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SAMEDAN OIL CORPORATION
2207 WILCO BUILDING
MIDLAND, TEXAS 79704

September 28, 1966

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Attention: Secretary-Director

Re: Samedan Oil Corporation
J. H. Moore "B" Lease
Section 25, T-11-S, R-32-E
NMPM, Moore-Devonian and
Penn Pools, Lea County, New Mexico

Gentlemen:

Samedan Has recently dual completed (conventional) its No. 1 well on the above lease so as to produce oil from the Moore-Devonian and Moore-Penn Pools through parallel strings of 2-3/8 inch tubing, with separation of zones by means of a permatrieve packer.

Samedan proposes to commingle the oil production from the Devonian and Pennsylvanian Zones and respectfully requests the Commission to accept this letter as our application for authority to do so. The following data is furnished and/or enclosed for your evaluation of this application to commingle the two sources:

1. This is a Fee type lease with both zones having same ownership.
2. Wells will be operated so as to prevent communication within the well bore.
3. Positive Displacement Type Metering Equipment will be used to accurately measure or determine the production prior to commingling.
4. Gravities of the hydrocarbons are: Devonian 45.4 degrees. Pennsylvanian 46 degrees. Expected gravity of hydrocarbon after commingling is 45.7 degrees.
5. Values of the hydrocarbons are: Devonian \$2.99 per U. S. barrel. Pennsylvanian \$2.97 per U. S. barrel. Expected value of hydrocarbon after commingling is \$2.99 per U. S. barrel. Therefore, the actual commercial value of the commingled hydrocarbon will not be less than the sum of the values of the production from each common source.

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6. A Plat is enclosed showing the location of all wells on the lease and the pool from which each well is producing.
7. A schematic diagram is enclosed showing the proposed installation of commingling in common facilities.
8. This application is for the commingling of liquid hydrocarbons only.
9. Commingling to begin with September, 1966 production.
10. Hydrocarbon transporter is Service Pipe Line Company, 3411 Knoxville Avenue, Lubbock, Texas.

In accordance with good conservation practices, we ask that the Secretary-Director of the Commission grant us an exception to Commission Statewide Rule 303 (A) in authorizing this commingle application.

Very truly yours,

SAMEDAN OIL CORPORATION



G. W. Putnam

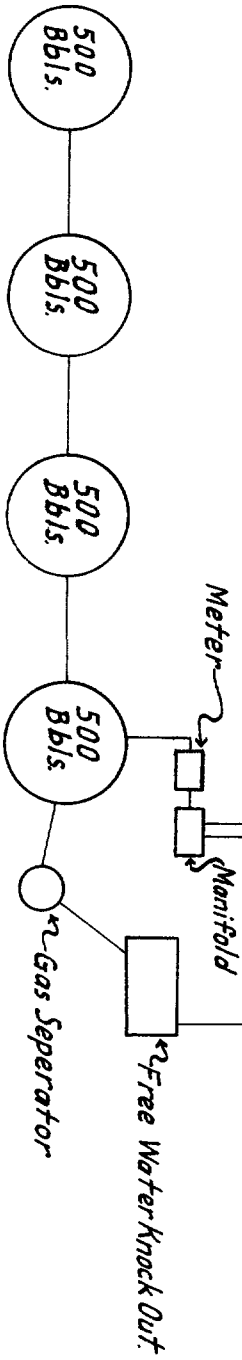
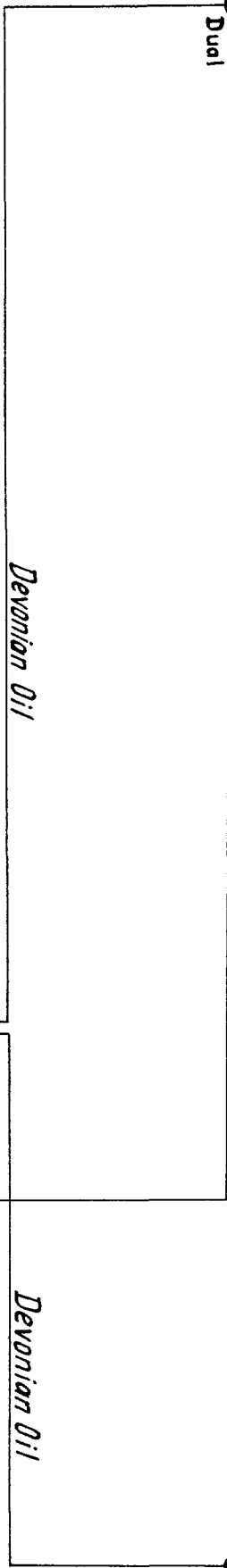
Division Production Superintendent

GWP/JB/FNW
Enclosures

Samedan
No. 1 J.H. Moore "B"

Pennsylvanian Oil

Samedan
No. 2 J.H. Moore "B"



Air Eliminator
A.O. Smith TC-6 P.D. Meter
Back Press. Regulator

SAMEDAN OIL CORPORATION
J.H. MOORE "B" LEASE
DIAGRAM OF COMMINGLING FACILITY
SEC. 25, T-11-S, R-32-E
LEA COUNTY, NEW MEXICO

