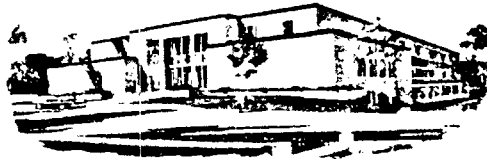


State of New Mexico



W.R. HUMPHRIES
COMMISSIONER

Commissioner of Public Lands

SLO REF NO. 02-695

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

March 15, 1988

Tenneco Oil Exploration & Production
ATTENTION: Mr. Todd J. Stevens
7990 IH 10 West
San Antonio, Texas 78230

Re: Kemnitz Wolfcamp and Cisco
Surface Commingling
Lea County, New Mexico

Gentlemen:

Reference is made to your application dated March 14, 1988, wherein you have requested our approval to surface commingle the Cisco oil production from the State LG-26 Well No. 1-A, Sec. 26-16S-33E, State Lease E-9538-2 into the Kemnitz Wolfcamp production facilities located in the N/2 of Sec. 25-16S-33E.

Tenneco is operator of both the Kemnitz Wolfcamp Unit and the State LG 26 # 1 and has advised that there is no objection to commingling by the Kemnitz Wolfcamp Unit or the State LG 26 #1 interest owners

Since ownership is common throughout and it appears that there will be no loss of revenue to the State of New Mexico through your proposed operation, you are hereby given approval to the above request. Any deviation from your proposed request will be reason to rescind our approval. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Your filing fee in the amount of Thirty (\$30.00) Dollars has been received.

Very truly yours,

WILLIAM R. HUMPHRIES
COMMISSIONER OF PUBLIC LANDS
BY: *Scott R...*
FLOYD O. PRANDO, Director
Oil and Gas Division
(505) 827-5744

WRH/FOP/pm
encls

cc: OCD-Santa Fe, New Mexico
TRD-Santa Fe, New Mexico
E-9538-2, E-1126-5