



DHC - 1316

CONSERVATION DIVISION
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State of New Mexico
Commissioner of Public Lands

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RAY POWELL, M.S., D.V.M.
COMMISSIONER

October 1, 1996

Texaco Exploration & Production, Inc.
205 East Bender Blvd.
Hobbs, New Mexico 88240

Attn: Mr. Monty C. Duncan

Re: Application for Downhole Commingling
Request for Exception to Rule 303
New Mexico O State NCT-1 #34, Unit Letter P
New Mexico O State NCT-1 #35, Unit Letter O
New Mexico O State NCT-1 #36, Unit Letter N
New Mexico O State NCT-1 #37, Unit Letter I
Vacuum Blinbry (61850) and Vacuum Drinkard (62110) Pools
Section 36-17S-34E
Lea County, New Mexico

Dear Mr. Duncan:

Your application to downhole commingle the production from within the wellbore of the above-captioned wells was received on June 28, 1996. Your application requests our approval to downhole commingle the Vacuum Blinbry and Vacuum Drinkard production within the wellbore of the New Mexico O State NCT-1 Wells Nos. 34-P, 35-O, 36-N & 37-I located in Section 36-17S-34E.

Since it appears that all the New Mexico Oil Conservation Division rules and regulations have been complied with, and there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request for downhole commingling is hereby approved. Any deviation from the substance of your request will be sufficient grounds for rescinding our approval. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

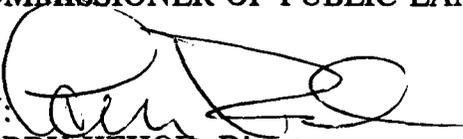
Your \$30.00 dollar filing fee was received.

Texaco Exploration & Production, Inc.
Page 2
October 1, 1996

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: 
LARRY KEHOE, Director
Oil, Gas and Minerals Division
(505) 827-5744

RP/LK/cpm

Enclosure

cc: Reader File

Attention: Mr. Dave Catanach, Mr. Ben Stone
Commissioner's File