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New Mexico Oil Conservation Division
Approval for Surface Commingling
October 11, 1990

separator and is sold through it's own meter.

The gravities of the two crude oils to be commingled are 38.5 degrees API for the Tubb and Drinkard, and 36 degrees API for the Blinebry. Both have been corrected to 60 degrees F. The expected gravity of the commingled oil is 36.4 degrees API.

The commingling of the production will not change the actual commercial value of the individual products. Posted prices for both sources are \$37.75/BO as of this date.

A copy of the tank battery diagram and lease plat are attached for your information.

Sincerely,

ARCH PETROLEUM INC.

A handwritten signature in dark ink, appearing to read "David Miller", followed by a horizontal line.

David Miller
Operations Manager

DM/ps
Enclosures