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TEXAS PACIFIC COAL AND OIL COMPANY

GENERAL OFFICES

FORT WORTH 1

TEXAS

PLEASE ADDRESS REPLY TO COMPANY AT

POST OFFICE BOX 4067
MIDLAND, TEXAS

April 18, 1963

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Attention: A. L. Porter, Jr., Secretary-Director

Re: Application for administrative approval to commingle production from Texas Pacific Coal and Oil Company's Eaton "B" Account 1 Lease and Eaton "B" Account 2 Lease in Section 12, Township 25 South, Range 37 East, Lea County, New Mexico.

Gentlemen:

Texas Pacific Coal and Oil Company respectfully requests an exception to Rule 309-A to permit the commingling of production in a common tank battery from our Eaton "B" Account 1 Lease, consisting of the northeast quarter of Section 12, Township 25 South, Range 37 East and Eaton "B" Account 2 Lease consisting of the northwest quarter of Section 12, Township 25 South, Range 37 East, Lea County, New Mexico.

In support of this request the following conditions are presented for your consideration:


1. All production to be commingled will be from the Langlie Mattix oil pool.
2. Adequate facilities will be provided for accurately determining production from each well at reasonable intervals.
3. Production from each lease will be measured and determined in accordance with the applicable provisions of the Commission "Manual for the Installation and Operation of Commingling Facilities". The proposed commingling facilities will be installed as shown on the attached schematic diagram.

4. All parties owning an interest in these leases and the purchaser of the production to be commingled have been furnished a copy of this application by certified mail.

In view of the foregoing conditions, it is requested that administrative approval be granted for the commingling of production from the Langlie Mattix pool on Texas Pacific Coal and Oil Company's Eaton "B" A/c-1 and Eaton "B" A/c-2 Leases in Section 12, T-25-S, R-37-E, Lea County, New Mexico.

Respectfully yours,

TEXAS PACIFIC COAL AND OIL COMPANY


B. D. Baker

BDB:as

CC: New Mexico Oil Conservation Commission
P. O. Box 2045
Hobbs, New Mexico

First National Bank of Nevada, Trustee
under the Will of Allie M. Lee, Deceased
Reno, Nevada

Leonard Oil Company
Roswell, New Mexico

Richardson Oils, Inc.
Fort Worth National Bank Bldg.
Fort Worth, Texas

Sabine Royalty Corporation
1210 Mercantile Bank Bldg.
Dallas, Texas

Mrs. C. W. Samuels
2427 Lofton Terrace
Fort Worth, Texas

Sunshine Royalty Company
P. O. Box 1355
Roswell, New Mexico

Amerada Petroleum Corporation
P. O. Box 2040
Tulsa, Oklahoma

Western Natural Gas Company
1006 Main Street
Houston 2, Texas

CC: The Fort Worth National Bank
for Account of Clear Fork Charitable Foundation
P. O. Box 2050
Fort Worth, Texas

