



L. P. Thompson
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North American Production

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June 20, 1979

New Mexico Oil Conservation Division (3)
Department of Energy and Minerals
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention Mr. Joe D. Ramey

Gentlemen:

Application for Permission to Commingle Goodwin Abo and Goodwin Drinkard Oil from State GG-30 and Goodwin 30 Leases, Section 30, T-18S, R-37E, Lea County, New Mexico

Continental Oil Company respectfully requests administrative approval under the provisions of Rule 303, as amended by Order R-2060, to commingle Goodwin Abo and Goodwin Drinkard oil production from its State GG-30 lease which consists of the SW/4 of Section 30, T-18S, R-37E, Lea County, New Mexico, with the Drinkard production from its Goodwin 30 lease which consists of the NW/4 and the W/2 of the NE/4 of Section 30, T-18S, R-37E, Lea County, New Mexico, and in support thereof submits the following:

1. A plat, attached hereto, illustrates the leases and wells involved. The State GG-30 lease presently contains one oil well producing from the Goodwin Abo pool and one oil well in the Goodwin Drinkard, while the Goodwin 30 lease presently contains one oil well producing from the Goodwin Drinkard pool. Additional development in both reservoirs is possible.

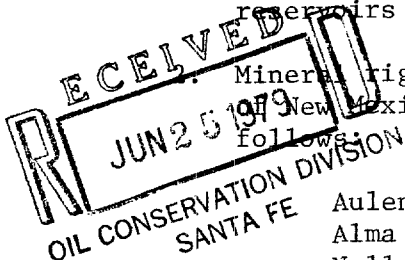
Mineral rights under the State GG-30 lease are held by the State of New Mexico. Mineral rights under the Goodwin 30 lease are as follows:

Aulena Jennings, 3737 Bunting Ave., Fort Worth, Texas
Alma Goodwin, 21 West Ave. F, Lovington, New Mexico
Nell DeForrest, 1418 Grand, Fort Worth, Texas

3. Production from the Goodwin 30 lease will be metered separately prior to commingling with a three-phase meter-separator facility.

*ownership
not common
each lease must
be metered
separately
also need
ltr of approval
from Land
OFC.*

*Note to
Hugh
Dugan*



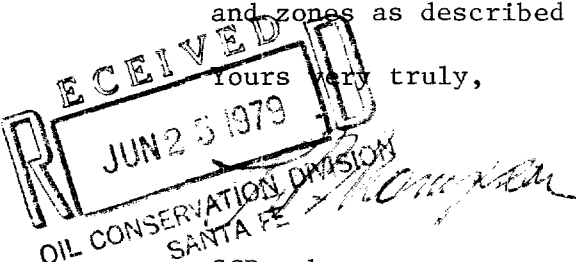
June 20, 1979

Production from the Drinkard and Abo zones on the State GG-30 lease, because of its marginal producing rates, will be measured by the subtraction method and allocated to each zone on the basis of well tests.

4. The proposed facilities on the State GG-30 and Goodwin 30 leases are in substantial compliance with the installation depicted on figure 3 of the Commission's "Manual for the Installation and Operation of Commingling Facilities," now current, and in accordance with all applicable provisions within this manual. A schematic drawing of these proposed facilities are attached for your review.
5. Permit No. I-54 approved the LACT facility for the State GG-30 lease which will be used for the commingled stream. BS & W content will be periodically determined by the standard centrifugal testing procedure. The lease LACT unit is proved monthly.
6. The gravity of both the Drinkard and Abo pools is approximately 42° A.P.I. Therefore the actual commercial value of the commingled crude will be the same per barrel as it is at the present time. Goodwin 30's production is at stripper prices (\$18 in April) with an April daily average of 4 barrels of oil. State GG-30's production in the Abo pool is currently 20 barrels a day at an April upper tier price of \$13.57, while the Drinkard produces 10 barrels daily with a \$13.56 upper tier price level.
7. Commission administrative approval to commingle the above mentioned leases and zones was previously granted on January 17, 1964, (A.O. PLC-7) and was subsequently cancelled per our request on February 16, 1965.

In view of the facts set out herein, it is respectfully requested that the Division enter an order granting an exception to Rule 303(A) and permit the commingling of production from the referenced leases and zones as described above.

Yours very truly,



SGB:cab

Enc.

