



PLC-116

State of New Mexico
Commissioner of Public Lands

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

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(505) 827-5760
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December 15, 1995

Exxon Company, U.S.A
P. O. Box 1600
Midland, Texas 79702-1600

Attn: Mr. Don J. Bates

Re: Amended Surface Commingling Application
New Mexico V State Lease (B-935)
New Mexico FO State Com (B-935)
Sec. 10-21S-37E
Lea County, New Mexico

Dear Mr. Bates:

We received your letter of November 23, 1995, wherein you requested permission to commingle the liquid hydrocarbon production from the following wells:

NM State Well No. 5-M; Sec. 10-21S-37E; Penrose Skelly; Grayburg
NM State Well No. 7-N; Sec. 10-21S-37E; Penrose Skelly; Grayburg
NM State Well No. 9-K; Sec. 10-21S-37E; Penrose Skelly; Grayburg
NM State Well No. 10-M; Sec. 10-21S-37E; Hare - San Andres (Gas)
NM FO State Well No. 1-O; Sec. 10-21S-37E; Hare - San Andres (Gas)

We understand that this application will amend NMOCD Commingling Order No. R-1834.

Since it appears there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request for surface commingling the above-mentioned wells is hereby approved. Please remember that any deviation from the substance of your request will be cause for rescinding our approval. Also, our approval is subject to like approval by the New Mexico Oil Conservation Division.

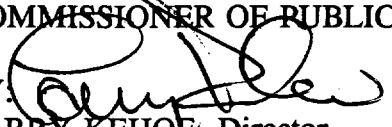
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Please submit a copy of the amended NMOCD order approving the above mentioned request.

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/pm

cc: Reader File
Commissioner's File
OCD-Santa Fe Attn: Mr. David Catanach
OCD-Santa Fe Attn: Mr. Ben Stone