

PROPERTY MANAGEMENT & CONSULTING, INC.

P. O. BOX 2596
FARMINGTON, NEW MEXICO 87499-2596
(505) 325-5220

August 21, 1998

New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico 87410
Attn: Frank Chavez

Re: Request for Surface Commingling
Parker & Parker Oil & Gas Inc.
Quinella No. 1 & 2

D+E 31-23N-6W

Dear Mr. Chavez:

Parker & Parker Oil & Gas Inc. requests permission to surface commingle the casing head gas production from the above referenced wells. Attached is a copy of the sundry notice, approved by the BLM, outlining the production reporting methods. It is our understanding that the gas sales will be reported on the same POD number since the gas from both wells will be sold through one meter to the EPFS gathering system.

Please call if you have any additional questions.

Sincerely;

R. E. Fielder

R. E. Fielder
Agent for
Parker & Parker Oil & Gas Inc.

xc: Parker & Parker Oil & Gas Inc.

*OK to commingle
per Frank*

POD # 2821615 JMS

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT--" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Parker & Parker Oil & Gas Inc.

3. Address and Telephone No.

P. O. Box 1655, Los Lunas, NM 87031 (505)866 - 7071

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2225 ' FNL - 1965 ' FWL, Section 31, T23N, R6W, NMPM

5. Lease Designation and Serial No.

NM58871

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Quinella No. 2

9. API Well No.

30 - 043 - 20945

10. Field and Pool, or Exploratory Area

Lybrook Gallup

11. County or Parish, State

Sandoval, New Mexico

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Off Lease Measurement
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Parker & Parker Oil & Gas Inc. proposes to construct the flowline approved in the APD which will connect this well to the existing casing head gas sales line at the Quinella No. 1 location in D - 31 - 23 - 6. Both wells produce from the same pool on the same Federal lease. The gas from both wells will be measured and sold at EPFS meter number 95701 located in E - 36 - 23 - 7. An allocation meter conforming to Onshore Order No. 5 will be installed at the Quinella No. 2 location during construction. The gas sales volume attributable to each well will be determined by subtracting the integrated gas volume of the allocation meter from the volume at the sales meter. The allocation meter will be calibrated and gas samples collected on the same schedule as the sales meter to insure this meter is operated in accordance with the standards outlined in Onshore Order No. 5. Gas production for the individual wells will be calculated and reported by adding estimated lease use and vent gas to the sales gas volumes.

14. I hereby certify the foregoing is true and correct

Signed *R.E. Fitch*

Title Agent

Date August 7, 1998

(This space for Federal or State office use)

Approved by *Timothy A. [Signature]*

Title Team Lead

Date 8/11/98

Conditions of approval, if any

OPERATOR