STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

AUG 2 4 1989

POST OFFICE BOX 1980

HOBBS, NEW MEXICO 88241-1980

(505) 393-6161

August 23, 1989

GARREY CARRUTHERS

Arch Petroleum Inc. 10 Desta Drive, Suite 420 Midland, TX 79705

- Attn: Mr. David Miller Operations Manager
- Re: Temporary Permission To Surface Commingle Teague Devonian and Undesignated Abo Production E. C. Hill D Federal Lease Sec. 34 & 35, T23S, R37E

Gentlemen:

Permission to temporarily commingle the above-referenced production is hereby granted for 30 days. During this time you will need to get the Abo zone tested and submit your official application to surface commingle to our Santa Fe office as required by Rule 303-A.

As I indicated in my May 31st letter, this location is within a mile of the Teague Abo Gas pool and should the well be completed as a gas well it will be placed in the Teague Abo Gas Pool and as required by our rules, the gas from a gas well must be separately metered.

Very truly yours,

OIL CONSERVATION DIVISION

Derry Sexton / Supervisor, District I

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cc: David Catanach, OCD Santa Fe