



COASTAL MANAGEMENT CORPORATION  
OIL AND GAS PROJECT MANAGEMENT

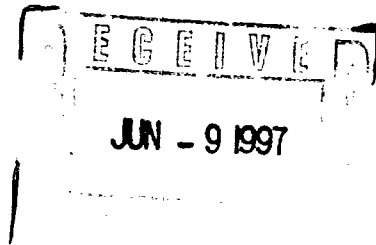
CTB

6/30/97  
453

June 4, 1997

915-688-0756

Mr. David R. Catanach  
State of New Mexico  
Oil Conservation Commission  
2040 S. Pacheco Street  
Santa Fe, New Mexico 87505



Re: Commingling Proposal  
Quanah Federal No. 1  
NM-17807, SE/4 SW/4 Sec. 14-T18S-R32E  
Yuma Federal No. 1  
NM-40452, NE/4 SW/4 Sec. 14-T18S-R32E  
Lea County, New Mexico

Gentlemen:

1 N.L. 3A7642

At present the batteries for the referenced wells are located on the same pad. Each battery consists of two oil tanks, one heater treater and a communal water tank. The oil tanks for the Yuma battery are in poor condition and need to be replaced. In order to avoid an approximate \$10,000 tank replacement, Coastal Management Corporation is asking for approval to commingle the production of said wells. A schematic diagram of the current and proposed Yuma-Quanah battery have been enclosed for your review. Both wells are currently producing from the Delaware formation.

WEST COBBIN 13195

In accordance with 19 NMAC 15.E 309-B.A. Paragraph 4, a certified letter was mailed on May 7, 1997 to the working interest owners notifying them of our intent to commingle the production. A copy of said letter has been enclosed for your review along with copies of the return receipts. To date, all working interest owners have returned their letters concurring with the commingling of said production with the exception of Gene Shumate, Jack Huff and Harold Justice. These working interest owners have not objected, they have just not responded.

I would like to thank you for your attention and consideration on this matter. Should you have any questions or need additional information, please do not hesitate contacting the undersigned at 915-688-0756.

