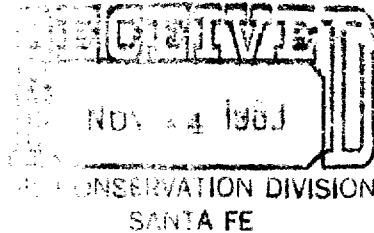


SUPERIOR OIL

October 28, 1983

State of New Mexico
Energy & Minerals Dept.
Oil Conservation Commission
P.O. Box 1980
Hobbs, NM 88240



Attn: Mr. Jerry Sexton
District Supervisor

Subject: Surface Commingling Exception, Rule 303A
Lease No. NM - 0554858
Government "9" Wells No. 1 and 2
Government "10" Well No. 1
Scharb (Bone Spring) Field
Lea County, New Mexico

Dear Mr. Sexton,

The Superior Oil Company requests permission to commingle oil and gas from the Government "9" Wells No. 1 and 2 and Government "10" Well No. 1. Both leases are covered by NM-0554858 and the royalty interest and the working interest are the same. Both leases are producing from the same pool so there will be no change in the value of the crude oil nor of the gas. Oil and gas production will be allocated back to each well based on monthly well tests.

Mr. Peter Chester, Minerals Management Service, Roswell, New Mexico, was contacted by phone on 10-27-83 in reference to this application, and a copy of this letter is being sent to Mr. Jim Gillham in that office, for his approval.

Attached is additional information required by rule 303A.

1. Schematic Drawings of production facilities.
2. Plat showing location of wells.
3. Addition well information.

If additional information is needed please contact Lorraine Maroney at 915/699-2637.

Yours very truly,



G. E. Tate
Division Operations Superintendent

LLM/stp

Attachments

cc: Mr. Jim Gillham
MMS/BLM
Roswell

Well Information

	<u>Government "9"</u>		<u>Government "10"</u>
	<u>Well No. 1</u>	<u>Well No. 2</u>	<u>Well No. 1</u>
Crude Gravity	37.0°	37.0°	37.0°
Current Daily	400 B0	400 B0	22 B0
Production	315 MCFG	385 MCFG	34 MCFG

Produce at top
allowable

[illegible]

COMMINGLE FACILITIES

Government "9" and "10" Leases

