



AMERADA PETROLEUM GORPORATION

P. O. BOX 2040

TALSA 2, OKLA.

December 19, 1950

RE: STATE "H" FARM W/2 SE/4 Sec. 1-20S-36E Monument-Blinebry Field Lea County, New Mexico STATE "D" FARM NW/4 Sec. 1-20S-36E Monument-Blinebry Field Lea County, New Mexico Amerada Lease Nos. NM-678 & NM-772 State of New Mexico Nos. B-154 & B-1546

Commissioner of Public Lands P. O. Box 791 Santa Fe, New Mexico

Dear Sir:

Amerada, as operator of the captioned properties, is desirious of co-mingling the oil produced from the State "H" No. 3 Well with that produced from the State "D" Wells Nos. 5 & 6.

Each of the aforementioned wells produce from the Blinebry Formation and production from the individual farms on which they are located is being tanked separately. Presently we have two 600 barrel tanks and one treater located on the State "D" Farm for wells #5 & #6 and two 500 barrel tanks on the State "H" Farm. Recently the State "H" No. 3 started making water and it is our purpose, should it meet with the approval of the Commissioner, the co-mingle production from these properties in tankage presently located on the State "D" Farm and thus salvage the tank batteries now located on the State "H" Farm and also save the cost of acquisition and operation of an additional treater.

All of the lands involved are state owned lands and there will be no conflict of royalty interests. In this regard we wish to point out that San Andres production under these properties has been co-mingled since 1942. December 19, 1960 Page No. 2

exception to Statewide Rule 309 we must obtain approval from the State Land Office for co-mingling the cillas requested. Should you approve this request, please so sightfy by signing the attached copy of this letter.

Yours very truly,

AMERADA PETROLEUM CORPORTION

By J. E. Lyurch

JEL:gcp:ed

The above request approved this <u>sc</u>iay of <u>this</u>

Lands Py Commissioner of

State of New Mexico