500 WEST TEXAS, SUITE 1485 MIDLAND, TEXAS 79701 TELEPHONE: 915/683-5474 FACSIMILE: 915/683-7306

June 20, 1995

"Interest Owners"

Re: Surface Commingling
Lion State, Lion State -A- & Saunders State

Dear Sir or Madam:

Tamarack Petroleum Company, Inc. is seeking permission from the New Mexico Oil Conservation Division to surface commingle production from the above referenced leases.

Tamarack proposes to tie the Lion State No. 1 and Lion Sate -A- No. 2 into the Saunders State battery. The Lion State and Lion State -A- battery is in need of repair. If Tamarack receives permission from the NMOCD, five wells will be serviced by one battery instead of five wells being serviced by two batteries. Consolidation of batteries will allow the Lion State, Lion State -A- and Saunders State wells to produce economically and reduce operating costs, such that it will extend the life of these leases and increase ultimate recovery from these properties.

If you concur with surface commingling these leases into one central battery and the allocation of production and distribution of sales revenue by a 24 hour test taken monthly, please sign at the bottom and return to Tamarack Petroleum Co., Inc.

Sincerely,
V Same Green
T. Wayne Green
Production Agent
APPROVED:
Name:
By:
Date:

COMMINGLE PRE-APPLICATION

STATE LAND OFFICE RULES 1.053-1.055 APPLY TO COMMINGLING OIL AND GAS PRODUCTION FROM NEW MEXICO STATE LANDS. PLEASE PROVIDE THE FOLLOWING INFORMATION SO THAT WE CAN DETERMINE WHETHER OR NOT A COMMINGLE APPLICATION PACKAGE SHOULD BE SUBMITTED.

1. BRIEFLY DESCRIBE WHAT YOU PROPOSE TO DO:

Consolidate the two battries serving the following wells into one common tank battery using	-
existing lines. Commingle Oil & Casinghead gas production from each well and make alloca-	-
tions by 24 hour tests taken monthly.	_
	-

2. FILL IN THE FOLLOWING INFORMATION FOR EACH WELL.

WELL No.	LEGAL DESCRIPTION	LESSEE OF RECORD	N.M. LEASE NUMBER	FORMATION
1	N-09-14S-33E	Tamarack	E-7353-2	Permo Upper Penn
2	E-16-14S-33E	Tamarack	E-7353-2	Permo Upper Penn
3	O-09-14S-33E	Tamarack	E-7353-2	Permo Upper Penn
1	J-09-14S-33E	Tamarack	E-8334	Permo Upper Penn
2_	P-09-14S-33E	Tamarack	E-7353	Permo Upper Penn

Name: Mene Steer T. Wayne Green

Company: Tamarack Petroleum Company, Inc.

Phone Number: 915/683-5474

IF YOU HAVE ANY QUESTION, PLEASE CONTACT THE OIL, GAS AND MINERALS DIVISION AT (505) 827-5744.

DIVISION OF INTEREST - STATEMENT OF LEASE OWNERSHIP SAUNDERS STATE LEASE E-7353-2

OWNER NAME	DECIMAL INTEREST				
STATE OF NEW MEXICO		-			
P. O. Box 1148					
Santa Fe, New Mexico 87504	0.1250000	RI			
THE ROBERT B. TRANIER, 1973 TRUST					
c/o Glenora Co.					
777 E. Wisconsin Ave Suite 2395					
Milwaukee, Wisconsin 53202	0.0038021	ORI			
THE ROBERT A UIHLEIN, JR. 1976 TRUST					
c/o Glenora Co.					
777 E. Wisconsin Ave Suite 2395					
Milwaukee, Wisconsin 53202	0.0025520	ORI			
THEODORE S. GARY					
Marital Trust #02-57177					
50 S. La Salle Street					
Chicago, Illinois 60675-0001	0.0031250	0RI			
EST OF ARTHUR D. BRAGG					
c/o Tamarack Petroleum Co., Inc.					
777 E. Wisconsin Ave Suite 1920					
Milwaukee, Wisconsin 53202	0.0031250	ORI			
TAMARACK PETROLEUM COMPANY, INC.					
777 E. Wisconsin Ave Suite 1920					
Milwaukee, Wisconsin 53202	0.8623959	WI			
TOTAL	4.000000	·····			
TOTAL	1.0000000				

DIVISION OF INTEREST - STATEMENT OF LEASE OWNERSHIP LION STATE (E-8334) & LION STATE -A- (E-7353)

OWNER NAME	DECIMAL INTEREST				
STATE OF NEW MEXICO P. O. Box 1148 Santa Fe, New Mexico 87504	0.1250000	RI			
B. W. CHRONISTER 9722 Losa Dallas, Texas 75218	0.0083333	RI			
J. L. EVERSON 1400 Country Club St. Midland, Texas 79701	0.0083333	RI			
MARILYN NABER MORDEN EXEX EST. EST. A.D. MORDEN, JR. 5631 Tipperary Lincoln, Nebraska 68512	0.0083333	RI			
JOHN C. RICKSEN, MARY B. RICKSEN SAMUEL B. BRECK & HELEN B. BRECK TRUSTEES 1999 Harrison St Suite 1700 Oakland, California 94612	0.0187500	RI			
TAMARACK PETROLEUM COMPANY, INC. 777 E. Wisconsin Ave Suite 1920 Milwaukee, Wisconsin 53202	0.8312501	WI			
TOTAL	1.0000000				

