

Coel 2042

July 15, 1960

Texaco Inc. P. O. Box 352 Midland, Texas

Attention: J. G. Blevins, Jr.

Gentlemen:

F. C.I

Reference is made to your letter of June 30, 1960, containing an application for permission to commingle the Crossroads-Devonian production and undesignated Mississippian production from your U. D. Sawyer lease, and for administrative approval to utilize your Devonian LACT system to handle this commingled production.

We cannot approve automatic custody transfer systems administratively, nor can we extend approval of an existing system to cover the production from another pool except after notice and hearing.

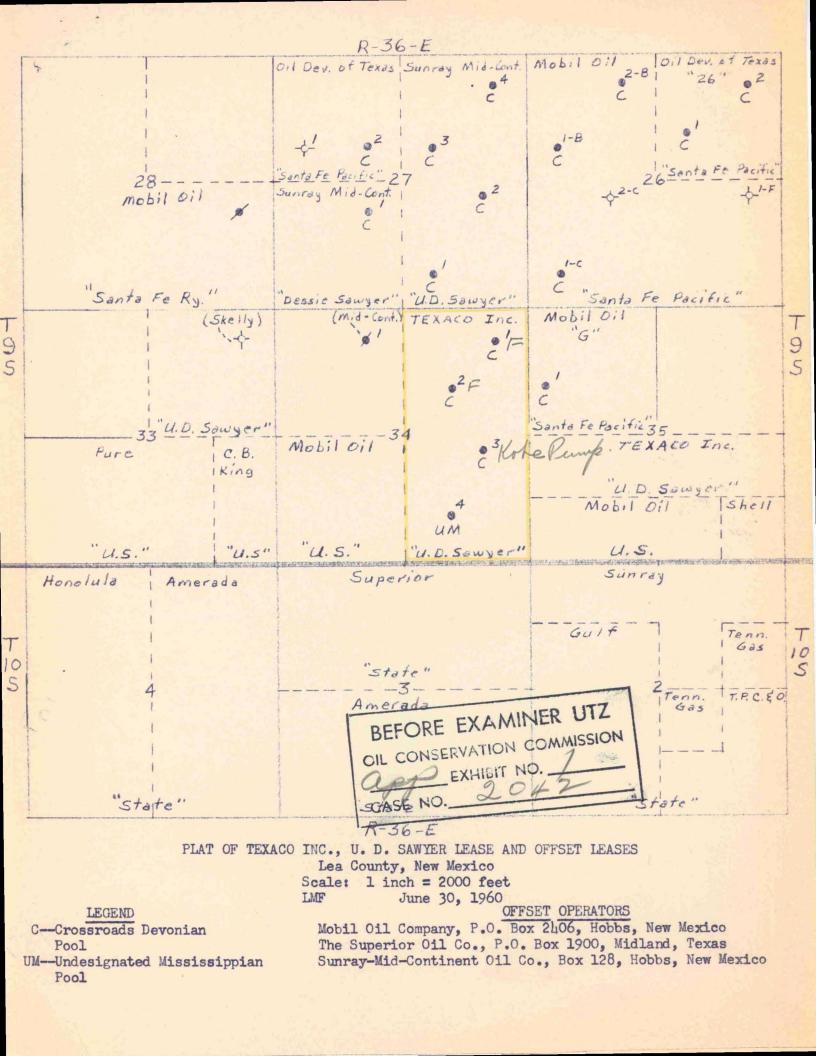
It will be necessary to docket a hearing on your request that Order No. R-1608 be amended to authorize your IACT system to handle the commingled Devonian and Mississippian production.

It would be possible to authorize the commingling portion of your request administratively, but such authorization would be of no use to you unless it was accompanied by authority to handle this commingled production by way of your LACT system.

Unless we hear from you to the contraty, we will docket your application for an examiner hearing to be held in Santa Fe on August 10, 1960.

