

June 2, 1964

Penrose Production Company
411 Gulf Building
Midland, Texas, 79704

Attention: Mr. Harold S. Winston
Petroleum Engineer

Re: Request for Approval to Commingle
New Mexico State Lease No. B-1732
N $\frac{1}{4}$ W $\frac{1}{4}$ Sec. 19, T21S, R37E, Lea County,
New Mexico

Gentlemen:

Reference is made to your letter of May 22, 1964, in which you have requested approval to commingle production from the Blinebry and Drinkard Pools from the subject lease.

Please be advised that Penrose Production may proceed with this commingling project with the approval of the State Land Office.

It is understood that the Commissioner of Public Lands reserves the right to review this decision if and when commingling appears to reduce the state's fair share of royalty on the subject lease.

We would appreciate information regarding the gravity and the quantity of production from each of the two pools mentioned hereinabove. In all other respects, we appreciate the information forwarded and your cooperation with us.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

By 

Ed Buck
Oil and Gas Department

ESJW/EB/dh

cc Oil Conservation Commission
Oil and Gas Accounting Commission