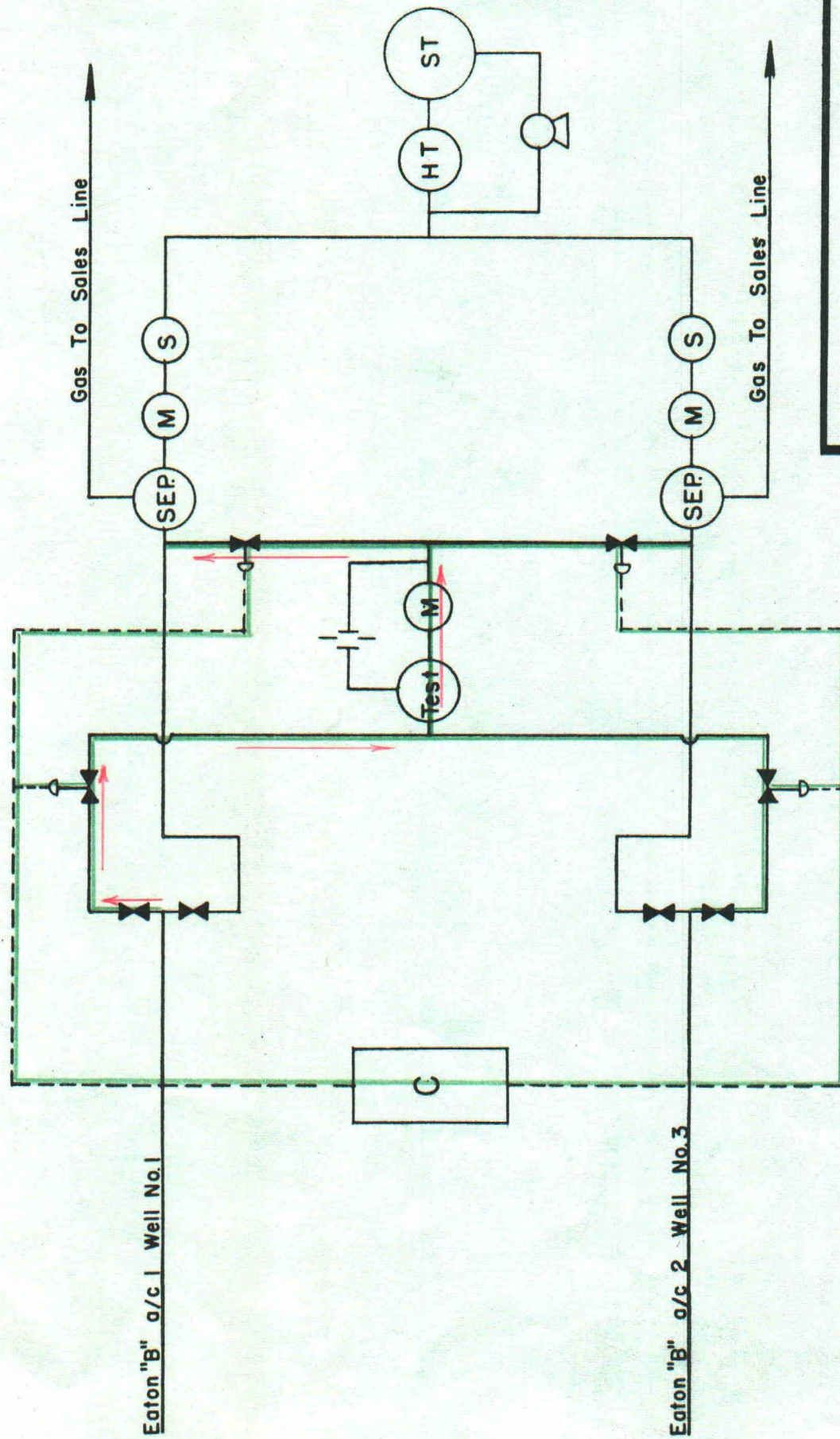
The Prudential Insurance Company of America
Production Payment No. 7
Treas. Division
Securities Section
Prudential Plaza
Neward 1, New Jersey

R. Olsen
2811 Liberty Bank Bldg.
Oklahoma City 2, Oklahoma

Howard Olsen
P. O. Box 1744
Midland, Texas

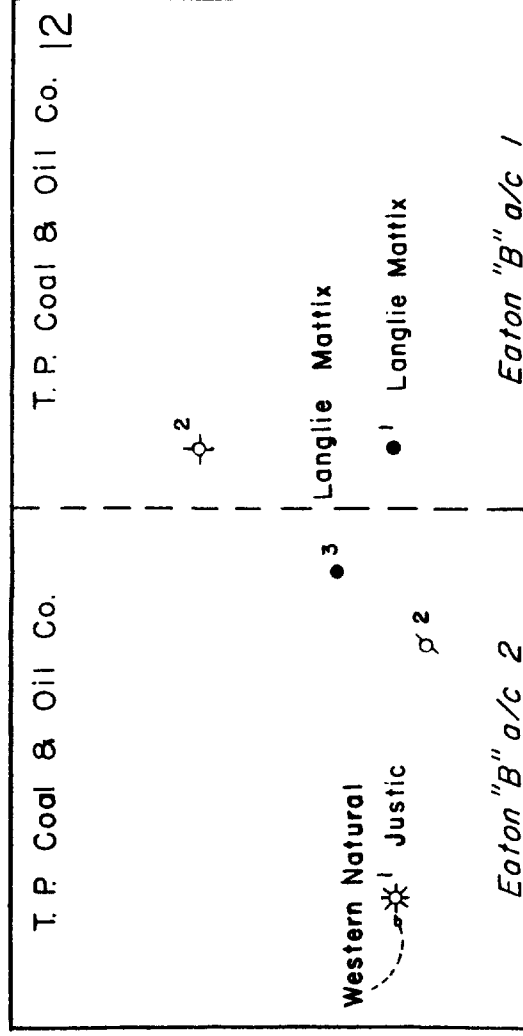
Signal Oil and Gas Company
210 N. Big Spring
Midland, Texas

El Paso Natural Gas Company
P. O. Box 1384
Jal., New Mexico



Test facilities, shown in green, are not proposed at the present time but will be installed if an additional well is added from either lease.

Proposed Commingling Installation
 Texas Pacific Coal and Oil Company
 Eaton "B" a/c 1 Lease
 and
 Eaton "B" a/c 2 Lease
 Lea County New Mexico



Texas Pacific Coal & Oil Co.
 Eaton B a/c 1 & Eaton "B" a/c 2 Leases
 Sec. 12 T-25-S, R-37-E
 Lea County New Mexico