Sincerely,

COASTAL MANAGEMENT CORPORATION

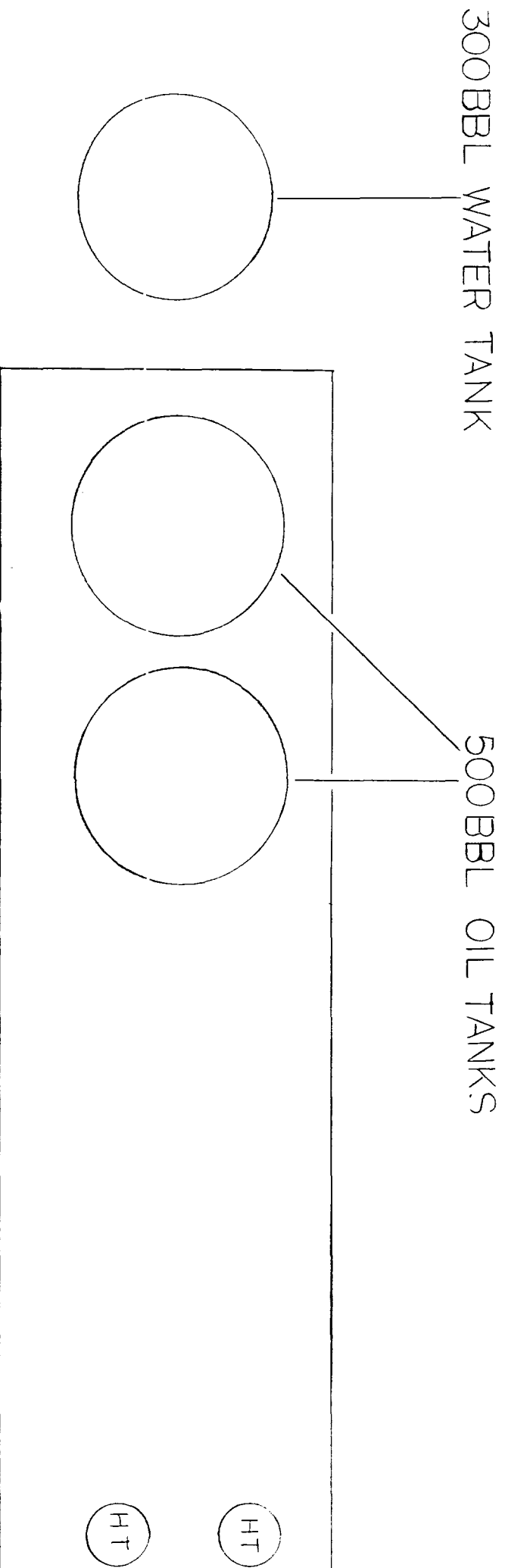
*Leila Esterly*

Leila Esterly  
Regulatory Coordinator

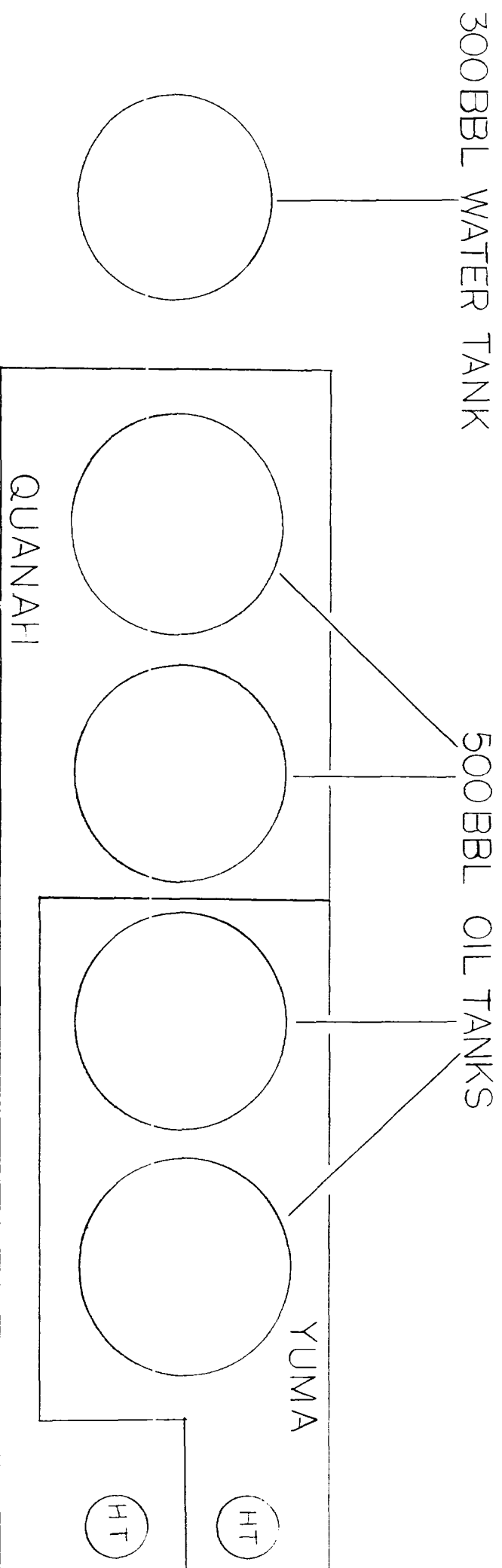
Enclosures  
/le

MONDAY  
FOR VERBAL  
ALAN MEANS  
915-688-0781

*Quandah - Yuma Battery  
PROPOSED*



*Quanaah - Yuma Battery  
Current*





## COASTAL MANAGEMENT CORPORATION

OIL AND GAS PROJECT MANAGEMENT

VIA CERTIFIED P 245 753 177

May 7, 1997

TO ALL WORKING INTEREST OWNERS  
(See Enclosed Distribution List)

Re: Quanah Federal No. 1  
NM-17807, SE/4 SW/4 Sec. 14-T18S-R32E  
Yuma Federal No. 1  
NM-40452, NE/4 SW/4 Sec. 14-T18S-R32E  
Lea County, New Mexico

Ladies and Gentlemen:

Our records indicate that you own an interest in either one or both of the captioned wells. In an effort to reduce operating costs, Coastal Management Corporation would like to commingle the production from the captioned wells into one battery. The purchaser will allocate the production based on a metered well test.

It is required by the State of New Mexico that all interest owners consent to the commingling of production from separate leases. Therefore in this regard, I ask that you sign in the space provided below and return to my attention at the letterhead address at your earliest convenience. Should you have any questions in this regard, please contact the undersigned at 915-688-0700.

Sincerely,

COASTAL MANAGEMENT CORPORATION

Leila Esterly  
Land Administrator

AGREED to and ACCEPTED this \_\_\_\_ day of  
May, 1997.

