

KELLAHIN, KELLAHIN AND AUBREY

*Attorneys at Law*

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Karen Aubrey  
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Of Counsel

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Santa Fe, New Mexico 87504-2265

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Area Code 505

June 18, 1987

RECEIVED

JUN 23 1987

OIL CONSERVATION DIVISION

Mr. William J. LeMay  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504

Re: Phillips Petroleum Application  
for Special Allowable and  
Downhole Commingling, Lea County

*Case 9177*

Dear Mr. LeMay:

Please set the enclosed application for hearing on  
the next available docket now scheduled for July 15,  
1987.

Very truly yours,

  
W. Thomas Kellahin

WTK:ca  
Enc.

cc: G. R. Smith  
Phillips Petroleum Company  
4001 Penbrook  
Odessa, Texas 79762

William Mueller  
Phillips Petroleum Company  
4001 Penbrook  
Odessa, Texas 79762

All Parties on Exhibit "A" to Application

STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY AND MINERALS  
OIL CONSERVATION DIVISION

RECEIVED

JUN 23 1987

IN THE MATTER OF THE APPLICATION  
OF PHILLIPS PETROLEUM COMPANY FOR  
SPECIAL ALLOWABLE AND DOWNHOLE  
COMMINGLING, LEA COUNTY, NEW MEXICO.

OIL CONSERVATION DIVISION

CASE: 9177

A P P L I C A T I O N

COMES NOW PHILLIPS PETROLEUM COMPANY, by and through its attorneys, Kellahin, Kellahin & Aubrey and applies to the New Mexico Oil Conservation Division for approval to downhole commingle production from the Eumont-Queen Gas Pool and the Eunice Monument-Grayburg/San Andres Oil Pool for a Special Capacity Allowable for the following wells:

- (a) New Lease Well No. 1, Unit A, Section 26, T20S, R36E, NMPM, Lea County, New Mexico; and
- (b) New Lease Well No. 2, Unit H, Section 26, T20S, R36E, NMPM, Lea County, New Mexico.

and in support thereof would show:

- 1. Applicant is the operator of the subject wells.
- 2. Offsetting operators to whom notice has been provided pursuant to Division rules are as shown on Exhibit "A".
- 3. Applicant seeks downhole commingling of production from both the Eumont Queen Gas Pool and the Eunice Monument Grayburg/San Andres Oil Pool in order to

comply with the administrative requirements of the Division's district office.

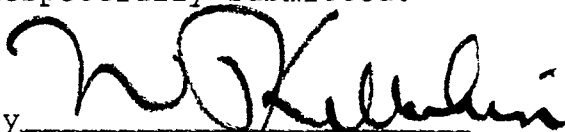
4. Ownership for the spacing units is common.

5. Applicant seeks a special capacity allowable for production from the subject wells which applicant states will be 100 barrels of oil per day.

6. In the absence of a special capacity allowable, oil that should be produced by the subject wells will be swept beyond these wellbores because of waterflood operations.

WHEREFORE, applicant requests that the subject application be set for hearing and that after notice and hearing the application be granted.

Respectfully submitted:

By 

W. Thomas Keilahin  
P. O. Box 2265  
Santa Fe, NM 87504

Exhibit "A"

Chevron, U.S.A. Inc.  
P. O. Box 1150  
Midland, Texas 79702

Conoco Inc.  
RR 12, Box 2805  
Odessa, Texas 79763-9812

Zia Energy, Inc.  
Box 2219  
Hobbs, New Mexico 88240

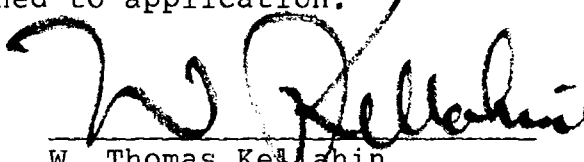
STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY AND MINERALS  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION  
OF PHILLIPS PETROLEUM COMPANY FOR  
SPECIAL ALLOWABLE AND DOWNHOLE  
LEA COUNTY, NEW MEXICO.


CASE: 9177

CERTIFICATE OF MAILING  
AND  
COMPLIANCE WITH ORDER R-8054

In accordance with Division Rule 1207 (Order R-8054)  
I hereby certify that on June 23, 1987, notice of the  
hearing, and a copy of this application, were mailed at  
least twenty days prior to hearing originally set for  
July 15, 1987 to the operators and interested parties  
listed in Exhibit "A" attached to application.

  
W. Thomas Kellahin

SUBSCRIBED AND SWORN to before me this 23<sup>rd</sup> day of  
June, 1987.

  
Notary Public

My Commission Expires:

9-26-87