

CAMPBELL & HEDRICK
P. O. BOX 401 424 MID AMERICA BLDG.
MIDLAND, TEXAS 79701

RECEIVED
DEC 22 1971
OIL CONSERVATION COMM.
SANTA FE

December 20, 1971

Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

RE: Application for approval to
commingle oil produced from
Drinkard and Eumont pools
underlying Campbell & Hedrick
Christmas Lease, W/2 of SE/4
of Section 17, T-22S, R-37E
Lea County, New Mexico

Gentlemen:

Campbell & Hedrick herewith apply for an amendment to Commission's Order No. PC-433, which authorized the commingling of Drinkard and Langlie Mattix production for our Christmas Lease, located in Section 17, T-22S, R-37E. Since Well No. 2 is in the Eumont Pool rather than Langlie Mattix, approval is requested to commingle Drinkard and Eumont pools.

Campbell & Hedrick request exception to:

- (1) NMOCC'S Rule 303 which prohibits the commingling of oil between pools.

In support of this application Campbell & Hedrick states the following:

- (1) Applicant is the owner and operator of the Campbell & Hedrick Christmas lease, which consists of the W/2 of SE/4 of Section 17, T-22S, R-37E, Lea County, New Mexico.
- (2) There is no diversity of ownership underlying the above described lease.
- (3) Applicant proposes to commingle the Drinkard and Eumont crudes without prior measurement and allocate production on the basis of periodical individual well tests as the Commission may prescribed.
- (4) The granting of this application is in the interest of conservation and will protect correlative rights.

RECEIVED
DEC 22 1971
OIL CONSERVATION COMM.
SANTA FE

Page #2
Campbell & Hedrick - Christmas #2 Lease

- (5) The actual commercial value of the resulting commingled crude will be more than the sum of the values of the production from each separate source of supply.
- (6) Sixty day production history can not be furnished as Christmas #2 is a new well. Christmas #1 produced 387 barrels over the last sixty days.
- (7) No single well on this lease is capable of producing top allowable.

Yours very truly,

CAMPBELL & HEDRICK

Joe H. Campbell
Joe H. Campbell
Pet. Eng.

JHC/pk