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Enclosure  
/lc

**WORKING INTEREST OWNER  
DISTRIBUTION LIST**  
**Quanah Federal No. 1 and Yuma Federal No. 1**

St. Mary Land & Exploration Company  
1776 Lincoln Street, Suite 1100  
Denver, CO 80203

T. K. Campbell  
P.O. Box 846  
Las Cruces, NM 88004-0846

Riverhill Energy Corporation  
P.O. Box 2726  
Midland, TX 79702-2726

Santa Fe Energy Operating Partners  
550 West Texas, Suite 1330  
Midland, TX 79701

Nathan C. Greer  
P.O. Box 1627  
Santa Fe, NM 87504-1627

Jose Rodriguez  
712 Main Street, Suite 2200  
Houston, TX 77002

Harold D. Justice  
3007 Riverside Drive  
Roswell, NM 88201-1348

Patty Jennings  
1107 N. Kentucky  
Roswell, NM 88202-5024

Dean Kinsolving  
P.O. Box 325  
Tatum, NM 88267-0325

Burma Lee Kernal  
Route 2, Box 96  
Seminole, OK 74868

Dr. Michael Norton, III  
688 County Street  
New Bedford, MA 02470

Gene Shumate  
P.O. Box 2473  
Midland, TX 79702-2473

Centennial  
P.O. Box 1837  
Roswell, NM 88202-1837

Jack Huff  
P.O. Box 50190  
Midland, TX 79710-0190

Byron Bachschmid  
P.O. Box 306  
Hurst, TX 76053-0306

PS Form 3811, December 1994  
PS Form 3800, April 1995 (Reverse)  
The right of the return  
at a post office service  
guaranteed stub to the right of the  
receipt, and mail the article.  
number and your name and address  
front of the article by means of the  
of article. Endorse front of article  
authorized agent of the  
front of this  
Form 3811.

Is your RETURN ADDRESS

<b>R:</b> Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b. Print your name and address on the reverse of this form so that we can return this to you. Attach this form to the front of the mailpiece, or on the back if space does not permit. Write "Return Receipt Requested" on the mailpiece below the article number. The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
1. Article Addressed to: T.K. Campbell P.O. Box 846 Las Cruces, NM 88004-0846		4a. Article Number P 245 753 174	
5. Received By: (Print Name) Rita V. Ryan		4b. Service Type <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD	
6. Signature: (Addressee or Agent) X		7. Date of Delivery 5/10/97	
		8. Addressee's Address (Only if requested and fee is paid)	

PS Form 3811, December 1994 Domestic Return Receipt

Thank you for using Return Receipt Service.

PS Form 3811, December 1994  
PS Form 3800, April 1995 (Reverse)  
The right of the return  
at a post office service  
guaranteed stub to the right of the  
receipt, and mail the article.  
number and your name and address  
front of the article by means of the  
of article. Endorse front of article  
authorized agent of the  
front of this  
Form 3811.

Is your RETURN ADDRESS

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Article Addressed to: St. Mary Land & Exploration Co. 1776 Lincoln Street, Suite 1100 Denver, CO 80203		4a. Article Number P 245 753 173	
5. Received By: (Print Name) Rita V. Ryan		4b. Service Type <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD	
6. Signature: (Addressee or Agent) X		7. Date of Delivery 5-12-97	
		8. Addressee's Address (Only if requested and fee is paid)	

PS Form 3811, December 1994 Domestic Return Receipt

Thank you for using Return Receipt Service.

PS Form 3811, December 1994  
PS Form 3800, April 1995 (Reverse)  
The right of the return  
at a post office service  
guaranteed stub to the right of the  
receipt, and mail the article.  
number and your name and address  
front of the article by means of the  
of article. Endorse front of article  
authorized agent of the  
front of this  
Form 3811.

Is your RETURN ADDRESS

<b>R:</b> Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b. Print your name and address on the reverse of this form so that we can return this to you. Attach this form to the front of the mailpiece, or on the back if space does not permit. Write "Return Receipt Requested" on the mailpiece below the article number. The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
Article Addressed to: Dr. Michael Norton, III 688-County Street New Bedford, MA 02470		4a. Article Number P 245 753 182	
5. Received By: (Print Name) M. J. Norton		4b. Service Type <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD	
6. Signature: (Addressee or Agent) X		7. Date of Delivery 5/10/97	
		8. Addressee's Address (Only if requested and fee is paid)	

PS Form 3811, December 1994 Domestic Return Receipt

Thank you for using Return Receipt Service.

