

BENSON-MONTIN-GREER DRILLING CORP.

221 PETROLEUM CENTER BUILDING
FARMINGTON, NEW MEXICO 87401
PHONE: 325-8874

May 7, 1970

U.S. Department of the Interior
Geological Survey
Roswell, New Mexico

Attention: Mr. Carl Traywick

Re: REQUEST FOR U.S.G.S. APPROVAL
TO RUN OIL PRODUCTION FROM
CANADA OJITOS UNIT NO. 13 (L-27)
NP WELL THROUGH THE CANADA OJITOS
UNIT LACT SYSTEM

Gentlemen:

This letter is to request approval of the U.S.G.S. for the marketing of crude oil production from the Canada Ojitos Unit No. 13 (L-27) non-participating oil well by commingling this oil with participating area production and selling to Shell Pipe Line Corporation through our existing facilities, including LACT unit.

The oil production from the Canada Ojitos Unit No. 13 (L-27) NP well will be metered at the well location before it enters the gathering system. The accounting will be based on this meter reading.

We hereby respectfully request U.S.G.S. approval for this means of marketing and accounting for oil production from the Canada Ojitos Unit No. 13 (L-27) NP oil well.

Yours very truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY: _____
Virgil L. Stoabs
Vice-President



United States Department of the Interior

GEOLOGICAL SURVEY

Drawer 1857
Roswell, New Mexico 88201

May 19, 1970

Benson-Montin-Greer Drilling Corporation
221 Petroleum Center Building
Farmington, New Mexico 87401

Gentlemen:

Your letter of May 7 requests approval for the commingling of production from the Canada Ojitos unit well No. 13 (L-27), in the NW $\frac{1}{4}$ SW $\frac{1}{4}$ sec. 27, T. 26 N., R. 1 W., N.M.P.M., Federal lease No. Santa Fe 081222-B, with Niobrara-Greenhorn participating area production for the purpose of selling such production through existing unit facilities. Unit well No. 13 (L-27) was completed in the Mancos on April 7, 1970, for an initial potential of 85 BOPD and you have indicated in previous conferences that the lands proven productive by such well will be included in the eighth revision to the Niobrara-Greenhorn participating area.

The method of commingling set forth in your letter is hereby approved subject to like approval by the New Mexico Oil Conservation Commission. Any changes in the system must receive prior approval from this office. Your "Lessees Monthly Report of Sales and Royalty", form 9-361, should show all meter readings and computations used in allocating production to the lease and the participating area.

Please notify our Durango office when the commingling installation is completed so that a field inspection of the system can be made.

Sincerely yours,

A handwritten signature in cursive script that reads "Carl C. Traywick".

CARL C. TRAYWICK
Acting Oil and Gas Supervisor

