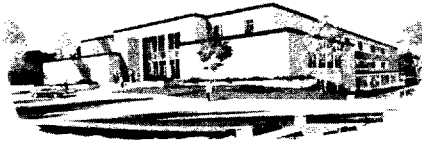


State of New Mexico



Commissioner of Public Lands



E. S. JOHNNY WALKER  
COMMISSIONER

P. O. BOX 791  
SANTA FE, NEW MEXICO

August 14, 1962

Mr. Edward B. Stewart  
Attorney at Law  
Losee and Stewart  
P. O. Box 239  
Artesia, New Mexico

Re: Oil and Gas Lease No. 647  
Oil and Gas Lease No. E135-1

Dear Sir:

We have your request dated August 9 for permission to transport oil produced from the NE $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 27, to the SE $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 27, Township 17S, Range 28E, in order that you may have gravity drainage into the nearest available pipeline. Since these two 40.00 acre tracts are held by the above-captioned separate leases, it will be necessary that the production from each lease be properly metered and measured if this oil is to be commingled. You have not requested permission to commingle; however, since Rule No. 309 of the Oil Conservation Commission rules pertains to commingling, it was our thought that the production might be commingled. We have no objection to your proposal provided the production from each lease is properly accounted for.

Very truly yours,

E. S. JOHNNY WALKER  
COMMISSIONER OF PUBLIC LANDS

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

EW/TB/pb  
cc: Oil Conservation Commission