**SENDER:**

Complete items 1 and/or 2 for additional services.  
Complete items 3, 4a, and 4b.

Print your name and address on the reverse of this form so that we can return this to you.  
Attach this form to the front of the mailpiece, or on the back if space does not permit.  
Write "Return Receipt Requested" on the mailpiece below the article number.  
The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address  
2. ☐ Restricted Delivery

Consult postmaster for fee.

Article Addressed to:

Byron Bachschmid  
P.O. Box 306  
Hurst, TX 76053-0306

4a. Article Number

P 245 753 186

4b. Service Type

- ☐ Registered ☒ Certified  
☐ Express Mail ☐ Insured  
☒ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

Received By: (Print Name)

Signature: (Addressee or Agent)

X *Byron Bachschmid*

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

**SENDER:**

Complete items 1 and/or 2 for additional services.  
Complete items 3, 4a, and 4b.

Print your name and address on the reverse of this form so that we can return this to you.  
Attach this form to the front of the mailpiece, or on the back if space does not permit.  
Write "Return Receipt Requested" on the mailpiece below the article number.  
The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address  
2. ☐ Restricted Delivery

Consult postmaster for fee.

Article Addressed to:

Santa Fe Energy Operating  
550 West Texas, Suite 330  
Midland, Texas 79701

4a. Article Number

P 245 753 175

4b. Service Type

- ☐ Registered ☒ Certified  
☐ Express Mail ☐ Insured  
☒ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

5-8-97

Received By: (Print Name)

Signature: (Addressee or Agent)

X *YONG HATCH*

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

**SENDER:**

Complete items 1 and/or 2 for additional services.  
Complete items 3, 4a, and 4b.

Print your name and address on the reverse of this form so that we can return this to you.  
Attach this form to the front of the mailpiece, or on the back if space does not permit.  
Write "Return Receipt Requested" on the mailpiece below the article number.  
The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address  
2. ☐ Restricted Delivery

Consult postmaster for fee.

Article Addressed to:

Patty Jennings  
1107 N. Kentucky  
Roswell, NM 88202-5024

4a. Article Number

P 245 753 179

4b. Service Type

- ☐ Registered ☒ Certified  
☐ Express Mail ☐ Insured  
☒ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

5/8/97 C4

Received By: (Print Name)

Signature: (Addressee or Agent)

X *Elliot EKard*

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3800, April 1995 (Reverse)

Thank you for using Return Receipt Service.

PS Form 3800, April 1995 (Rev. 1-94)  
Certified mail fee, and  
stuck to the right of the return  
the article at a post office service  
charge).  
marked, stick the gummed stub to the right of the return  
and retain the receipt, and mail the article.  
the gummed stub to the right of the  
mail number and your name and address  
the front of the article by means of the  
back of article. Endorse front of article  
number.  
or to an authorized agent of the  
front of the article.  
appropriate spaces on the front of this  
blocks in item 1 of Form 3811.

<b>RETURN:</b> Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b. Put your name and address on the reverse of this form so that we can return this to you. Attach this form to the front of the mailpiece, or on the back if space does not permit. Write "Return Receipt Requested" on the mailpiece below the article number. The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
Article Addressed to:  Gene Shumate P.O. Box 2473 Midland, TX 79702-2473		4a. Article Number P 245 753 183	
		4b. Service Type <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD	
		7. Date of Delivery 5-8-97	
5. Received By: (Print Name)		8. Addressee's Address (Only if requested and fee is paid)	
6. Signature: (Addressee or Agent) X Gene Shumate			

PS Form 3811, December 1994 Domestic Return Receipt

Thank you for using Return Receipt Service.

PS Form 3800, April 1995 (Rev. 1-94)  
Certified mail fee, and  
stuck to the right of the return  
the article at a post office service  
charge).  
marked, stick the gummed stub to the right of the return  
and retain the receipt, and mail the article.  
the gummed stub to the right of the  
mail number and your name and address  
the front of the article by means of the  
back of article. Endorse front of article  
number.  
or to an authorized agent of the  
front of the article.  
appropriate spaces on the front of this  
blocks in item 1 of Form 3811.

<b>RETURN:</b> Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b. Put your name and address on the reverse of this form so that we can return this to you. Attach this form to the front of the mailpiece, or on the back if space does not permit. Write "Return Receipt Requested" on the mailpiece below the article number. The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
Article Addressed to:  Rick Huff P.O. Box 2473 Midland, TX 79710-0190		4a. Article Number P 245 753 185	
		4b. Service Type <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD	
		7. Date of Delivery MAY 8 1997	
5. Received By: (Print Name)		8. Addressee's Address (Only if requested and fee is paid)	
6. Signature: (Addressee or Agent) X Nancy Kemp			

PS Form 3811, December 1994 Domestic Return Receipt

Thank you for using Return Receipt Service.

