

May 18, 1981

Mr. James Gillham
U. S. Department of Interior
Geological Survey
Federal Building
Roswell, N. M. 88201

Re: Request to comingle
T. 19 S., R. 28 E.,
Sec. 22: NWNW
LC-064670 (B)
T. 19 S., R. 28 E.,
Sec. 22: SWNW
LC 064670

Dear Jim:

Per our telephone conversation of May 14, 1981, Harlan Oil Company respectively requests that they be allowed to co-mingle production from the two above described leases.

Production on the two wells, the Featherstone Federal # 1 (330 FNL & 990 FWL) and the Featherstone-Welch # 1 (1650 FNL & 990 FWL), have been averaging together 4-6 barrels per day. The gravity of the two wells is similar.

Ownership under both wells is identical as follows:

U. S. A.	.1250	RI
Glenn Herzog	.0050	ORRI
Featherstone Farms	.0450	ORRI
Featherstone Farms	.4125	W.I.
Harlan Oil Company	.4125	W.I.

Harlan Oil Company, as operator of these two wells, needs to rebuild two tank batteries that presently exist, one on each lease. Due to deterioration of the tanks and the poor condition of flowlines we would like to replace this equipment. However, due to the low production runs on these leases it would be uneconomical to rebuild two separate facilities when one will suffice. We therefore, respectfully request that we be allowed to build one tank battery for oil runs on both leases.

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Harlan is presently applying to the New Mexico Oil Conservation Division for administrative approval to comingle the two wells. The Featherstone Federal # 1 was completed as a Queen/Grayburg well producing from 1773 to 1785 feet. The Featherstone Welch # 1 was completed as a Queen well producing from 1693 to 1713 feet.

We would appreciate your early decision on this inquiry as repairs are needed.

Very truly yours,

Rudd E. Hobert,
Landman

BHH/dh

HARLAN OIL COMPANY

Box 668 — Phone 746-3692

ARTESIA, NEW MEXICO 88210

May 28, 1981

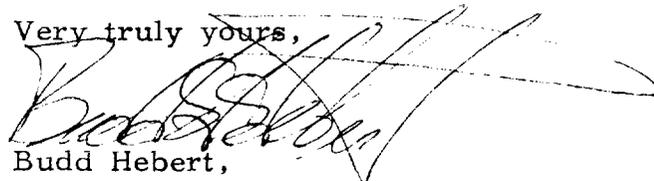
Mr. Joe Featherstone
Featherstone Farms, Ltd.
1717 W. Second St.
Roswell, New Mexico 88201

Dear Joe:

Harlan Oil Company is proposing the commingling of production from the Featherstone Federal #1 and Featherstone Welch #1. Tank batteries of both wells are in need of replacement. Given the levels of production on both leases, we feel that the most prudent means of producing the wells would be to place production in a common tank battery. To that end we have written the U. S. Geological Survey and the New Mexico Oil Conservation Division requesting permission to commingle these two wells. We will let you know of their decision as soon as we know.

Ownership under these two wells is held in common.

Very truly yours,



Budd Hebert,
Land Department

BH:dh

HARLAN OIL COMPANY

Box 668 — Phone 746-3692

ARTESIA, NEW MEXICO 88210

May 28, 1981

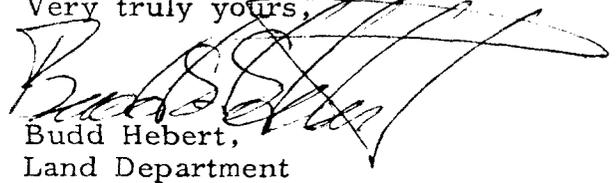
Mrs. Glenna McLean Herzog
2170 S. St. Paul St.
Denver, Colorado 80210

Dear Mrs. Herzog:

Harlan Oil Company is proposing the commingling of production from the Featherstone Federal #1 and Featherstone Welch #1. Tank batteries of both wells are in need of replacement. Given the levels of production on both leases, we feel that the most prudent means of producing the wells would be to place production in a common tank battery. To that end we have written the U. S. Geological Survey and the New Mexico Oil Conservation Division requesting permission to commingle these two wells. We will let you know of their decision as soon as we know.

Ownership under these two wells is held in common.

Very truly yours,

A handwritten signature in black ink, appearing to read "Budd Hebert", written over a horizontal line.

Budd Hebert,
Land Department

BH:dh