No. 1 and the Dee State No. 2, both located in S/2 of Section 36, T-19S, R-24E, Eddy County. Although the Dee State No. 1 is presently completed in the Morrow, we have NMOCD approval to recomplete this well in the Cisco Canyon and we are seeking partner approval via separate correspondence. The purpose of commingling is to reduce operating costs for storage and treating and thereby extend the economic life of the field.

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David L. Wacker
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 Division Manager

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 2. Restricted Delivery (Extra charge)

3. Article Addressed to:
 W.T. Probandt
 415 W Wall Ste 1608
 Midland, TX 79701

4. Article Number
 4117 386 955

Type of Service:
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

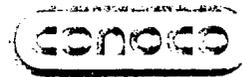
Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature / Address
 X *W.T. Probandt*

6. Signature / Agent
 X

7. Date of Delivery
 3-5-90

8. Addressee's Address (ONLY if requested and fee paid)



David L. Wacker
 Division Manager
 Hobbs Division
 Exploration and Production, North America

Conoco Inc.
 726 East Michigan
 P.O. Box 460
 Hobbs, NM 88241
 (505) 397-5800

March 1, 1990

Yates Petroleum Corp.
 105 S. 4th Street
 Artesia, NM 88210

Dear Interest Owner:

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 David L. Wacker
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KLL/tm

Approval _____

<p>● SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.</p> <p>1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. (Extra charge) 2. <input type="checkbox"/> Restricted Delivery (Extra charge)</p>	
<p>3. Article Addressed to: Yates Petroleum 105 S. 4th St. Artesia, NM 88210</p>	<p>4. Article Number P117 386987</p> <p>Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise</p> <p>Always obtain signature of addressee or agent and DATE DELIVERED.</p>
<p>5. Signature - Address X</p>	<p>8. Addressee's Address (ONLY if requested and fee paid)</p>
<p>6. Signature - Agent X <i>Paul King</i></p>	
<p>7. Date of Delivery 3-5-90</p>	