

PERRY R. BASS, ~~INC.~~

P. O. BOX 1178

MONAHANS, TEXAS

August 4, 1969

RECEIVED

AUG 4 - 1969

O. C. C.
ARTESIA, OFFICE

District Office
New Mexico Oil Conservation Commission
Drawer DD
Artesia, New Mexico 88210

Attn: Mr. W. A. Gressett

Gentlemen:

A situation has developed in that we have inadvertantly allowed The Permian Corporation to haul some "lease" oil along with some 100% owned "frac" oil without a current Form C-104.

The total oil involved amounts to 133 barrels (22 barrels of lease oil and 111 barrels of frac oil) and was picked up at the battery on our Sun-Tex Federal Lease located in Unit N, Section 27, T19S, R31E, in Eddy County, New Mexico.

In telephone conversations with Mr. Knauf and Mr. Arnold with the U. S. G. S. it was agreed that any Federal oil involved would eventually be picked up by Famariss Oil & Refining Co., Inc. from another battery on this lease and that if any contention arose it would be with the State of New Mexico and that we should contact them for instructions.

Due to the small amount of lease oil involved and the fact that this is the last oil produced by this well (well is being plugged) it is deemed too expensive to re-issue a division order and we request that we be allowed to ask The Permian Corporation to request of Texas-New Mexico Pipe Line Company a 100% Division Order and allow Bass to make the disbursement.

Very truly yours,

H. F. Wurtz, Jr.

H. F. Wurtz, Jr.
Div. Prod. Clerk

xc: The Permian Corporation
Box 3119
Midland, Texas 79701
Attn: Mr. Rod Fulsom

Perry R. Bass
Fort Worth Nat'l Bank Bldg.
Fort Worth, Texas 76102
Attn: Mr. J. C. Gunter

File