

DHC-1736



COMMERCIAL RESOURCES
(505)-827-5724

SURFACE RESOURCES
(505)-827-5793

MINERAL RESOURCES
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ROYALTY
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State of New Mexico
Commissioner of Public Lands

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LEGAL
(505)-827-5713

PLANNING
(505)-827-5752

October 28, 1997

Chevron USA Production Company
P.O. Box 1150
Midland, Texas 79702

Attn: Mr. Alan W. Bohling

Re: Downhole Commingling Application
Exception to Rule 303-A
Harry Leonard (NCT-E) Well No. 4
Unit A, Section 16-21S-37E
Blinebry Oil & Gas and Tubb (Pro Gas) Pools
Lea County, New Mexico

Dear Mr. Bohling:

We are in receipt of your application of October 22, 1997, requesting our approval to downhole commingle the production from the above subject well from the Blinebry Oil & Gas and Tubb (Pro Gas) Pools in Lea County, New Mexico.

It is our understanding that production from the subject well will be allocated as follows:

<u>POOL</u>	<u>ALLOCATION</u>	
	<u>Oil%</u>	<u>Gas %</u>
Blinebry Oil & Gas	100%	25%
Tubb (Pro Gas)	0%	75%
	100%	100%

Since it appears that 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 the production from the above-mentioned well 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.

Please submit a filing fee in the amount of \$30.00.

Chevron USA Production Company


October 28, 1997

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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: 
JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

RP/JB/cpm

Enclosure

xc: Reader File

OCD--Attention: David Catanach, Ben Stone