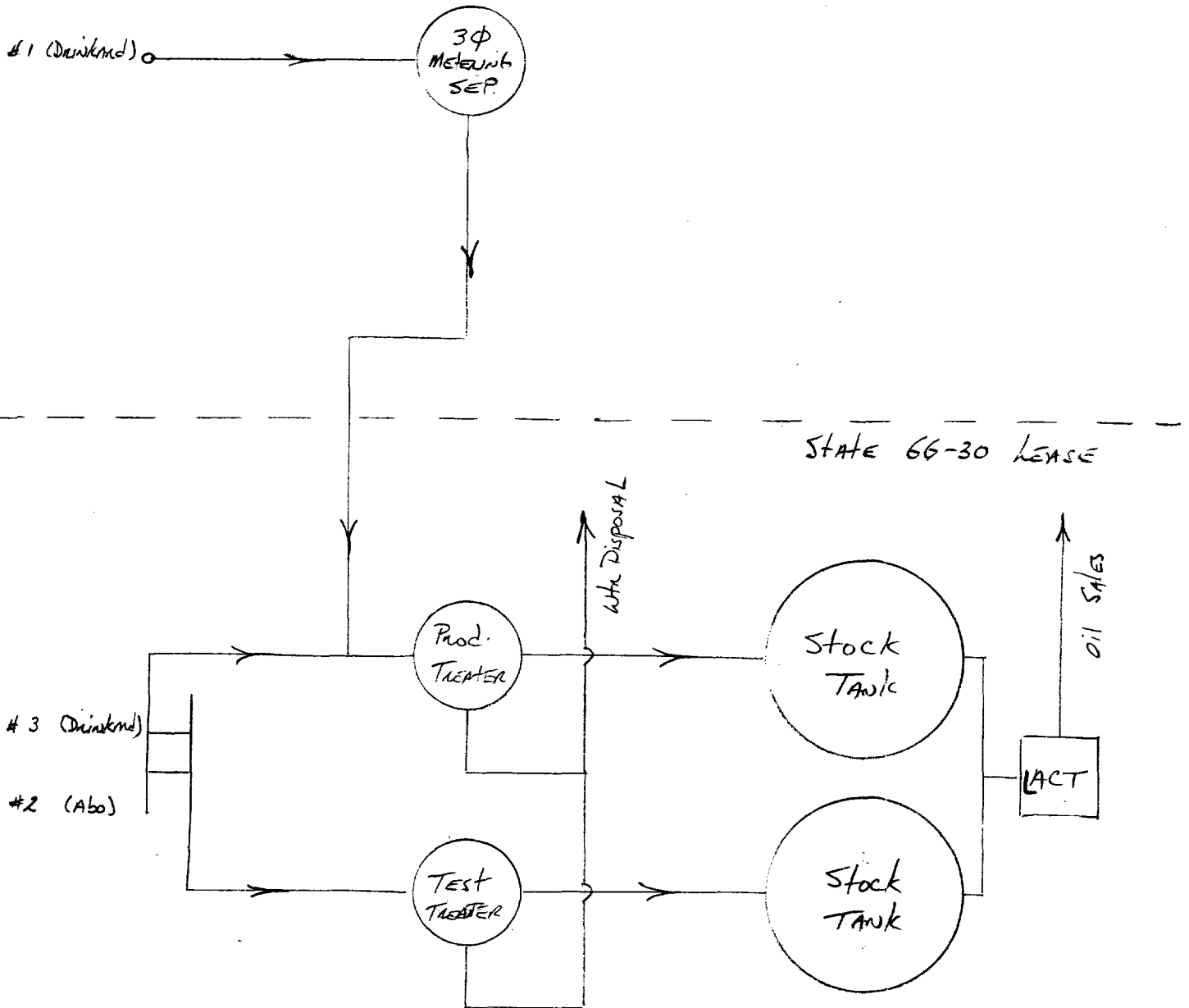
NMOCD - Santa Fe (3)

NMOCD - Hobbs (1)

File (1)

