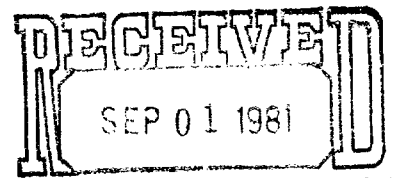




PETROLEUM PRODUCTS



SEP 01 1981

OIL CONSERVATION DIVISION

SANTA FE

TEXACO INC.

DRAWER 728

HOBBS, NEW MEXICO 88240

August 25, 1981

SURFACE COMMINGLING

C. P. FALBY "A" FEDERAL LEASE

SECTION 8, T-22-S, R-37-E

C. P. FALBY "B" FEDERAL LEASE

SECTION 8, T-22-S, R-36-E

LEA COUNTY, NEW MEXICO

New Mexico Oil Conservation Division

P. O. Box 2088

Santa Fe, New Mexico, 87501

Attention: Mr. Joe D. Ramey

Gentlemen:

In accordance with New Mexico Oil Conservation Division Rule 309-B, TEXACO Inc. respectfully requests Administrative approval of an exception to Rule 309-A to permit surface commingling of liquid hydrocarbon production from the Blinebry and Drinkard pool from the C. P. Falby "A" Lease with that from the Drinkard pool from the C. P. Falby "B" Lease.

The C. P. Falby "A" Lease is currently operating under Commingle Permit No. PC-548. The total production will be metered as it is sold.

A plat of the leases to be commingled indicating well locations and pools from which they produce, and a diagram of the proposed commingling facility installation are attached.

August 25, 1981

A copy of this application is being sent to the Shell Pipeline Corporation, as Purchaser of hydrocarbon from these leases. All Working Interests and Royalty Interests are common to all leases.

Yours very truly,

TEXACO INC.

PRODUCING DEPARTMENT-WEST U. S.