Very truly yours,

OLIVER E. PAYNE General Counsel



## TEXACO Inc. U. D. SAWYER LEASE CROSSROADS DEVONIAN AND UNDESIGNATED MISSISSIPPIAN POOLS E/2 OF SECTION 34, T-9-S, R-36-E LEA COUNTY, NEW MEXICO

## Production Characteristics

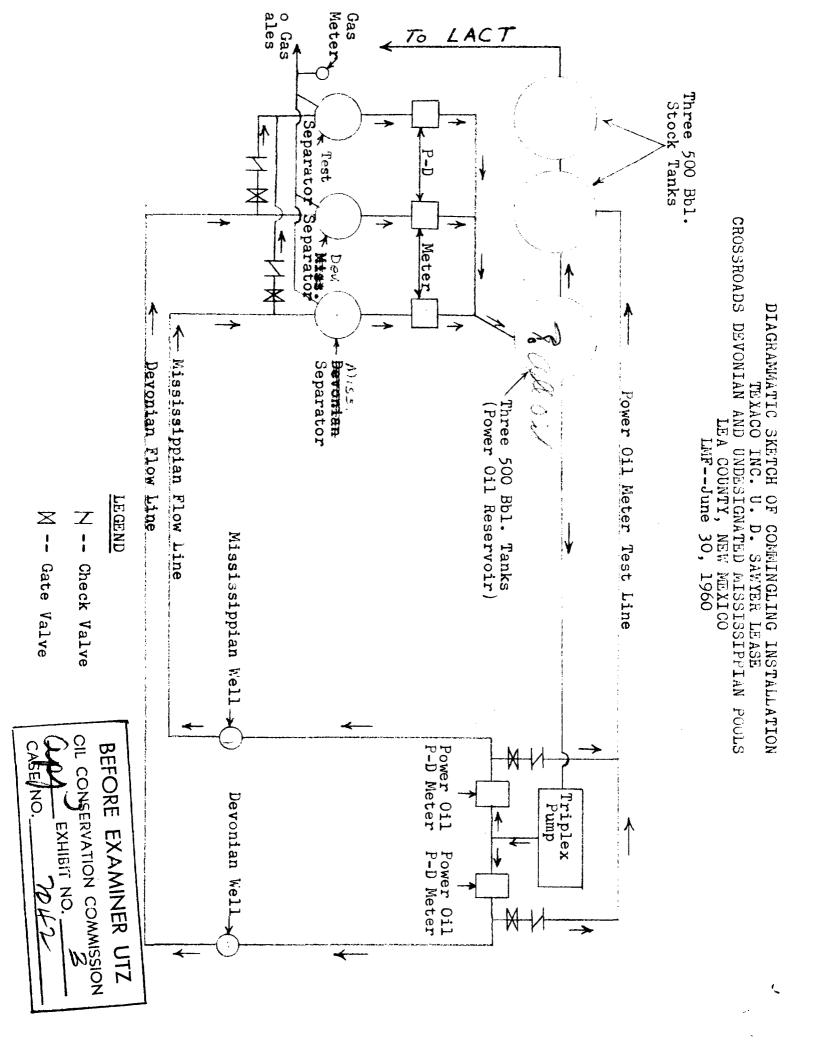
Iuem	Devonian	Mississippian	
Type of Crude	intermediate sweet	intermediate sweet	
GOR (ft <sup>3</sup> /bbl)	TSTM	not available	
Gravity ( <sup>O</sup> API)	44.0°	41.50	

## Commingling Statistics

Zone	Productivity (BOPD)	Gravity (°API)	Price Per Barrel	Revenue Per Day
Devonian Mississippian	669 80	44.0 41.5	3.01 3.01	2013.69 240.80 \$2254.49
Commingled	749	43.7	3.01	\$2254.49 \$2254.49

No Gain or Loss

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
(1) EXHIBIT NO2 CASE NO 20 1/ 12
CASE NO. 2011



BEFORE FRAMINICR UTZ OIL CI (inp.