PS Form 3800, April 1995 (Rev. 1-94)  
Certified mail fee, and  
stuck to the right of the return  
the article at a post office service  
charge).  
marked, stick the gummed stub to the right of the return  
and retain the receipt, and mail the article.  
the gummed stub to the right of the  
mail number and your name and address  
the front of the article by means of the  
back of article. Endorse front of article  
number.  
or to an authorized agent of the  
front of the article.  
appropriate spaces on the front of this  
blocks in item 1 of Form 3811.

<b>RETURN:</b> Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b. Put your name and address on the reverse of this form so that we can return this to you. Attach this form to the front of the mailpiece, or on the back if space does not permit. Write "Return Receipt Requested" on the mailpiece below the article number. The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
Article Addressed to:  Jose Rodriguez 712 Main Street, Suite 2200 Houston, Texas 77002		4a. Article Number P 245 753 177	
		4b. Service Type <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD	
		7. Date of Delivery MAY 9 1997	
5. Received By: (Print Name)		8. Addressee's Address (Only if requested and fee is paid)	
6. Signature: (Addressee or Agent) X Jose Rodriguez			

PS Form 3811, December 1994 Domestic Return Receipt

Thank you for using Return Receipt Service.



...d stub to the right of the return  
the article at a post office service  
the gummed stub to the right of the  
receipt, and mail the article.  
other and your name and address  
of the article by means of the  
article. Endorse front of article  
authorized agent of the  
on the front of this  
1 of Form 3811.

Is your RETURN ADDRESS

<b>ORDER:</b> Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b. Write your name and address on the reverse of this form so that we can return this to you. Attach this form to the front of the mailpiece or on the back if space does not permit. Write "Return Receipt Requested" on the mailpiece below the article number. The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
Article Addressed to:  Centennial P.O. Box 1837 Roswell, NM 88202-1837		4a. Article Number P 245 753 184	
		4b. Service Type <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD	
		7. Date of Delivery 5-13-97	
5. Received By: (Print Name) J Wilson		8. Addressee's Address (Only if requested and fee is paid)	
6. Signature: (Addressee or Agent) X J Wilson			

PS Form 3811, December 1994 Domestic Return Receipt

Thank you for using Return Receipt Service.

First-Class postage, certified mail fee, and  
the front).  
gummed stub to the right of the return  
the article at a post office service  
charge).  
the gummed stub to the right of the  
the receipt, and mail the article.  
il number and your name and address  
the front of the article by means of the  
back of article. Endorse front of article  
number.  
or to an authorized agent of the  
front of the article.  
te spaces on the front of this  
s in item 1 of Form 3811.

PS Form 3800, April 1995 (Reverse)

<b>ORDER:</b> Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b. Write your name and address on the reverse of this form so that we can return this to you. Attach this form to the front of the mailpiece or on the back if space does not permit. Write "Return Receipt Requested" on the mailpiece below the article number. The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
Article Addressed to:  Burma Lee Kernal Route 2, Box 96 Seminole, OK 74868		4a. Article Number P 245 753 181	
		4b. Service Type <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD	
		7. Date of Delivery 5-10-97 PM	
Received By: (Print Name) Burma Kernal		8. Addressee's Address (Only if requested and fee is paid)	
Signature: (Addressee or Agent) X			

PS Form 3811, December 1994 Domestic Return Receipt

Thank you for using Return Receipt Service.

...s to cover First-Class postage, certified mail fee, and  
First-Class postage, certified mail fee, and  
optional services (See front).  
marked, and present the article at a post office service  
carrier (no extra charge).  
marked, stick the gummed stub to the right of the  
the receipt, and mail the article.  
the gummed stub to the right of the  
the article by means of the  
back of article. Endorse front of article  
number.  
or to an authorized agent of the  
front of the article.  
spaces on the front of this  
in item 1 of Form 3811.

