



March 30, 1998

Attn: Mr. Chris Williams
NMOCD District I Director
PO Box 1980
Hobbs, NM 88240

**Re: Temporary approval to surface commingle
State "AN" #12
Unit Letter I, Sec. 7, Town. 18S, Rng. 35E
Lea County, New Mexico**

Dear Mr. Williams,

Texaco Exploration and Production respectfully requests permission for a 30 day temporary approval to surface commingle the State "AN" #12 production in the Abo Reef Consolidated Battery. The State "AN" #12 is a newly drilled Vacuum Devonian oil producer. The subject well is currently testing at rates of approximately 200 BOPD, 960 BOPD, and 138 MCFPD with the bottom hole pressure diminishing from an original 3600 psi to the current 1500 psi. Production is currently routed through a 3-phase test separator at the wellsite and thereby metered separately. The subject well was spud on October 21, 1997, and completed in the Devonian formation in the Vacuum field. Texaco obtained the first production test on March 25, 1998 and has since produced all oil into a frac tank on location.

In accordance to amended commingle order #PLC-103, the Abo Reef Consolidated battery can accept Atoka, Drinkard, and Abo Reef production. The Devonian production, which is requested to be commingled into this facility, contains identical working interest, royalty interest, and overriding royalty interest as the current battery production. Texaco maintains that the State of New Mexico will suffer no loss of revenue due to the proposed operation.

Please refer to the attached C102 plat, facility diagram, and lease diagram, for additional information pertaining to this request.

Please indicate your approval for this request by signing in the space provided below and returning in the self addressed and metered envelope. The 30 day approval is required while the Santa Fe OCD processes the application for permanent surface commingling of this production.

Approved
Date

Chris Williams District Supervisor
3/31/98

Sincerely,

Darrell J. Carriger

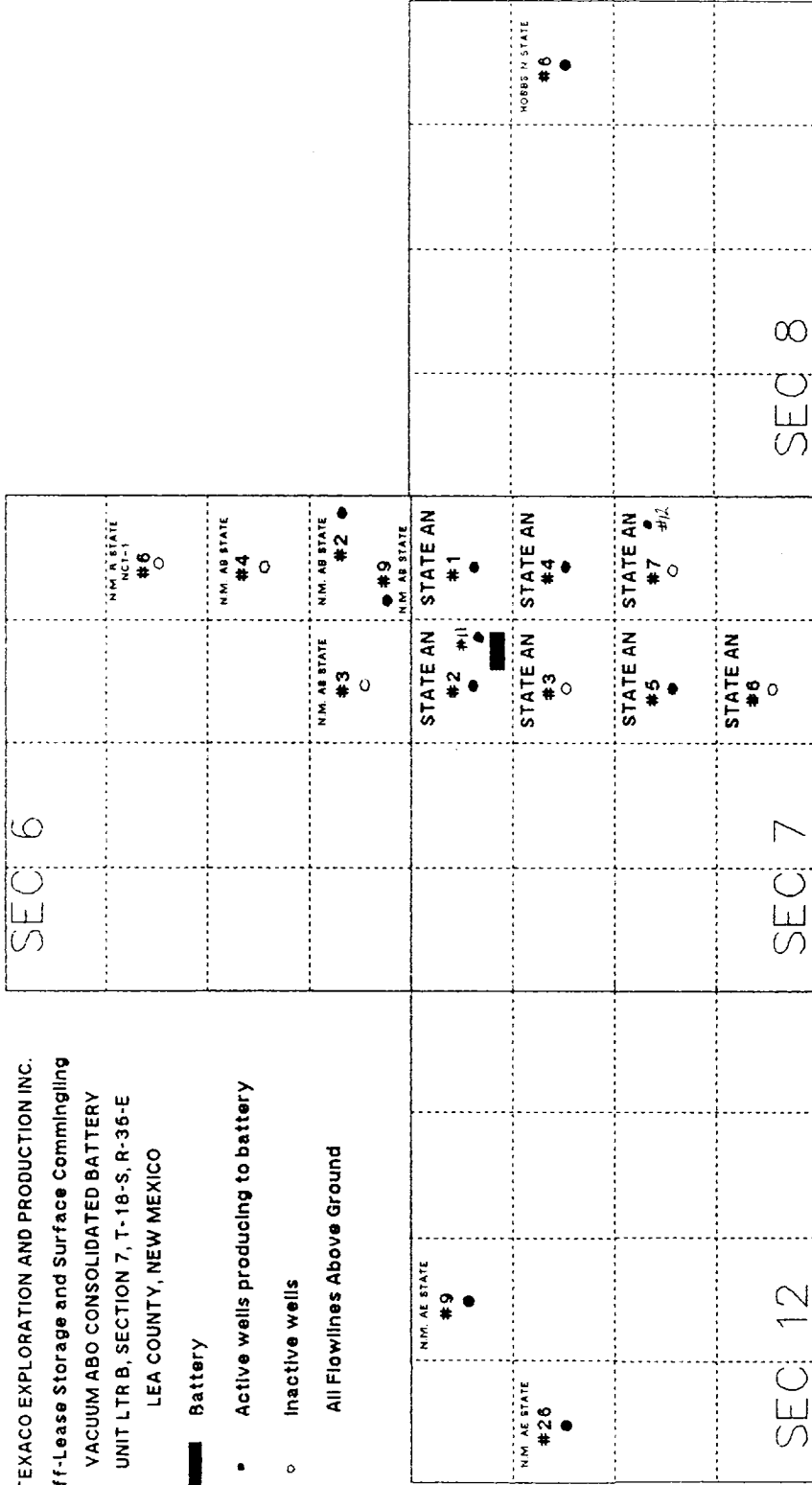
Darrell J. Carriger
Production Engineer (Texaco)

Cc: State Land Office

/file

TEXACO EXPLORATION AND PRODUCTION INC.
 Off-Lease Storage and Surface Commingling
 VACUUM ABO CONSOLIDATED BATTERY
 UNIT LTR B, SECTION 7, T-18-S, R-36-E
 LEA COUNTY, NEW MEXICO

- Battery
 - Active wells producing to battery
 - Inactive wells
- All Flowlines Above Ground



T-18-S, R-34-E T-18-S, R-35-E T-18-S, R-35-E