

PC - N/R



PHILLIPS PETROLEUM COMPANY

ODESSA, TEXAS 79762
4001 PENBROOK

EXPLORATION AND PRODUCTION GROUP
Permian Basin Area

November 2, 1993

DIVISION

11 3 10

Re: Surface Commingling
Phillips "E" State
Battery #1
Maljamar Gb/SA and
Undesignated Queen Pools
Section 9, T-17-S, R-33-E
Lea County, New Mexico

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

Gentlemen:

Phillips Petroleum Company requests your approval to surface commingle the oil and gas production from the Phillips "E" State well numbers 1, 3, 4, 6, 7 and 11 in the Maljamar Gb/SA Pool and well number 34 in the Undesignated Queen Pool.

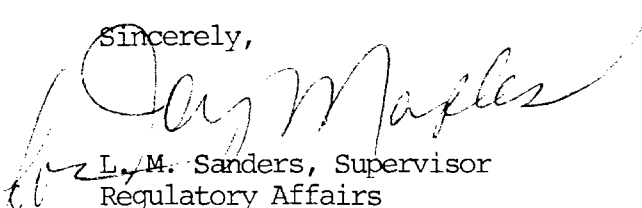
Attached is the following required information:

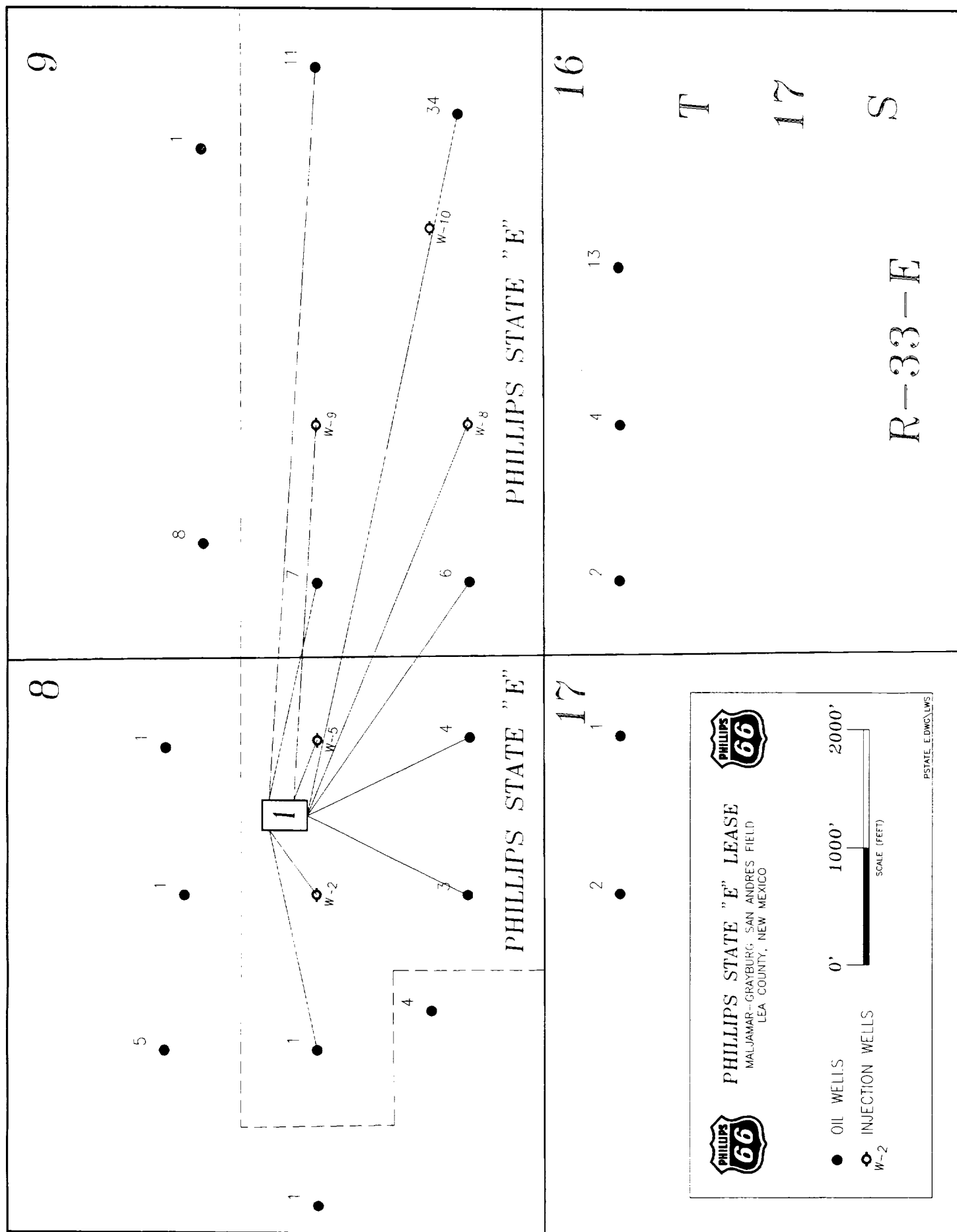
1. Lease plat
2. Tank battery schematic
3. Gravity and value of commingled production

