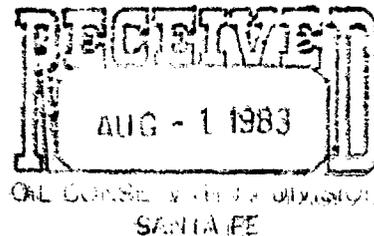


HENRY ENGINEERING
Petroleum Engineers
807 FIRST NATIONAL BANK BUILDING
MIDLAND, TEXAS 79701

July 27, 1983



New Mexico Energy and Minerals Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

Attn: Mr. Joe D. Ramey, Director

Re: Rule 303-B Surface Comingling
Strawn & Devonian Production
David Fasken Warren Lease
Lea County, New Mexico

Gentlemen:

On behalf of our client, David Fasken, we are requesting an exception to Rule 303-A of the Division Rules and Regulations to surface comingle oil production from the Strawn and Devonian formations on the Warren Lease. The Warren Nos. 1 and 3 will produce from the Devonian and the Warren No. 2 from the Strawn. The commonly owned production will be metered prior to combining the two streams per Fig. 1 of Manual for the Installation and Operation of Comingling Facilities. Production from these same two reservoirs in the Midway Field were comingled per Order PLC-60 dated May 5, 1982, on the offsetting Consolidated State and Consolidated State "A" Leases.

The value of the comingled production will not change from the segregated production, because the purchaser, P & O Falco, pays a flat price for all oil of 40° API gravity or above. This is \$27.20 per barrel after W.P.T. Please refer to attached schedule.

The ownership (R.I., O.R.R.I., W.I., etc.) is identical in all three wells on the subject lease.

Any questions you may have concerning this request should be directed to myself or Mr. James B. Henry at 915-683-1893.

Yours truly,

HENRY ENGINEERING

A handwritten signature in cursive script that reads "Robert H. Angevine".

Robert H. Angevine

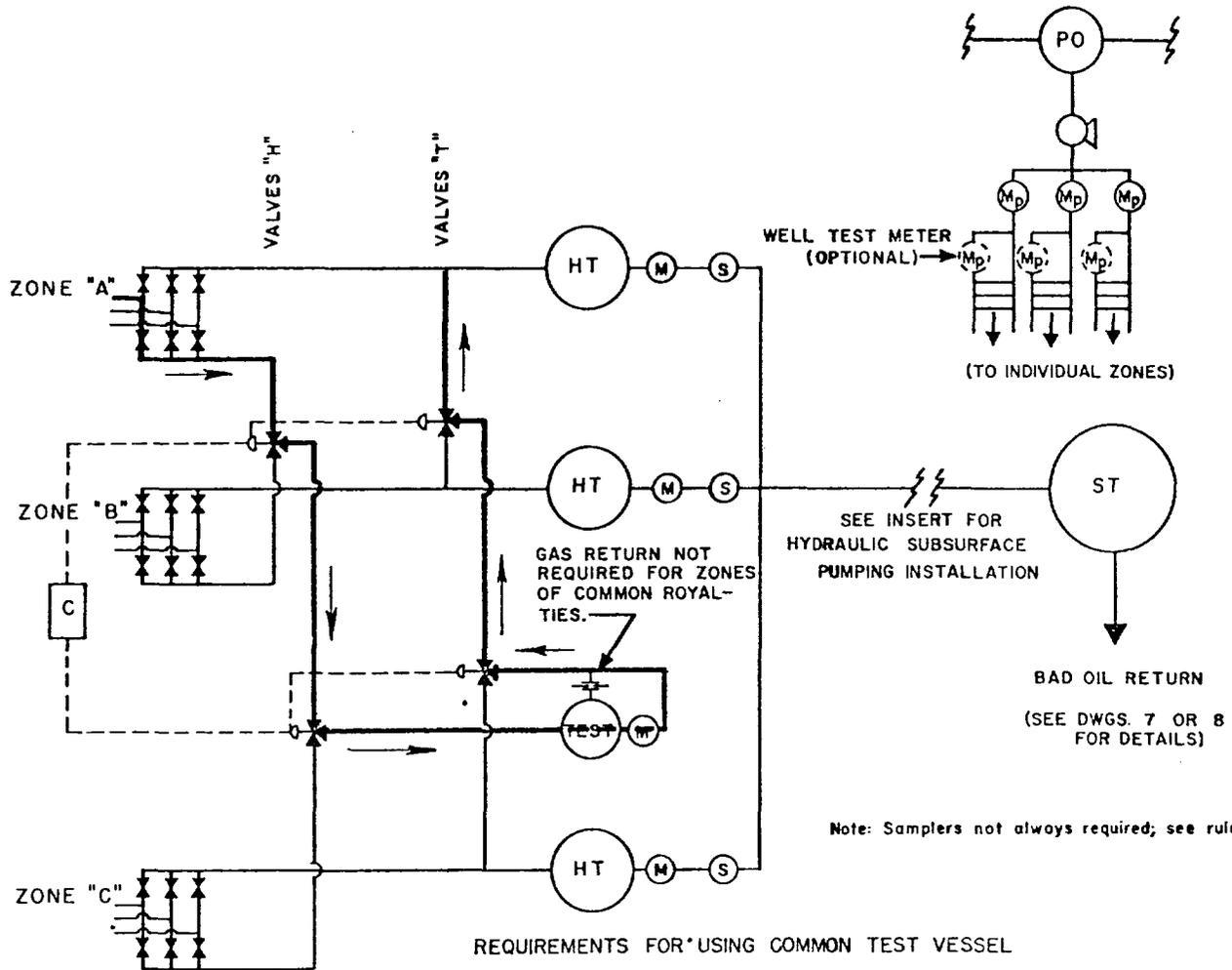
RHA:dt
Attmts.