HUMBLE LION James & Brown Associates HONOLULU ATLANTIC B ATLANTIC HUMBLE LION ATLANTIC B ATLANTIC LION ATLANTIC ATLANTIC LION ATLANTIC LION ATLANTIC LION TEXACO TEXACO ATLANTIC TEXACO TEXACO ATLANTIC TEXACO TEXACO ATLANTIC Summary ASSOCIATES TEXACO TEXACO ATTEXACO TEXACO ATTEXACO TEXACO ATTEXACO TEXACO ATTEXACO TEXACO ATTEXACO TEXACO ATT TEXACO TEXACO ATT SECRETARY ATT TEXACO TEXACO TEXACO TEXACO ATT TEXACO TE	1	1	
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TEXACO TEXACO "AT" SKELLY HUMBLE HUMBLE O O O O O O O O O	Guce	(tion 6-8334)	TEXACO
SKELLY HUMBLE HUMBLE		Saunder	TEXACO
	SKELLY HUMBLE! HUMBLE		

Lea County, New Mexico T-14 S, R-33-E

Scale: 1 inch equals 2000'

NEL JEXICO OIL CONSERVATION COMMISSIC WELL LOCATION AND ACREAGE DEDICATION PLAT

Porm C-192 Supersedes C-Ellective 14-6

All distances must be from the outer boundaries of the Section Cheretor Well No. Tamerack Petroleum Co <u>Saunders State</u> Township Range ait Letter Section 14 South 33 East Lea County Actual Footage Location of Well: 660 feet from the South 1980 test from the Dedicated Acreage: Ground Level Elev. Producting Formation 40 Saunders 4228.0 Permo Penn Acre 1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below, 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to workin: interest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consoli dated by communitization, unitization, force-pooling. etc? If answer is "yes," type of consolidation _ Yes No If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side o this form if necessary.). No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission. CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. None Randy A. McClay Position Engineer Company Tamarack Petroleum Co., In 04/26/83 I heraby certify that the well location Date Surveyed April 22, 1983 Registered Professional Engineer and/or Land Surveyor m W. West

MEXICO OIL CONSERVATION COMMIS I WELL LOCATION AND ACREAGE DEDICATION PLAT

Supercedes (

TAMARACK PETROLEUM CO., INC. SAUNDERS ST. 33E 16 145 LEA mun of hell, NORTH WEST feet from the ne on i Emducing Entration 4227.1 Permo Penn Saunders 1 ()utline the acreage dedicated to the subject well by colored pencil or hachire marks on the plat below. 2 If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to work in interest and rovalty). 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consol duted by communitization, unitization, force-pooling, etc? If answer is "ves!" type of consolidation. If answer is "no." list the owners and tract descriptions which have actually been consolidated the reverse side, this form if necessary.)_ No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission. CERTIFICATION Randy A. McClay Engineer Tamarack Petroleum Co., Ir 2/20/84 NO.

All distances must be from the outer boundaries of the Section Well tic. SAUHDERS STATE TAMARACK PETROLEUM Co., Inc. Range Section Unit Letter 33 EAST L. PA 14 South Actual Footage Location of Well; CAST test from the feet from the SOUTH roducing Formation Dedicated Acreage: Ground Level Elev.

Saunders

Operator

0

4221.0

(Permo-Penn)

1320 1880

1980 2310

2000

- 1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. 2. If more than on: lease is dedicated to the well, outline each and identify the ownership thereof (both as to work); interest and royalty).
- 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consol dated by communitization, unitization, force-pooling. etc?

If answer is "yes," type of consolidation _ רת ⊆ No Yes If answer is "no," list the owners and tract descriptions which have actually been consolidated. (I'se reverse side

this form if necessary.)_ No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitizatio

forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commis sion.

CERTIFICATION I hereby certify that the information co tained herein is true and complete to ti best of my knowledge and balief. Name Randy A. McClay Engineer Company Tamarack Petroleum Co. February 28, 1984 I hemby certify that the well locatic shown on this plat was plotted from fie

Date Surveyed

FEBRUARY 25, 1984

Registered Professional Engineer and/or Land Surveyor

Contilicate No.

RONALD J. EIDSON.

TAMARACK PETROLEUM COMPANY, INC.

