



OIL CONSERVATION DIVISION  
RECEIVED

State of New Mexico  
Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

(505) 827-5760  
FAX (505) 827-5766

RAY POWELL, M.S., D.V.M.  
COMMISSIONER

January 25, 1995

Exxon Company USA  
P.O. Box 1600  
Midland, Texas 79702-1600

Attention: Mr. Don J. Bates

Re: Downhole Commingling Exception  
New Mexico "S" State Well No. 13  
Lot 2, Section 2, T22S, R37E  
Administrative Order DHC-1060  
Drinkard/Tubb Oil & Gas Pools  
Lea County, New Mexico

Dear Mr. Bates:

This office is in receipt of your application letter of January 18, 1995, wherein you have requested our approval to downhole commingle the Drinkard/Tubb oil & gas pools production from the above subject well.

It is our understanding that production from the subject well will be allocated as follows:

<u>POOL</u>	<u>ALLOCATION</u>	
	<u>Oil</u>	<u>Gas</u>
Drinkard Pool	50%	41%
Tubb Pool	50%	59%

Since ownership is common throughout, and there will be no loss of revenue to the State of New Mexico's beneficiaries from your proposed operation, the Commissioner of Public Lands, this date approves your request. Our approval is given with the understanding that the Commissioner of Public Lands reserves the right to amend or withdraw his approval should this operation prove to be unprofitable to the State at any time in the future. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Exxon Company USA

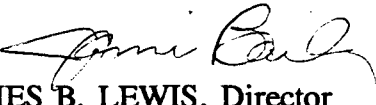
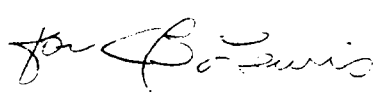
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If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.  
COMMISSIONER OF PUBLIC LANDS

BY:  for   
JAMES B. LEWIS, Director  
Oil/Gas and Minerals Division  
(505) 827-5744

RP/JBL/cpm

Enclosure

cc: Reader File

OCD-Santa Fe--Attention: David Catanach, Ben Stone  
B-934-0