

**PLEASE DELIVER TO:****THIS FAX IS FROM:**Name: Ben StoneCraig WrightRoom #: OCDChevronLocation: Santa Fe, NMMidland, TXFax #: (505) 827-1389Ph. # (915) 687-7284The total number of pages, including cover page are: 3**PERMIAN GAS /OIL PROFIT CENTER****TEXAS • NEW MEXICO****ROOM 2204****FAX. # (915) 687-7905 or CTN 687-7905**

Ben -

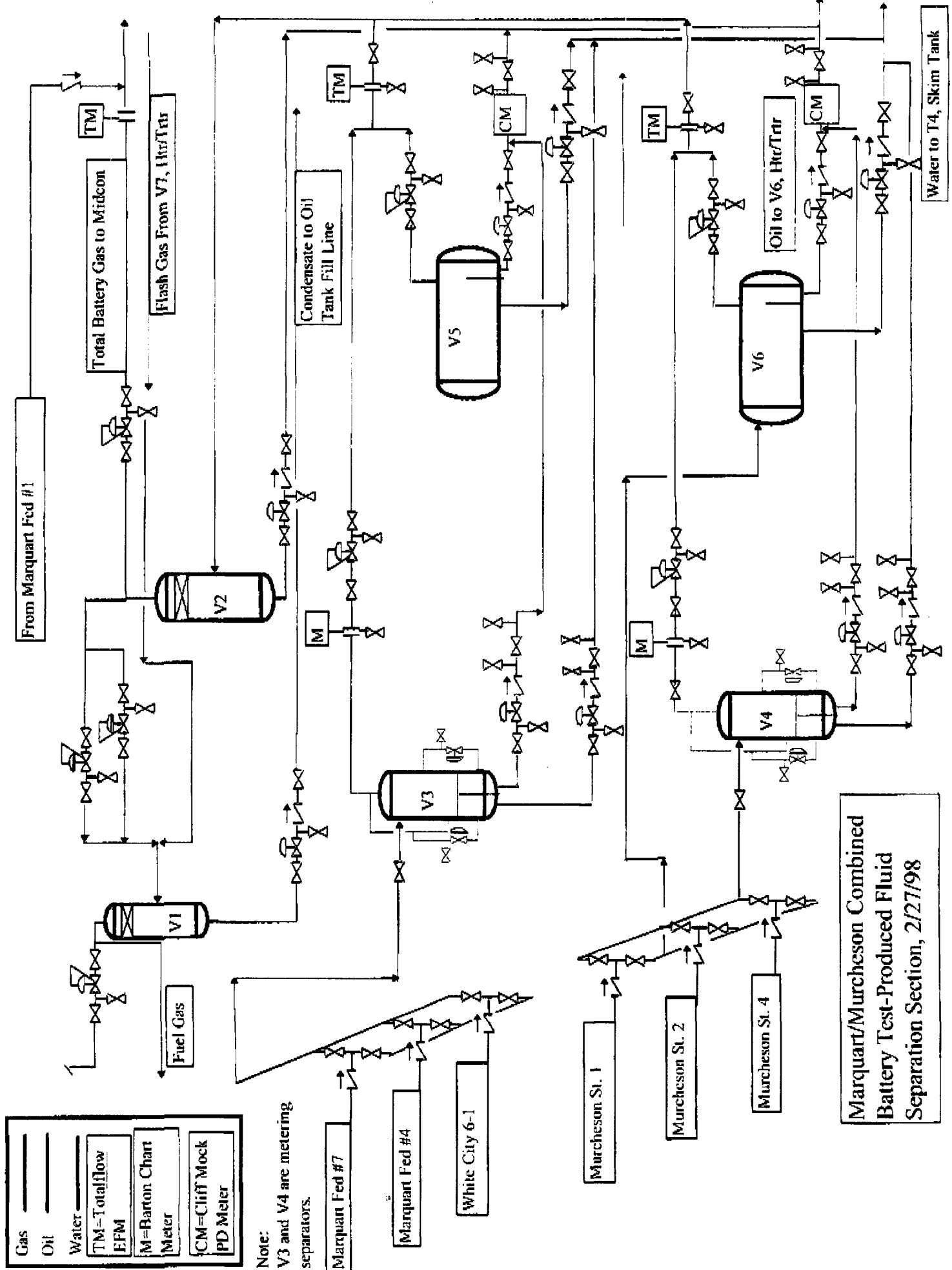
H 2 253 26E

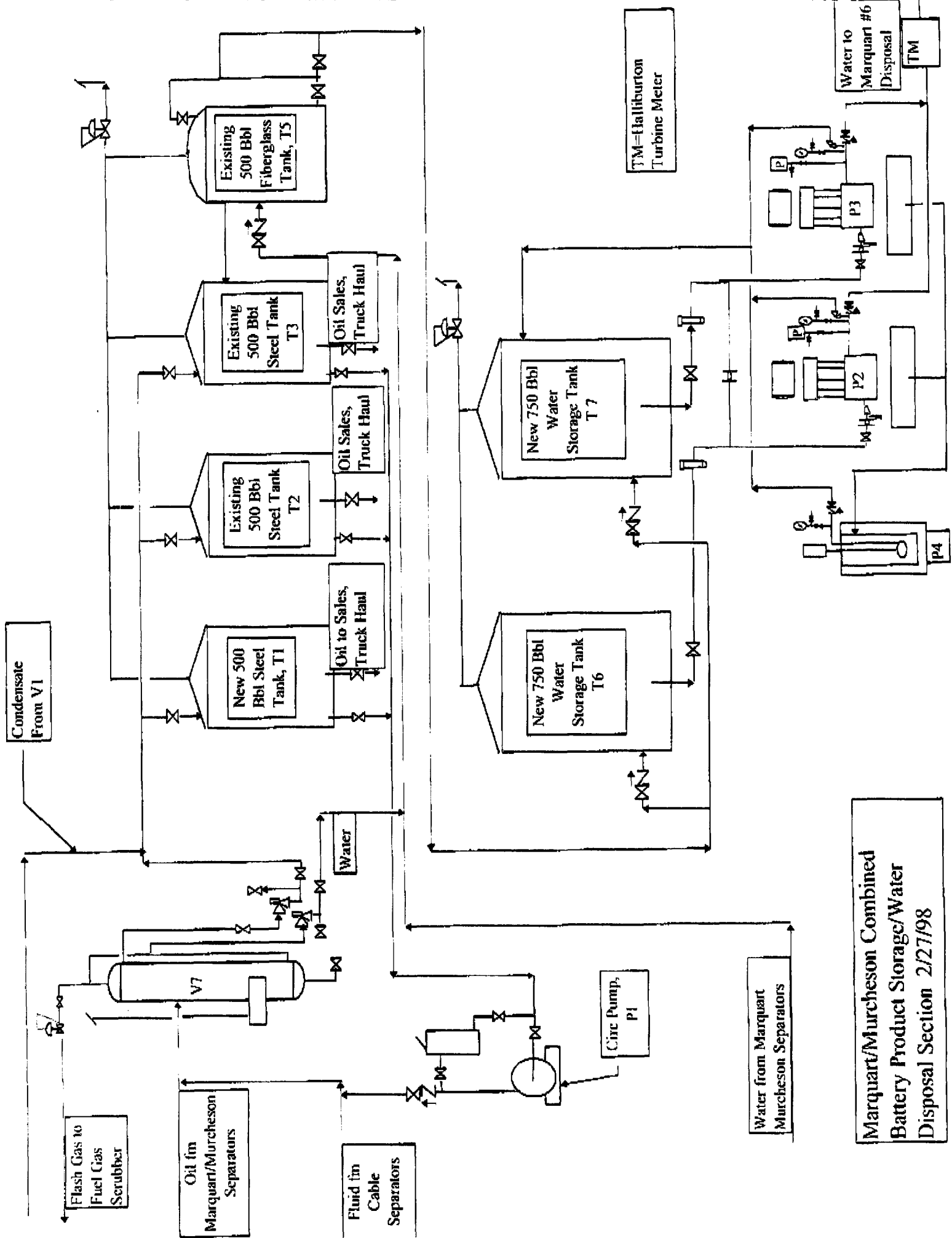
Attached is a revised schematic illustrating how the Federal & State leases will be separately "metered" as requested by your office.

The Cable(Fee) lease will also be separately "metered", but I did not include a schematic since there have been no revisions since the original application of Oct. 23, '97.

Give me a call if you have questions (915) 687-7284.

Thanks,
Craig





Marquart/Murcheson Combined
Battery Product Storage/Water
Disposal Section 2/27/98



State of New Mexico
Commissioner of Public Lands

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

310 OLD SANTA FE TRAIL P.O. BOX 1148

SANTA FE, NEW MEXICO 87504-1148

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

March 16, 1998

Chevron USA Production Company
P.O. Box 1150
Midland, Texas 79702-1150

Attn: Mr. Craig A. Wright

Re: Application for Surface Commingling
Cable "26" Lease Well Nos. 1 and 2
Unit Letters B and D, Section 26-25S-26E
Marquardt Federal Lease Well Nos. 4 and 7
Unit Letters L and N, Section 1-25S-26E
Murchison "2" State Lease Well Nos. 1, 2, and 4
Unit Letters A, H and I, Section 2-25S-26E
State Lease L0-896-2
White City "6" Federal Lease Well No. 1
Unit Letter L, Section 6-25S-27E
South Black River Delaware, North Cottonwood, Undesignated Delaware and Wildcat Delaware Pools
Eddy County, New Mexico

Dear Mr. Wright:

We have received a copy of the New Mexico Oil Conservation Division's Order #PLC-138 which notifies this office of your application to surface commingling the production from the above-captioned wells.


Pursuant to State Land Office Rule Nos. 1.053, 1.054 and 1.055, please submit a copy of your commingling request to this office. Enclosed is a copy of our commingling rules and regulations. The filing fee for a commingling application is thirty (\$30.00) dollars.

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:


JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

RP/JB/cpm
Enclosure
pc: Reader File

OCD