



PHILLIPS PETROLEUM COMPANY

ODESSA, TEXAS 79762
4001 PENBROOK

EXPLORATION AND PRODUCTION GROUP

July 24, 1989

Surface Commingling-Gas Production
James A - Lease No. K-3271
Cabin Lake Strawn Oil and Delaware
Oil Pools
Eddy County, New Mexico

RECEIVED

JUL 28 1989

OIL CONSERVATION DIV.
SANTA FE

State of New Mexico
Energy, Minerals and Natural Resources Dept.
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

ATTN: William J. LeMay
Director

Gentlemen:

Phillips Petroleum Company requests your approval to surface commingle the associated gas production from the James A Well No. 1 located 2006' FEL and 665' FSL of Section 2, T-22-S, R-30-E, Eddy County and completed in the Cabin Lake-Strawn Oil Pool. The associated gas production from this well is to be commingled with the associated gas production from the James A Well Nos. 2, 3, 4, 5 and 6 completed in the Cabin Lake-Delaware Oil Pool. The oil production from the James A No. 1 is not commingled with the James A Nos. 2, 3, 4, 5 and 6.

Attached is the following required information:

1. Lease plat
2. Tank battery schematic
3. Gravity and value of commingled gas hydrocarbons

There will be no loss in actual value of the commingled gas production (value of commingled production will equal the sum of the values of the production from each source of supply). Phillips Petroleum Company owns 100% interest in the lease and El Paso is the transporter of the commingled associated gas production. The State of New Mexico has 12.5% royalty interest in the lease. There is no overriding royalty interest or diversity of ownership.

Your consideration and approval are appreciated.

