



State of New Mexico
Commissioner of Public Lands

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

310 OLD SANTA FE TRAIL P.O. BOX 1148

SANTA FE, NEW MEXICO 87504-1148

March 6, 1996

(505) 827-5760
FAX (505) 827-5766

Texaco Exploration & Production Inc.
Post Office Box 730
Hobbs, New Mexico 88240

Attn: Mr. Monty C. Duncan

Re: Application for Off Lease Storage and Surface Commingling
New Mexico ~~L~~, N, O, Q, & BA Battery
(Formerly New Mexico N, O, BA Battery)
Vacuum Abo North, Vacuum Upper Penn, Vacuum Wolfcamp Pools
Vacuum Drinkard, Wildcat Atoka
Unit Letter O, Section 25-17S-34E (Battery Location)
Lea County, New Mexico

Dear Mr. Duncan:

We have received your application requesting approval to commingle and store off-lease, the production from the following wells:

New Mexico "O" State NCT-1 #11, F, Section 36-17S-34E, B-155-1, Vacuum Abo North, Vacuum Upper Penn and Vacuum Wolfcamp;
New Mexico "O" State NCT-1 #14, J, Section 36-17S-34E, B-155-1, Vacuum Abo North and Vacuum Wolfcamp;
State BA #6, D, Section 36-17S-34E, B-1565, Vacuum Abo North, Vacuum Upper Penn and Vacuum Wolfcamp;
State BA #8, B, Section 36-17S-34E, B-1565, Vacuum Abo North, Vacuum Upper Penn and Vacuum Wolfcamp;
New Mexico Q State #4, P, Section 25-17S-34E, B-1056-2, Vacuum Abo North, Vacuum Upper Penn and Vacuum Wolfcamp;
New Mexico O State NCT-1 #38, I, Section 36-17S-34E, B-155, Wildcat Atoka;
Going To Drinkard Battery → New Mexico L State #18, A, Section 1-18S-34E, B-1733, Wildcat Atoka;
New Mexico N State #10, M, Section 30-17S-35E, B-1722, Wildcat Atoka;

The production from the subject leases will be commingled in a common storage facility located in Unit Letter O, Section 25, Township 17S, Range 34E, Lea County, New Mexico, at the New Mexico L, N, O, Q and BA lease battery.

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We understand that production from the New Mexico Q State Well #4 lease will be metered separately from the other commingled production.

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 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.

Since the above-mentioned wells are utilizing the tank battery on Lease B-1056-2, a right-of-way easement may be required. Please contact Ms. Debra Padilla of our Right-of-Way Section for further information regarding this easement. Ms. Padilla's telephone number is 827-5729.

Our approval is contingent upon Texaco's obtaining any required rights-of-way.

Please submit a \$30.00 filing fee. *(Received 3-7-96)*

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
B-1056-2
OCD--Attention: David Catanach and Ben Stone
Debra Padilla