CEI ON COMPANY, U POST OFFICE BOX 1600 . MIDLAND, TEXAS 79702 1981

OIL CONS RVATION DIVISION SANTA FF ace Commingling Application J.L. Greenwood Lease Sec. 9, T-22-S, R-37-E, Lea County, New Mexico

State of New Mexico Energy and Minerals Department Oil Conservation Division P.O. Box 2088 Santa Fe, NM 87501

Gentlemen:

PROFUCTION DEPARTMENT MIDCONT:NENT DIVISION

Exxon respectfully requests administrative approval to surface commingle oil production on the captioned lease from the Brunson (Ellenburger) and Brunson (Fusselman) pools. This lease is comprised of the S/2 of Sec. 9 (320 acres), T-22-S, R-37-E, Lea Co., New Mexico, as to all depths save and except the Queen formation. Royalty ownership is common for the two pools and since production from each pool is marginal we request that allocation to the individual well completions be based on periodic well tests.

Shell Oil Company, purchaser of the crude oil, has agreed to take the commingled stream since production from both reservoirs is classified as sweet with a gravity of 39.6 at 60 degrees.

Listed below are pools commingled with gravity and value per barrel as of January 28, 1981, after price decontrol.

Pool	API Gravity	*Value per Bbl.
Brunson (Ellenburger)	39.6	\$37.98
Brunson (Fusselman)	39.6	\$37.98

\*Latest Crude Oil Price Posting for New Mexico Sweet

Listed below are allowables and latest production tests for wells to be commingled. Top allowable for each pool is 187 BOPD.

-			Latest Tests		Avg. Dai	ly Prod.	
Well No.	Pool	Allow.	0i1	Water	Gas	Dec.80	Jan.81
12	Ellenburger		11	8	-0-	8	4
13	Fusselman	8	8	32	6	-	5 (Jan. Only)

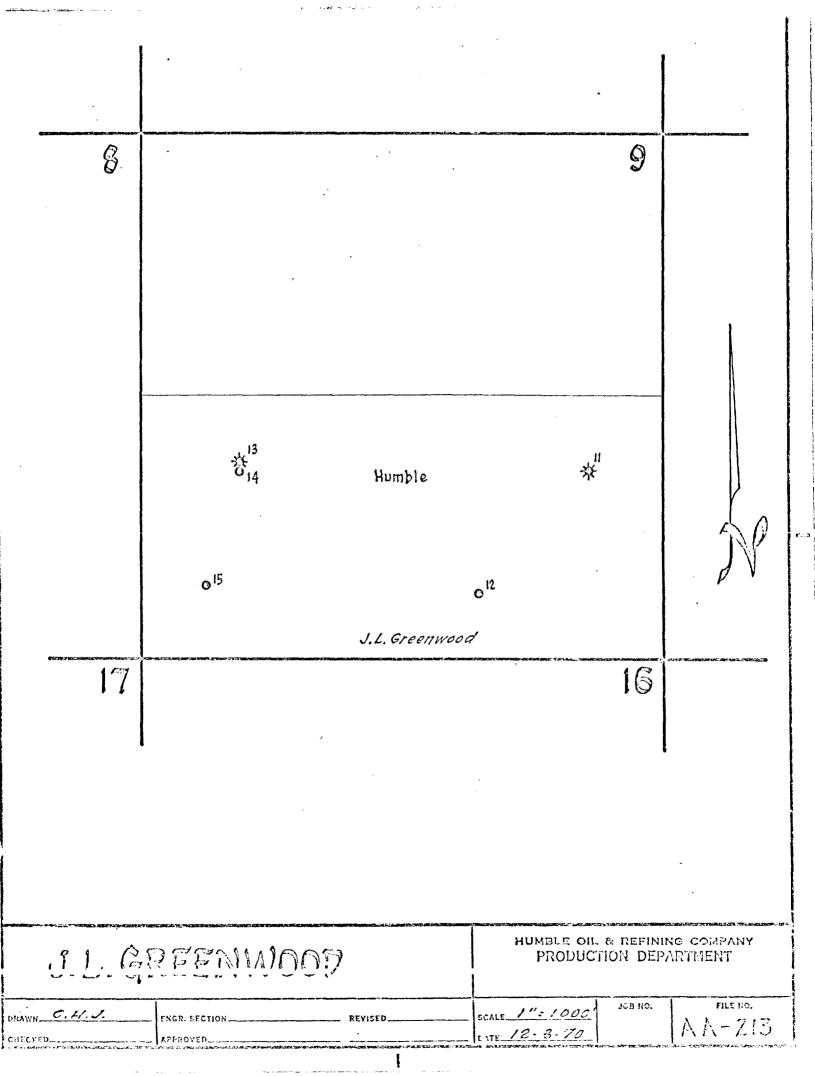
Attached for your information is a lease plat and a facilities diagram. Your favorable consideration of this application will be appreciated.

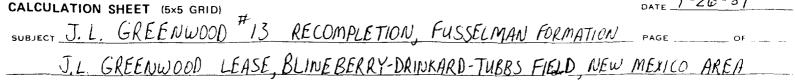
Very truly yours, mont D.L. Clemmer, Unit Head

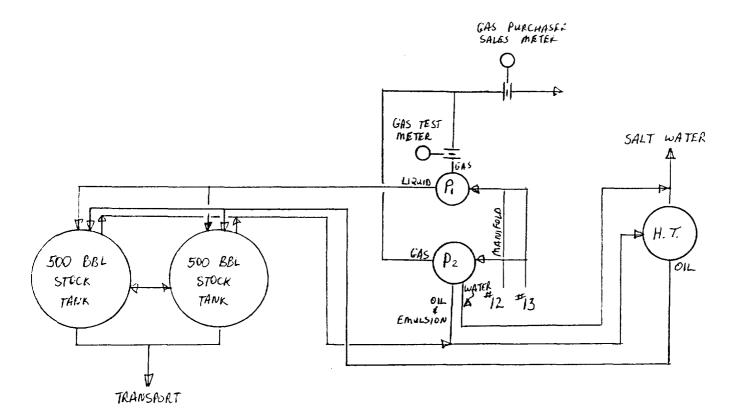
D.L. Clemmer, Unit Head Revenue and Regulatory Accounting

DLC/rf Attachments

cc: Oil Conservation Division - Hobbs, New Mexico Andrews District







P, - TWO PHASE TEST SEPARATOR P2- THREE PHASE PRODUCTION SEPARATOR H.T. - HEATER TREATER