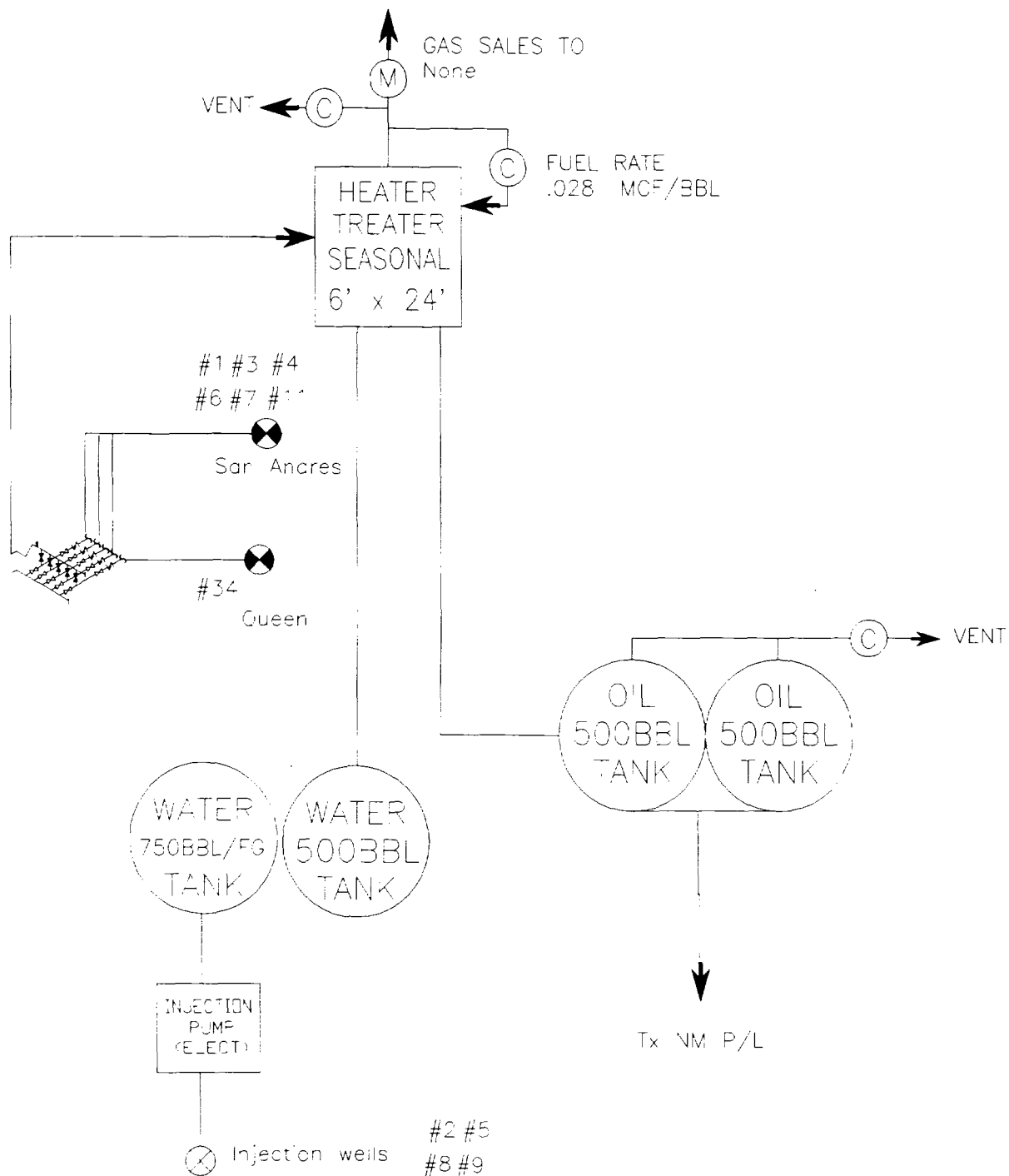
Phillips has 100 percent ownership of this lease and will measure production by well tests. Texas-New Mexico Pipeline Company is the oil transporter and GPM Gas Corporation is the casinghead gas transporter.

Please advise me at (915) 368-1488 if you have any questions.

Sincerely,


L. M. Sanders, Supervisor
Regulatory Affairs





NO	REVISION	UPDATED BY DGL	10/26/93 DATE	CHKD	APP'D
FOR BIDS	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;"> PHILLIPS PETROLEUM COMPANY BARTLESVILLE, OKLAHOMA </div> </div>	JA NO.		FILE CODE	
FOR APPR		AFE NO.		SCALE	
FOR CONST		<div style="border: 1px solid black; padding: 5px; text-align: center;"> NO </div>		FILE NAME: philste1	
DRAWN 10/27/93 DGU CHECKED APP'D				DWG NO. 1.0	
LEASE NAME: Phillips State E batt#1 LEASE CODE: 600096 NETWORK:					

PHILLIPS STATE-E LEASE - SURFACE COMMINGLE APPLICATION

FORMATION	PRODUCTION (BOPD)	GRAVITY API (@ 70 F)	PRICE (\$/BBL)	VALUE (\$)
SAN ANDRES	20	36.8	15.55	311
QUEEN	20	34.0	15.55	311

IT IS ANTICIPATED PHILLIPS PETROLEUM WILL BE PAID THE SAME PRICE FOR THE SAN ANDRES AND QUEEN OIL. NO VALUE WILL BE LOST WHEN THE OIL IS SURFACE COMMINGLED.