

**Southland Royalty Company**

May 24, 1983

Mr. Joe D. Ramey  
New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

RE: Surface Condensate Commingling  
SRC - Grenier "B" #4 (Mesaverde/Dakota)  
Section 4, T29N, R10W  
San Juan County, New Mexico

Dear Mr. Ramey:

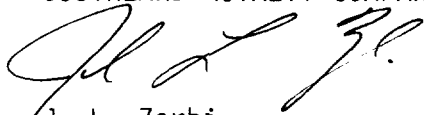
Southland Royalty Company requests permission to surface commingle condensate production from the Mesaverde and Dakota formations on the Grenier "B" #4 dual well. The commercial value of the commingled condensate is not adversely affected by the commingling, and the low annual condensate production from the well does not warrant separate surface storage facilities. A summary of data follows:

	<u>Gravity</u>	<u>Value</u>	<u>1982 Volume</u>
Mesaverde	55.5 @ 62 deg.	29.00	120 bbl
Dakota	67.0 @ 50 deg.	29.00	31 bbl
Commingled	56.7 @ 68 deg.	29.00	151 bbl

A schematic diagram of the location and plat of the Grenier lease is enclosed for your information. A copy of this application has also been sent to Bureau of Land Management.

Sincerely,

SOUTHLAND ROYALTY COMPANY

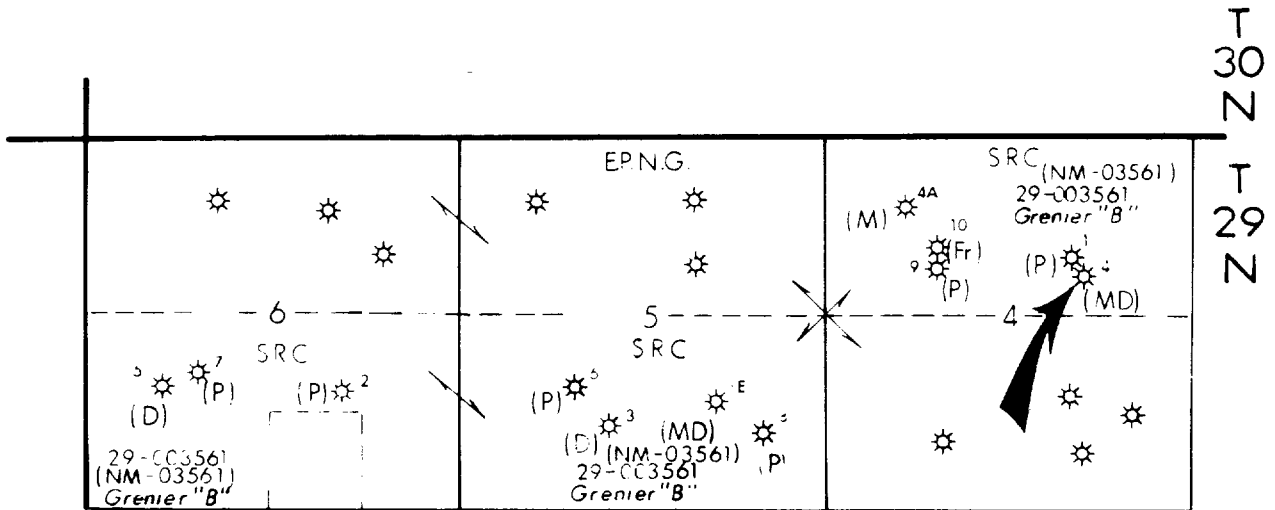
  
J. L. Zerbi  
Petroleum Engineer

JLZ/eg

Enclosures

CC: BLM-Farmington, New Mexico

R 10 W



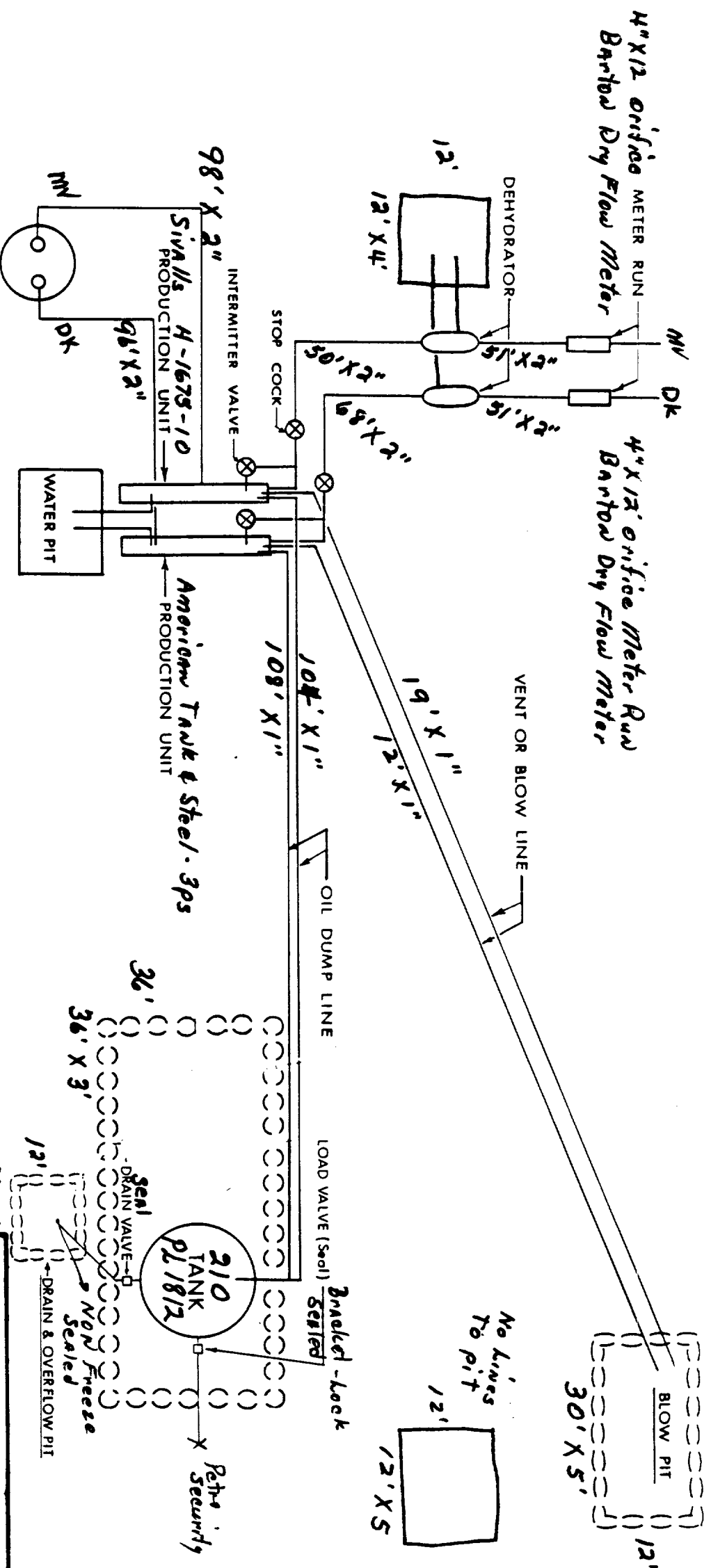
**Southland Royalty Company**  
 FARMINGTON DISTRICT  
 FARMINGTON, NEW MEXICO

FED LEASE #29-003561

SEE ALSO # 29-003561  
 145 1/2 AC. OF LAND  
 T. 29 N. R. 10 W.  
 AN. J. AN. COUNTY NEW MEXICO


2  
 F. 2000

MAY 14 1981



Grenier B # 4  
 1850 N - 1580 E  
 San Juan, N.M.  
 29-003561

DRAINS NW



**Southland Royalty Company**  
 FARMINGTON DISTRICT  
 FARMINGTON, NEW MEXICO

**SITE SECURITY DIAGRAM**

SAN JUAN BASIN  
 NEW MEXICO

No. 1  
 C. PARSONS

NOV. 1982