



# United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
CARLSBAD RESOURCE AREA HEADQUARTERS  
P.O. BOX 1778  
CARLSBAD, NEW MEXICO 88220



3162(067)  
NM-25488

NOV 29 '90

NOV 02 1990

O. C. D.  
ARTESIA, OFFICE

RECEIVED NOV 5 1990

Nearburg Producing Company  
Attn: T. R. MacDonald  
PO BOX 823085  
Dallas, TX 75382-3085

RE: NM-25488  
Foster '31' Federal #2  
NW $\frac{1}{4}$ SW $\frac{1}{4}$  of Sec. 31, T19S, R25E; NMPM

Gentlemen:

Your request to surface commingle North Dagger Draw Upper Pennsylvanian (Cisco/Canyon) production from the above referenced well with identical production from your Dagger Draw '31' Federal #1 well located in the NW $\frac{1}{4}$ NW $\frac{1}{4}$  of Sec. 31, T19S, R25E; NMPM, Lease Number NM-84701 is hereby approved.

Accordingly, approval is also hereby granted for off-lease storage and measurement for sales for the Foster '31' Federal #2, contingent upon the operator obtaining appropriate right-of-way approval from the Realty Staff of the BLM-Carlsbad for that off-lease portion of any necessary flowlines.

As stated in your application, the common battery facility to be used for commingling will be located in the SE $\frac{1}{4}$ NW $\frac{1}{4}$  of Sec. 31, T19S, R25E; NMPM.

We recognize that your request is made in the interest of conservation and will not result in reduced royalty or improper measurement since each well's production will be metered separately prior to commingling to ensure proper allocation back to the contributing sources.

This approval is subject to the concurrence of the New Mexico Oil Conservation Division.

Please contact Shannon Shaw or Adam Salameh at (505) 887-6544 or at the letterhead address if further information is required.

Sincerely,

A handwritten signature in dark ink, appearing to read "Richard L. Manus". The signature is written in a cursive style with a large initial "R".

Richard L. Manus  
Area Manager

cc:NM (065, B. Lopez)  
NM (067; S.J. Shaw, E. Inman)  
NMOCD (Santa Fe, D.R. Catanach)