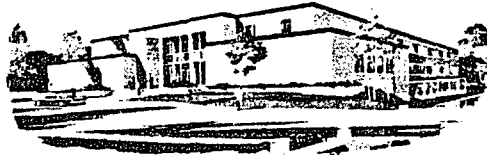


State of New Mexico



DHC-1642
File -

W.R. HUMPHRIES
COMMISSIONER

Commissioner of Public Lands

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

March 6, 1987

Chevron U.S.A. Inc.
ATTENTION: Mr. R. C. Anderson
P. O. Box 670
Hobbs, New Mexico 88240

Re: Application to Downhole Commingle
W. A. Ramsay (NCT-B) Well No. 3
located in Unit A Section 25-
T21S-R36E, Lea County, New Mexico

Gentlemen:

Reference is made to your letter dated January 28, 1987 wherein you have requested our approval to downhole commingle production on State of New Mexico Lease No B-1731-1. The W. A Ramsay (NCT-B) Well No. 3 is located 330' FNL AND 330' FEL, Section 25 Township 21 South, Range 36 East. It is our understanding that you will commingle production within the subject wellbore from the Blinebry and Drinkard Pools.

You are hereby given approval to the above request. This approval is subject to being withdrawn at the discretion of the Commissioner of Public Lands, if in his opinion, the operation proves to be unsound or otherwise against the best interest of the State of New Mexico. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Please submit a filing fee in the amount of Thirty (\$30.00) Dollars.

If we may be of further help please do not hesitate to call on us.

Very truly yours,

W. R. HUMPHRIES
COMMISSIONER OF PUBLIC LANDS

BY: *[Signature]*
ERNEST VALDEZ, Assistant Director
Oil and Gas Division
(505) 827-5144

WRH/EV/pm

cc: ~~OCD~~-Santa Fe, New Mexico - Attention: Mr. David Catanach
State Lease No. B-1732-1
OGAD-Santa Fe