TEXACO
INC.

PETROLEUM PRODUCTS

DOMESTIC PRODUCING DEPARTMENT

MIDLAND DIVISION

P. O. Box 352
Midland, Texas

May 26, 1960

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Request for Permission to Commingle
Crude Production, TEXACO Inc. W. L.
Stephen Estate Lease, Royalty
Holding Company Lease, and United
Royalty "A" Lease, Dollarhide (Queen)
Pool, Lea County, New Mexico

Attn: Mr. A. L. Porter, Jr.

Gentlemen:

TEXACO Inc. desires to commingle the crude production
from the United Royalty "A" Lease comprising the S/2 SW/4, NE/4
SW/4, and the SE/4 NW/4, the Royalty Holding Company Lease compris-
ing the SW/4 NW/4, and the W. L. Stephen Estate Lease comprising
the N/2 NW/4, all in Section 19, T-24-S, R-38-E, into common
storage facilities located on the United Royalty "A" Lease after
separately measuring the production from each lease through positive
displacement type meters. The production to be commingled is from
a common reservoir, the Queen formation, Dollarhide (Queen) Pool.
TEXACO Inc. owns 100 percent working interest in the three leases
and the leases are contiguous as shown on the attached plat. There
are four Queen wells on the United Royalty "A" Lease, one on the
Royalty Holding Company Lease, one on the W. L. Stephen Estate
Lease and an additional well on the W. L. Stephen Estate Lease
will be completed in the Queen in the near future, making a total
of seven wells producing into the tank battery. Positive displace-
ment meters installed on individual treaters will provide adequate
facilities for accurately determining production from each well
periodically.

TEXACO Inc. hereby makes application for administrative
approval of the proposed commingling operations described above
in accordance with Statewide Rule 309(b). Consent in writing has
been obtained from all royalty owners in the United Royalty "A"
and W. L. Stephen Estate Leases, and from 99.931641 percent of the