

AMERADA PETROLEUM CORPORATION DRAWER 817 SEMINOLE, TEXAS 79360

PHONE PL 8-3631

August 20, 1968

P. C. - 3/6

Mr. A. L. Porter, Jr., Secretary-Director Oil Conservation Commission F.O. Box 871 Santa Fe, New Mexico

Dear Sir:

Amerada Petroleum Corporation requests an exception to Rule 303, "Segregation of Production From Pools", in order to commingle the crude oil produced from the V. Linam lease, loceted in Section 14, T135, R38E, Lea County, New Mexico.

The lease contains two wells the V. Linam No. 1, completed in the upper Wolf-camp Zone and the V. Linam No. 2 completed in the Devonian Zone. The Linam No. 1 was recently recompleted from the Devonian zone into the Upper Wolfcamp zone.

Attached is a data sheet listing the gravities of the Devonian and Wolf-camp crudes and the gravity and expected value of the commingled crude.

Also attached is a map showing the location of the Linam lease and a schematic diagram of the Linam battery. We propose to meter the Upper Wolfcamp production from a production separator through an A.O. Smith meter with a non-resettable counter. The V. Linam No. 1 does not produce any water from the Upper Wolfcamp zone. The Linam No. 1 flow line will not be connected to any other line or vessel until it has passed through the meter. The A.O. Smith meter will be proved monthly into a strapped 500 barrel stock tank.

To obtain the Devonian production for the lease, we will subtract the metered production after applying the meter factor from the measured stock tank production.

The value of the commingled production from the lease will not be less than the sum of the values of the production from each common source of supply.

The necessary forms to recomplete the Linam No. 1 were filed with your Hobbs office.

Yours very truly,

G. Dewhurst

UPPER WOLFCAMP ZONE

V. Linam No.1

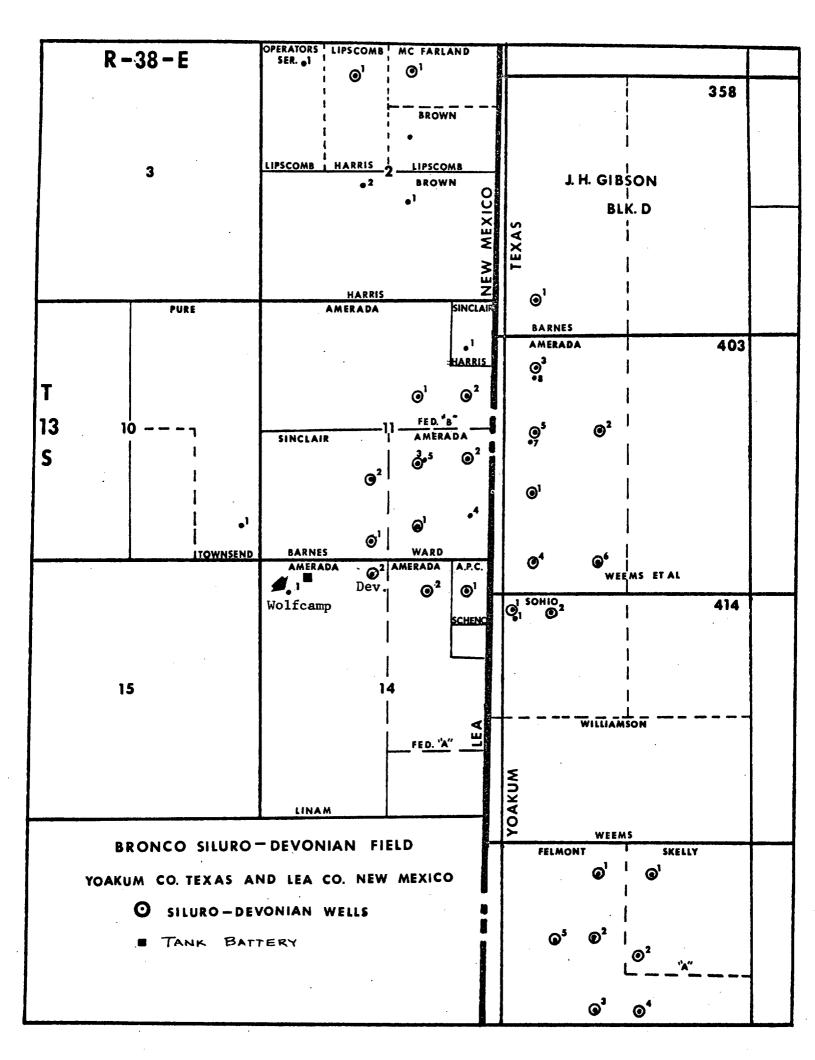
BRONCO SILURO-DEVONIAN ZONE

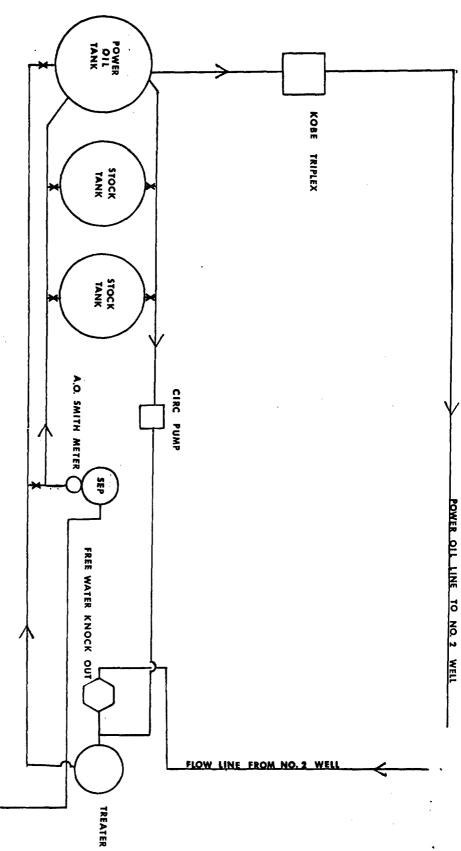
V. Linam No.2

40.00

API Gravity, Corrected
Approximate Value
Expected Daily Oil Production
Expected Gravity and Value of Commingled Crude

\$3.00/bbl.





LINAM BATTERY

V.Linam #2

V.Linam #3