OIL CONSERVE HON DIVISION RECEIVED

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3162 (067) NM-032369

APR 0 5 1993

John H. Hendrix Corporation Attn: Mr. Ronnie H. Westbrook, Vice-President 223 West Wall, Suite 525 Midland, TX 79701

RE: <u>NM-032369</u> (Elliott <u>B-12 No.</u>2) NW<sup>1</sup>/<sub>4</sub>NW<sup>1</sup>/<sub>4</sub>, sec. 12, T25S, R37E Lea County, New Mexico

DAC-819

Dear Mr. Westbrook

Your request to surface commingle hydrocarbons from the Brunson-Drinkard-Abo, S. Wantz Granite Wash and the tub formations from the Elliott B-12 well No. 2, on lease No. NM-032369, is hereby approved subject to the concurrence of the New Mexico Oil Conservation Division.

It is our understanding that proper oil production allocation back to these formations will be accomplished by shutting in the upper zone or lower zones or completion, and obtaining an accurate test of the zone or zones producing.

We understand that the working interest owners are the same in all zones to be commingled and have been notified. Further, your request is made in the interest of conservation and will not result in reduced royalty or improper measurement of production.

Please contact Adam M. Salameh, Petroleum Engineer, at (505) 887-6544 or at the letterhead address if further information is required.

Sincerely,

## Ron Dunton

FOR Richard L. Manus Area Manager

bcc: NM (065, B. Lopez) NM (067, A. Salameh) NM (067A, K. Haston) NMOCD - Santa Fe, D. R. Catanach P. O. Box 2088 Santa Fe, NM 87504-2088