ESTIMATED CRUDE OIL VOLUME AND VALUE

WARREN LEASE

<u>TYPE</u> <u>OIL</u>	<u>A.P.I.</u> <u>GRAVITY</u>	<u>VOLUME</u> <u>B.O.P.D.</u>	<u>PRICE</u> <u>\$/Bbl. A/WPT</u>	<u>VALUE</u> <u>\$/DAY</u>
Strawn	45.5	250	27.20	6,800
Devonian	50.5	200	27.20	5,440
Comingled	46.3	450	27.20	12,240

HYDRAULIC
SUBSURFACE PUMPING INSTALLATION



1. Automatic well test header valves on individual well flowlines may be substituted for valve "H". Interlocking control as shown would then be required between each valve on the manifold and the respective valve "T".
2. Manual, pneumatic, or electrical interlocks must be provided between the appropriate valve "H" and valve "T" as shown. Control panel [C] and control lines to valves are not required if mechanical interlock is provided for manual operation.
3. Manual overrides on automatic well test header valves on individual well flowlines may be installed on production side only.

SYMBOLS

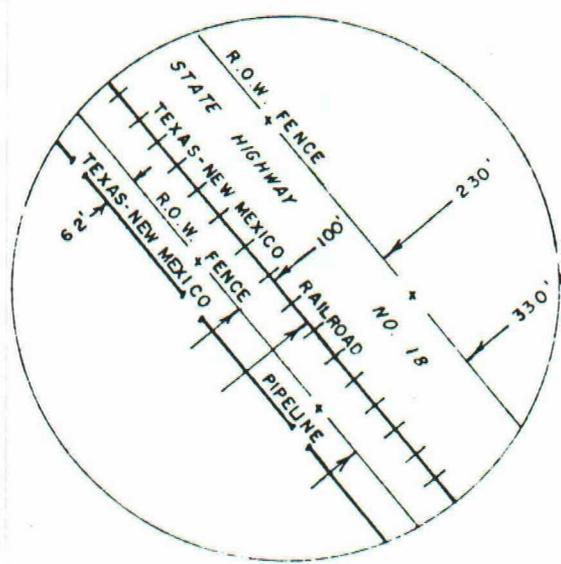
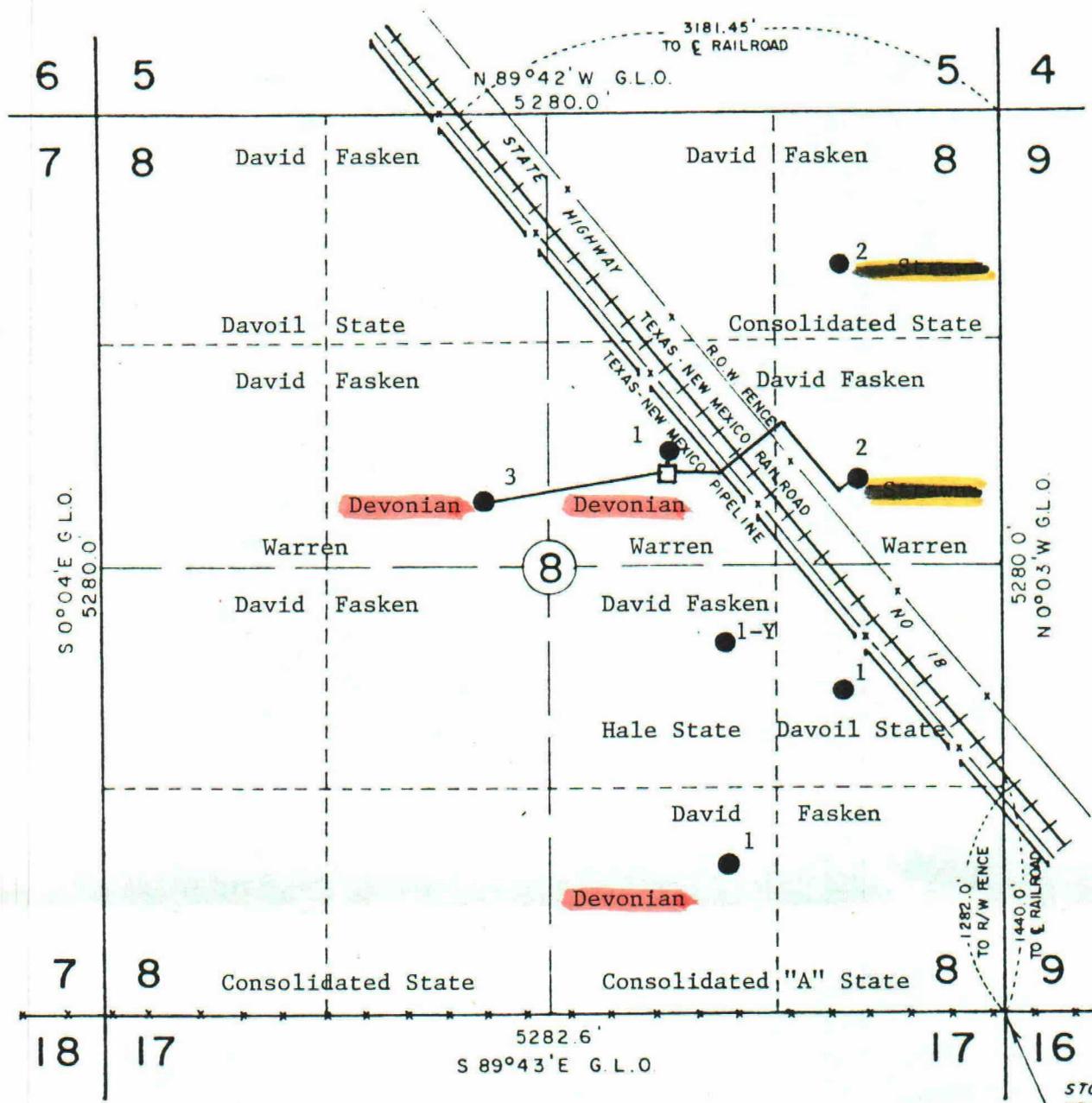
- CHECK VALVE.
- BLOCK VALVE.
- 2 WAY VALVE (PNEUMATIC OR ELECTRICALLY CONTROLLED).
- 3 WAY VALVE (MANUAL, PNEUMATIC OR ELECTRICALLY CONTROLLED).
- CONTROL PANEL (PNEUMATIC OR ELECTRICAL)
- GAS METER
- METER
- METER FOR POWER OIL
- TESTING VESSEL (HEATER-TREATER OR SEPARATOR)
- HEATER TREATER
- POWER OIL TANK
- STOCK TANK
- PUMP
- SEPARATOR
- SAMPLER

Red line indicates path followed by production from a Zone "A" well while on test.