Is your RETURN ADDRESS

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Article Addressed to:  Dean Kinsolving P.O. Box 325 Tatum, NM 88267-0325		4a. Article Number P 245 753 180	
		4b. Service Type <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD	
		7. Date of Delivery 5-9-97	
5. Received By: (Print Name) X		8. Addressee's Address (Only if requested and fee is paid)	
6. Signature: (Addressee or Agent) X			

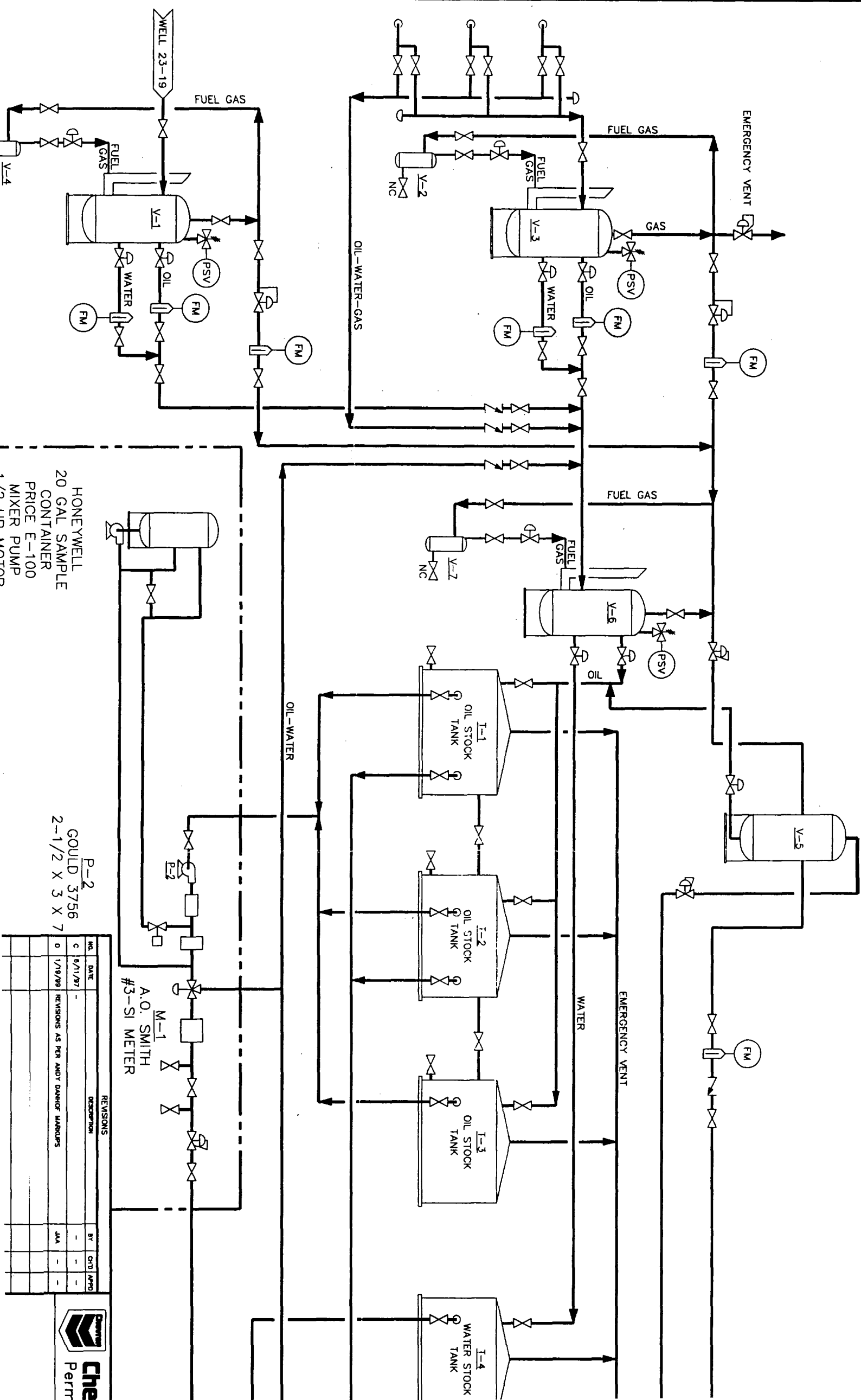
PS Form 3800, April 1995 (Reverse)

Thank you for using Return Receipt Service.

**Is your RETURN ADDRESS**

## Domestic Return Receipt

**Thank you for using Return Receipt Service.**



P-2  
GOULD 3756  
2-1/2 X 3 X

REVISIONS				
NO.	DATE	DESCRIPTION	BY	CHKD APPD
C	6/11/07	-	-	-
D	1/19/08	REVISIONS AS PER ANDY DANHOFF MARKUPS	JAA	-