LEASE: LIC	ON STATE		01-J-09-14S-	33E			
MONTH	OIL PROD	OIL RUNS	GAS PROD	WATER	GRAVITY	OIL PRICE	GAS PRICE
MAY'94	83	81	264	1168	40.8	\$17.25	\$1.50
JUN	176	183	700	1107	40.3	\$18.00	\$1.56
JUL	188	189	800	211	39.2	\$17.98	\$1.56
AUG	274	246	784	267	39.8	\$15.98	\$1.56
SEP	275	280	925	298	40.0	\$16.00	\$1.58
OCT	295	0	944	326	40.0	\$0.00	\$1.55
NOV	275	306	941	290	40.7	\$16.50	\$1.29
DEC	277	103	933	286	41.1	\$15.25	\$1.31
JAN '95	210	262	832	265	41.3	\$17.00	\$1.31
FEB	113	0	706	165	40.0	\$0.00	\$1.18
MAR	89	146	552	1105	41.2	\$17.25	\$1.20
APR	131	0	1048	957	40.0	\$0.00	\$1.21

LEASE: LIC	ON STATE -A-		02-P-09-14S-	33E			
MONTH	OIL PROD	OIL RUNS	GAS PROD	WATER	GRAVITY	OIL PRICE	GAS PRICE
MAY'94	98	132	446	229	40.8	\$17.25	\$1.50
JUN	109	0	533	165	40.3	\$18.00	\$1.56
JUL	107	143	548	164	39.2	\$17.98	\$1.56
AUG	189	205	701	325	39.8	\$15.98	\$1.56
SEP	178	0	726	270	40.0	\$16.00	\$1.58
OCT	153	170	463	334	40.0	\$0.00	\$1.55
NOV	18	170	159	371	40.7	\$16.50	\$1.29
DEC	171	191	229	333	41.1	\$15.25	\$1.31
JAN '95	182	0	81	263	41.3	\$17.00	\$1.31
FEB	135	206	564	216	40.0	\$0.00	\$1.18
MAR	118	132	606	233	41.2	\$17.25	\$1.20
APR	120	0	765	242	40.0	\$0.00	\$1.21

New Crude Oil Contract - effective 5-1-95 - Scurlock Permian Corporation WTI Posting deemed 40 degrees plus premium \$0.65

TAMARACK PETROLEUM COMPANY, INC.

LEASE: SA	UNDERS ST.	ATE	01-N-09-14S	-33E			
MONTH	OIL PROD	OIL RUNS	GAS PROD	WATER	GRAVITY	OIL PRICE	GAS PRICE
WELL SH	I IT_IN						

LEASE: SA	UNDERS STA	TE	02-E-16-14S-33E						
MONTH	OIL PROD	OIL RUNS	GAS PROD	WATER	GRAVITY	OIL PRICE	GAS PRICE		
MAY'94	98	132	1	229	41.4	\$18.10	\$0.00		
JUN	109	0	1	165	40.4	\$0.00	\$0.00		
JUL	107	143	1	164	40.3	\$19.35	\$0.00		
AUG	189	205	1	325	40.4	\$16.60	\$0.00		
SEP	178	0	1	270	40.3	\$0.00	\$0.00		
OCT	153	170	1	334	41.0	\$17.10	\$0.00		
NOV	168	170	1	371	41.1	\$16.35	\$0.00		
DEC	171	191	1	333	41.7	\$16.85	\$0.00		
JAN '95	182	0	1	263	41.3	\$0.00	\$0.00		
FEB	135	206	1	216	41.7	\$17.35	\$0.00		
MAR	118	132	1	233	41.6	\$17.85	\$0.00		
APR	120	0	1	242	41.0	\$0.00	\$0.00		

LEASE: SA	UNDERS STA	TE	03-O-09-14S-	33E			
MONTH	OIL PROD	OIL RUNS	GAS PROD	WATER	GRAVITY	OIL PRICE	GAS PRICE
MAY'94	239	322	1	481	41.4	\$18.10	\$0.00
JUN	215	0	1	510	40.4	\$0.00	\$0.00
JUL	202	271	1	262	40.3	\$19.35	\$0.00
AUG	230	249	1	264	40.4	\$16.60	\$0.00
SEP	177	0	1	384	40.3	\$0.00	\$0.00
OCT	276	307	1	307	41.0	\$17.10	\$0.00
NOV	237	240	1	273	41.1	\$16.35	\$0.00
DEC	242	270	1	244	41.7	\$16.85	\$0.00
JAN '95	219	0	1	267	41.3	\$0.00	\$0.00
FEB	162	248	1	236	41.7	\$17.35	\$0.00
MAR	152	170	1	255	41.6	\$17.85	\$0.00
APR	131	0	1	261	41.0	\$0.00	\$0.00

New Cruce Oil Contract - effective 5-1-95 - Scurlock Permian Corporation WTI Posting deemed 40 degrees plus \$0.65 premium

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HUMBLE	LION	LION	J.G. Brown and Associates	1-	STLANTIC	T.P.C &	0
James G. Brown and Associates	1. 57	o. Brown	LION	- 	TEX	ACU	
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Lea County, New Mexico T-14 S, R-33-E

Scale: 1 inch equals 2000'

SAUNDERS STATE & LION STATE BATTERY

TANKS
FLOWLINES ----