



September 21, 1990

New Mexico Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico 88240

Attention: Mr. Jerry Sexton

Re: Revision of Surface Commingling Order PC-80
Texaco Inc. - G.L. Erwin "B" Fed. NCT-2 #1
Federal Lease #LC-057509
Section 35, T-24-S, R-37-E
Lea County, New Mexico

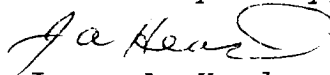
Gentlemen:

Texaco Inc. respectfully requests permission to surface commingle North Justis Paddock pool production from the G.L. Erwin "B" NCT-2 #1 with production from the North Justis Tubb-Drinkard, Devonian, Waddell, Fusselman, Mckee and Ellenberger pools under the same lease.

Currently, all six pools of the North Justis are surface commingled on the subject lease under Commingling Order PC-80 dated May 3, 1962. All of the current production, as well as Paddock production, is classified as sweet intermediate. G.L. Erwin "B" NCT-2 #1 was recompleted into the North Justis Paddock in March, 1990. The subject well was surface comingled to the Erwin NCT-2 Battery after verbal permission from Mr. Jerry Sexton, on 4-21-90, pending formal application. Initial production test was 62 BOPD, 303 BWPD and 117 mscf flowing per day. The original request for commingling was apparently never received by the NMOCD so a second formal application is being sent. The proposed commingling will not cause any loss of value to the oil and no correlative interests will be affected.

Texaco Inc. respectfully requests that Commingling Order PC-80 be amended to allow surface commingling of North Justis Paddock with the North Justis Tubb- Drinkard, Devonian, Waddell, Fusselman, Mckee and Ellenberger pool production.

Yours very truly,


James A. Head
Hobbs Area Manager

JAH:rtm

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