INDIVIDUAL TREATERS USED IN COMMINGLING
COMMON OR SEPARATE OWNERSHIP

NEW MEXICO OIL CONSERVATION COMMISSION
MANUAL FOR COMMINGLING

FIG. 1



DETAIL NOT TO SCALE

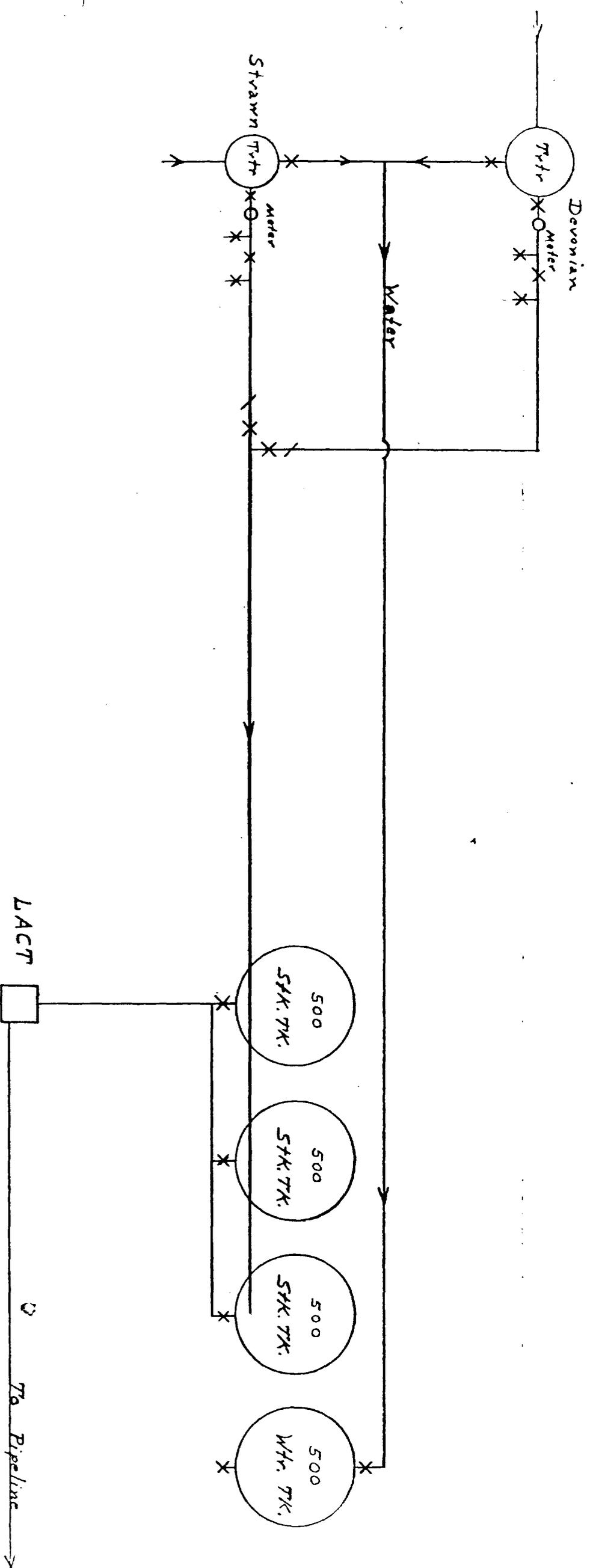


I HEREBY CERTIFY THAT THIS PLAT WAS MADE FROM NOTES TAKEN IN THE FIELD IN A BONA FIDE SURVEY MADE UNDER MY SUPERVISION, AND THAT THE SAME IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

John W. West
 JOHN W. WEST, N.M. P.E. & L.S. NO. 676
 TEXAS R.P.S. NO. 1138
 RONALD J. EIDSON, N.M. L.S. NO. 3239
 TEXAS R.P.S. NO. 1883

DAVID FASKEN	
A plat of Section 8, Township 17 South, Range 37 East, N.M.P.M., Lea County, New Mexico.	
JOHN W. WEST ENGINEERING COMPANY CONSULTING ENGINEERS HOBBS, NEW MEXICO	
Scale: 1" = 1000'	Drawn by: RKG
Date: 8/6/79	Sheet 1 of 1 Sheets

STONE FOUND IN FENCE CORNER



TANK BATTERY SCHEMATIC
 Proposed Devonian - Strawn Comingled
 David Fasken Warren Lease
 Midway Field
 Lea County, New Mexico