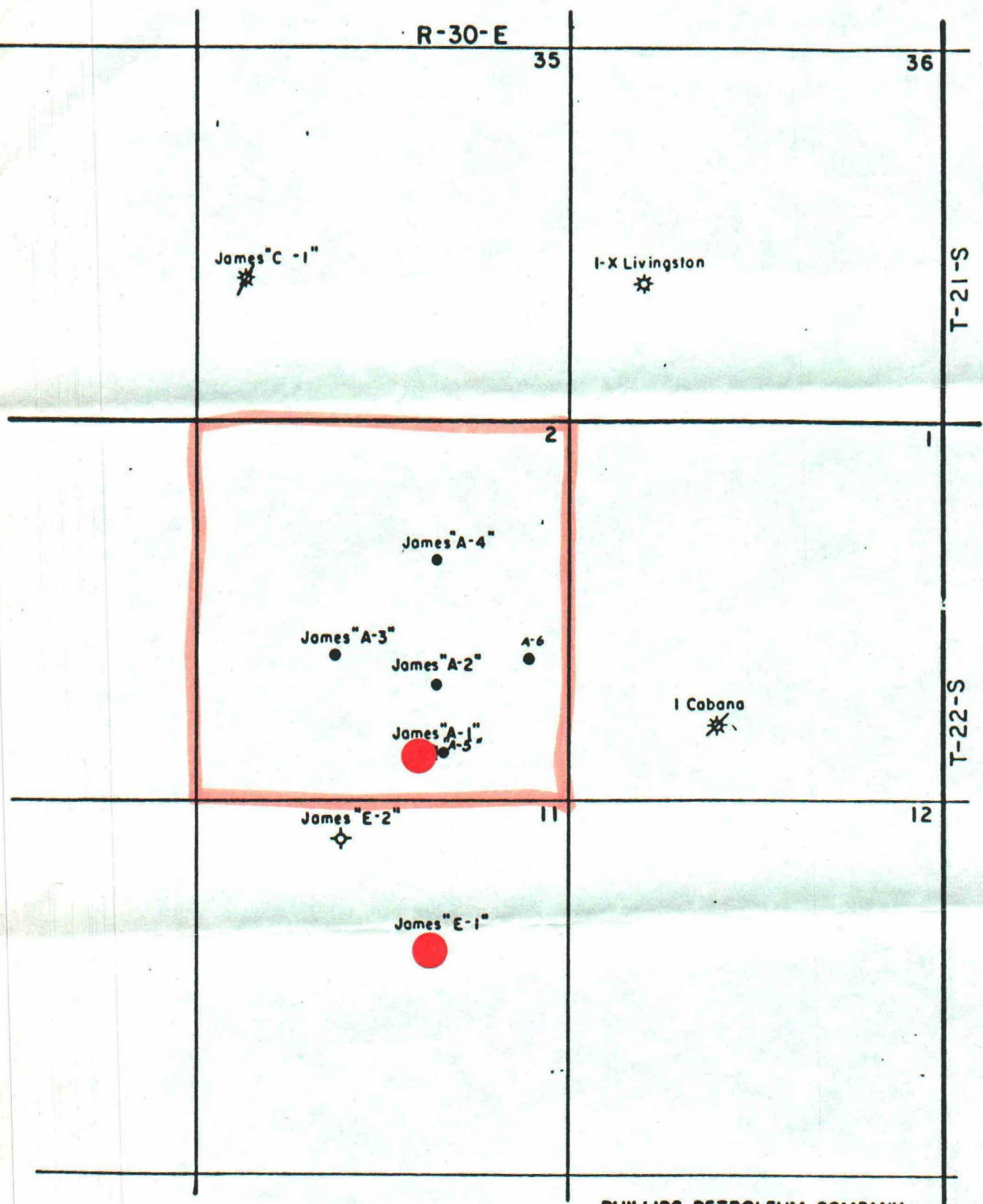
Very truly yours,

Larry M. Sanders by ap
Larry M. Sanders, Supervisor
Regulation and Proration

LMS:AP:1sw
i/regpro/apinc/surf

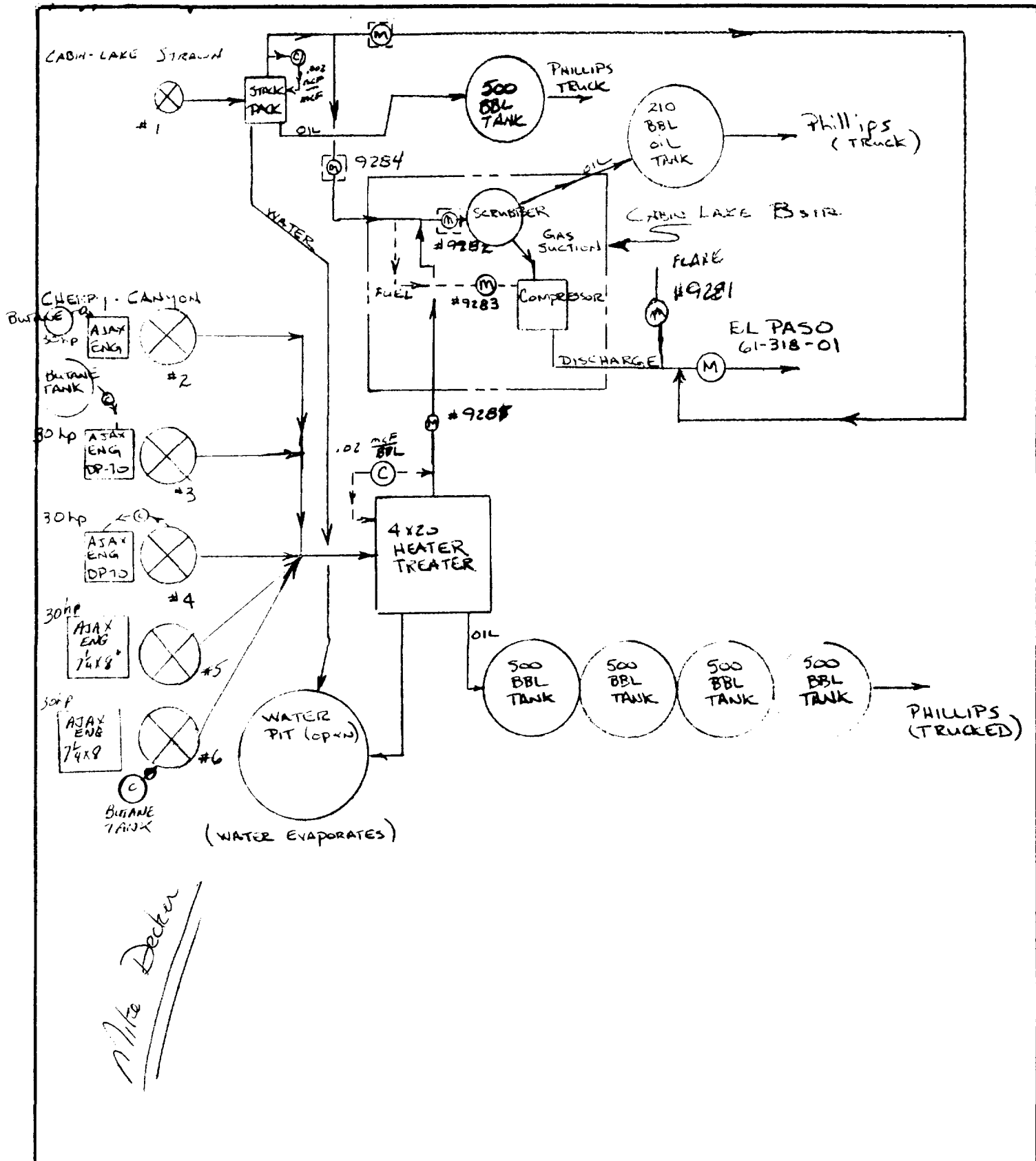
Attachment

cc: Commissioner of Public Lands



PHILLIPS PETROLEUM COMPANY
CABINLAKE DELAWARE-●
EDDY CO., NEW MEXICO
SCALE 1" = 2000'

STRAWN-●



NO.	REVISION	BY	DATE	CHKD	APP'D
FOR BIDS	PHILLIPS PETROLEUM COMPANY BARTLESVILLE, OKLAHOMA			JA NO.	FILE CODE
FOR APPR				AFE NO.	SCALE
FOR CONST	LEASE: JAMES 'A' LEASE CODE: 600103 NETWORK:			DWG NO.	
DRAWN				SH NO.	
CHECKED					
APP'D					

GRAVITY AND VALUE OF COMMINGLED GAS HYDROCARBONS

	James A Lease (5 Wells) <u>(Delaware)</u>	James A Lease (1 Well) <u>(Strawn)</u>	Total Commingled <u>Production</u>
GAS SPECIFIC GRAVITY	1.015	0.68	0.901
VALUE	\$1.45 MBTU/MCF	\$1.45 MBTU/MCF	\$1.45 MBTU/MCF
GAS VOLUME	180 MCFPD	215 MCFPD	365 MCFPD