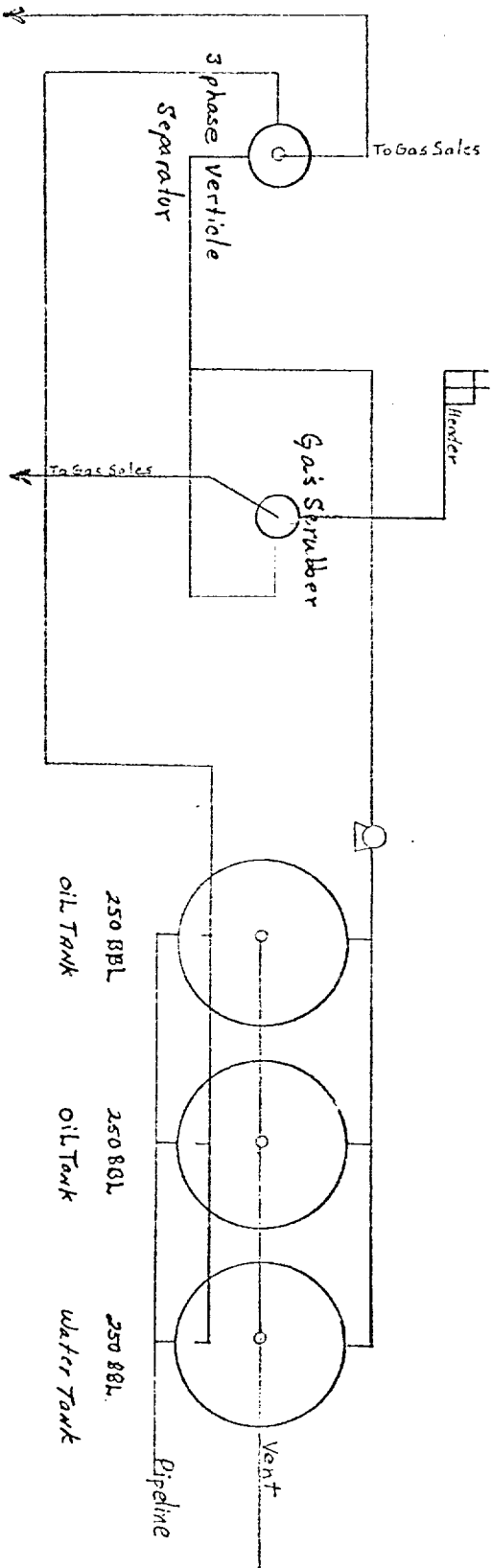
J. A. Schaffer

Assistant District Manager

GDD:JEB

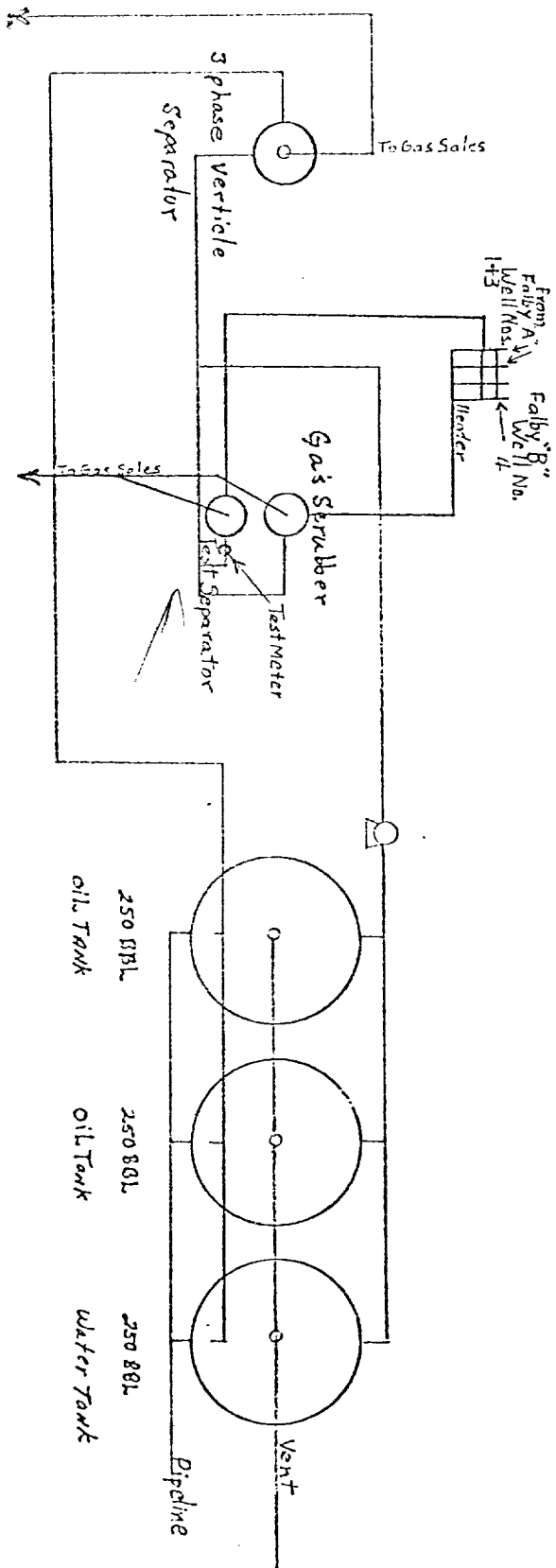
Attachments

cc: Shell Pipeline Corporation
Oil Accounting Section
P. O. Box 2648
Houston, Texas, 77001



C.P. Falby "B" Battery
Present Diagram

TEXACO Inc.
Hobbs District Monument Area
C. P. Falby "B"
Date: 8-24-81 Drawn By: G.D.D.



C.P. Falby "B" battery
Proposed Diagram

TEXACO INC.	
Hobbs District Monument Ave.	
C. P. Falby "B"	
Date: 8-24-81	Drawn By: G.D.D.