



JIM BACA
COMMISSIONER

State of New Mexico
OFFICE OF THE
Commissioner of Public Lands
Santa Fe

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

March 31, 1993

Texaco, Inc.
P.O. Box 730
Hobbs, New Mexico 88241-0730

Attn: Mr. Monte C. Duncan

Re: Application for Surface Commingling and Off Lease Storage
New Mexico N, O, & BA Battery
Lease Nos. B-155-6, B-1056-2, B-1565-8, B-1722-2,
Sections 25, 36, T-17-S, R-34-E, Sec. 30-17S-35E
Lea County, New Mexico

Dear Mr. Duncan:

This office is in receipt of your letter of September 17, 1992 wherein you have requested our approval to surface commingle the production from the Vacuum Abo North, Vacuum Upper Penn, Vacuum Wolfcamp and Vacuum Drinkard Pools for the N. M. "N" State Well No. 8, N.M. "O" State Well Nos. 11, 14, the State BA Well Nos. 6, 8, and the N.M. "O" State NCT-1 Well No. 18.

By our letter of September 25, 1992, approval was granted by this office for Off-Lease Storage and Surface Commingling of production concerning the first five wells listed on your application.

Texaco Exploration and Production now requests permission to add the production from the New Mexico "O" State NCT-1 Well No. 18 to this battery.

It is our understanding that the following wells will be re-routed to the New Mexico N, O, & BA Battery located in the SW/4SE/4 of Section 27, Township 17 South, Range 34 East.

N.M. "N" State #8-D Sec. 30-17S-35E, Lease No. B-1722-2
N.M. "O" State NCT-1 #11-F Sec. 36-17S-34E, Lease No. B-155-6
N.M. "O" State NCT-1 #14-J Sec. 36-17S-34E, Lease No. B-155-6
State BA #6-D Sec. 36-17S-34E, Lease No. B-1565-8
State BA #8-B Sec. 36-17S-34E, Lease No. B-1565-8
N.M. "O" State NCT-1 #18-H Sec. 36-17S-34E, Lease No. B-155-6

It is also our understanding, that the production from the above mentioned wells will not be commingled in any way with any other production in Section 25.

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Since it appears that there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request for surface commingling and off-lease storage of the production for the above wells is hereby approved. Any deviation from the substance of your request will be sufficient grounds for rescinding our approval. Our approval is subject to like approval by the New Mexico Oil Conservation Division

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

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: 

FLOYD O. PRANDO, Director
Oil/Gas and Minerals Division
(505) 827-5744

JB/FOP/pm

encls.

cc: Reader File
OCD
TRD