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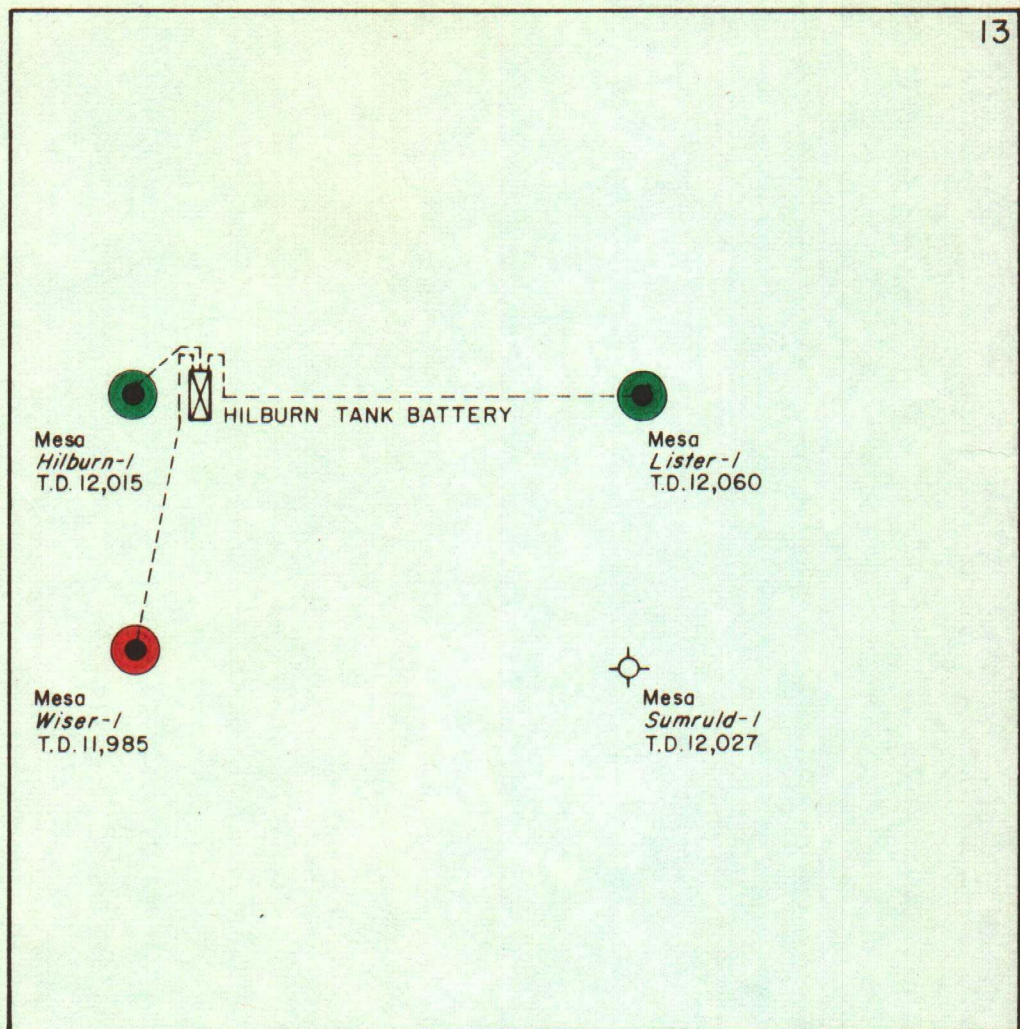
Goodwin 30 LEASE









LPS

6-19-79

Proposed Installation Schematic
Goodwin 30 & STATE 66-30 Commingle



LEGEND

-  Wolfcamp Production
-  Strawn Production
-  Oil Producer
-  Dry Hole
-  Pipe Line
-  Tank Battery



SHOE BAR NORTH STRAWN & WOLFCAMP FIELD

T16S, R35E
Lea County, New Mexico

BY: M. P. HOUSTON	DRAWN BY: CCK
DATE: 12-14-77	SCALE: 1" = 1000'



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Assistant Division Manager

Production Department
Hobbs Division
North American Production

Conoco Inc.
P. O. Box 460
1001 North Turner
Hobbs, NM 88240
(505) 393-4141

November 8, 1979

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

Attention Mr. Dan Nutter

Gentlemen:

Request for Approval to Commingle Goodwin Abo and Goodwin Drinkard
Oil From State GG-30 and Goodwin 30 Leases, Section 30, T-18S, R-37E,
Lea County, New Mexico

Attached is a schematic of the facility we propose to use to commingle production from the subject leases. Prior to commingling, production from the Goodwin 30 lease will be routed through a three-phase separator. The oil will then be metered through an A.O. Smith positive displacement meter which is temperature compensated and designed to allow for meter proving. The gas will be measured by use of an orifice or turbine meter.

We have also requested permission from the Land Commissioner to commingle the subject leases. We have asked their decision be forwarded directly to you.

Yours very truly,

A handwritten signature in cursive script that reads "John R. Kemp".

JRA:lrc
Attachment

