

October 30, 1989

Mr. Jerry Sexton Oil Conservation Division P.O. Box 1980 Hobbs, N.M. 88240

RE: TEMPORARY SURFACE COMMINGLING
State "I" Lease
Section 16, T-20-S, R-37-E
Lea County, New Mexico

Dear Mr. Sexton:

This letter is to confirm your verbal approval with Mr. L.D. Ridenour of this office for the temporary surface commingling on the referenced lease. The pools that will be commingled are the Monument Paddock and Eunice Monument Grayburg San Andres. This approval as stipulated is for a period of 30 days and for the purpose of testing Well No. 2 which has recently been recompleted to the Grayburg zone.

Yours Very Truly,

J.A. HEAD AREA MANAGER

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LDR: jdl

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