

Monsanto

Monsanto Company
101 North Marienfeld
Midland, Texas 79701
(915) 683-3306

December 12, 1968

HYDROCARBONS & POLYMERS DIVISION

9
New Mexico Oil Conservation Commission (3)
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Administrative Order CTB-189
Commingling Production - TUC
State, MGF State, and MGF "A"
State Leases.

Attention: Mr. Dan Nutter

Gentlemen:

References made to my telephone conversation of December 11, 1968, with Mr. Dan Nutter pertaining to the commingling of production from State Leases K-2443, K-5092 and OG-4632. As pointed out in previous correspondence, the working interest, overriding royalty interest and royalty interest in the three leases mentioned above are common throughout.

An attempt was made to meter the oil being produced from each lease prior to commingling. However, due to extreme difficulties encountered in connection with these meters we suffered a large amount of down time and in addition, meter malfunctions have resulted in gross measurement errors.

In discussing this problem with Mr. Nutter, he indicated the Oil Conservation Commission would grant approval to commingle this production without metering in accordance with the provisions outlined on page eight (8) of the Manual for the Installation and Operation of Commingling Facilities provided the State Land Office would also consent to commingling without metering. Subsequently, Mr. Ted Bilberry was contacted and he granted approval to commingle the oil from these leases without metering provided the wells are producing from a common pool. This approval is also covered in Mr. Bilberry's letter of October 17, 1968, of which a copy is attached.

Your consideration of our request to commingle the production from these three leases without metering would be appreciated. In lieu of metering,

New Mexico Oil Conservation
Commission

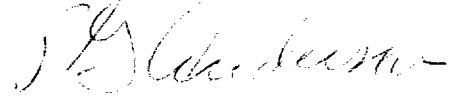
-2-

December 12, 1968

facilities will be provided for testing each of the wells on these leases at least once a month.

Yours very truly,

MONSANTO COMPANY

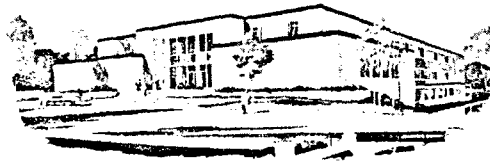
A handwritten signature in dark ink, appearing to read "P. G. Anderson", is written over the typed name.

P. G. ANDERSON, District Engineer

PGA:lmj
encls.

cc: Commissioner of Public Lands
State of New Mexico
Attn: Mr. Ted Bilberry

State of New Mexico



1968
11/10
P. O. BOX 1148
SANTA FE, N.M.
MDL

Commissioner of Public Lands



GUYTON B. HAYS
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO

October 17, 1968

Monsanto Company
101 North Marienfeld
Midland, Texas 79701

Re: Commingle production from Leases
K-2443, K-5092 and OG-4632

Attn: Mr. P. G. Anderson

Gentlemen:

Approval is hereby granted at your request to commingle production from Leases K-2443, K-5092 and OG-4632. This approval is for production from the Bough "C" pool. Should this differentiate in any way, we would ask for separate metering.

As stated in our previous letter, this is subject to approval by the Oil Conservation Commission. Also, the Commissioner of Public Lands reserves the right to withdraw his approval at any time that he feels the interests of the State are not as they should be.

Thank you for the information and the \$10.00 filing fee.

Yours very truly,

GUYTON B. HAYS
Commissioner of Public Lands

By: *Ted Bilberry*
TED BILBERRY, Director
Oil and Gas Department

GBH:TB:RM:cw

cc: Oil Conservation Commission
and
Oil and Gas Accounting Commission