



June 25, 1993

William J. LeMay, Director
New Mexico Oil Conservation Division
PO Box 2088
Santa Fe, New Mexico 87504

Amoco Production Company

Southern Rockies Business Unit
Amoco Building
1670 Broadway
Post Office Box 800
Denver, Colorado 80201
303-830-4040

File: CAW-158-986.511

Surface Commingle
City of Farmington Com #1
City of Farmington Com #1E
E/2 Section 10-T29N-R13W
Basin Dakota Pool
San Juan County, New Mexico

This letter will confirm my telephone conversations with Mr. David Catanach of your Santa Fe office and Mr. Frank Chavez of your Aztec office. Amoco plans to surface commingle production from the two wells referenced above. Both of these wells produce from the Basin Dakota Pool in the same E/2 Section 10 spacing unit with identical ownership (WI, RI, ORRI).

Amoco will allocate production to each well on the basis of annual tests of the two wells. Based on our review of the NMOC D Rules and Regulations and telephone conversations with Mr. Catanach and Mr. Chavez, no further approvals are necessary for this commingling.

Sincerely,

J. W. Hawkins
JWH/jmc

cc: Frank T. Chavez, Supervisor
NMOC D District III
1000 Rio Brazos Rd.
Aztec, NM 87410

Bureau of Land Management
1235 La Plata Hwy.
Farmington, NM 87499
Attn: John L. Keller

Jesse Maestas
Lori Arnold

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JUN 28 1993
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DIST. 3