



JIM BACA
COMMISSIONER

State of New Mexico
OFFICE OF THE
Commissioner of Public Lands
Santa Fe

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

December 20, 1991

BTA Oil Producers
104 South Pecos
Midland, Texas 79701

Attn: Ms. Dorothy Houghton

Re: Surface Commingling Application
Gem, 8705 JV-P Wells 1, 2 and 6
Sec. 2-20S-33E
Lea County, New Mexico

Dear Ms. Houghton:

Reference is made to your surface commingling application dated December 6, 1991, wherein you propose to surface commingle the Gem Well Nos. 1 and 2 producing from the Teas Bone Spring pool and the Gem Well No. 6 which produces from the Gem, Morrow East pool.

The wells to be commingled are all located in Section 2, Township 20 South, Range 33 East and are all in State Lease No. V-2199. It is our understanding that there will be no difference in the value paid by the commingling operation.

The Commissioner of Public Lands has this date granted approval to your proposed request. Please be advised that any deviation from your proposed request will be grounds to rescind our approval. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

If you have any questions, or if we can be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

Floyd O. Prando
BY:
FLOYD O. PRANDO, Director
Oil/Gas and Minerals Division
(505) 827-5744
JB/FOP/pm
encls.
cc: Reader File
V-2199

OCB