



ARCO Permian
600 N Marienfeld
Midland TX 79701
Post Office Box 1610
Midland TX 79701
Telephone 915 688 1200

January 15, 1998

**State of New Mexico
Oil Conservation Commission
2040 East Pacheco
Santa Fe, New Mexico 87505**

Attention: Mr. Ben Stone

**Re: J. H. Williams #1 Well (660' FSL, 1980' FEL)
J. H. Williams #2 Well (470' FSL, 990' FEL)
Township 19 South, Range 34 East
Section 34: S/2 SE/4
Lea County, New Mexico**

Dear Sirs:

ARCO Permian submitted an application to permit surface commingling of the oil produced from the referenced wells. (Copy of letter dated 12/9/97 enclosed). Our Division Order Title Opinion shows common ownership (royalty and working interest) below the base of the San Andres formation.

Very truly yours,

**Lee M. Scarborough
Land Director, SE New Mexico**

LMS/sb

**xc: Chris Williams
State of New Mexico
Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico 88240**

**Kellie Murrish
ARCO Permian
P. O. Box 1089
Eunice, New Mexico 88231**