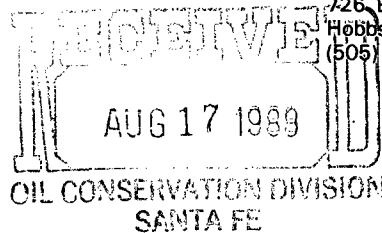




David L. Wacker
Division Manager
Production Department
Hobbs Division
North American Production

Conoco Inc.
P.O. Box 460
726 East Michigan
Hobbs, NM 88240
(505) 397-5800



August 11, 1988

Mr. William LeMay, Director
State of New Mexico
Energy & Minerals Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

Dear Mr. LeMay:

Application to Downhole Commingle Lockhart B-14A No. 1, Unit H, Section 14, T21S, R37E, Lea County, New Mexico

Conoco Inc. respectfully requests approval to downhole commingle the Blinebry Oil & Gas and the Drinkard pools in the subject well.

Additional data relative to this commingling are listed below:

1. A lease plat is attached showing the location of this well.
2. C-116's are included providing a test for each zone.
3. A decline curve for each horizon is attached.
4. Estimated shut-in bottomhole pressures are 855 psia for the Blinebry and 674 psia for the Drinkard (estimated from static fluid levels). Both zones require artificial lift to remove liquids.
5. Ownership of interest in all formations is the same.
6. The quality of crude is identical and commingling will not reduce the commercial value. All production is Tier II sweet oil and is presently surface commingled. The value of the crude is as follows:

<u>Zone</u>	<u>Gravity</u>	<u>Value Per Barrel</u>
5742-6013 - Blinebry	38.4	\$15.67
6486-6562 Drinkard	38.4	\$15.67


Mr. William LeMay
Page 2
August 11, 1988

7. The following allocation percentages are suggested based upon the ratio of production from each zone:

	<u>Oil</u>	<u>Gas</u>
Blinebry Oil & Gas	60%	86%
Drinkard	40%	14%

8. By copy of this letter, we are notifying the Bureau of Land Management of this proposed commingling. Conoco is the only offset operator to this well.

Yours very truly,



David L. Wacker
Division Manager

COY:jd
Enclosure

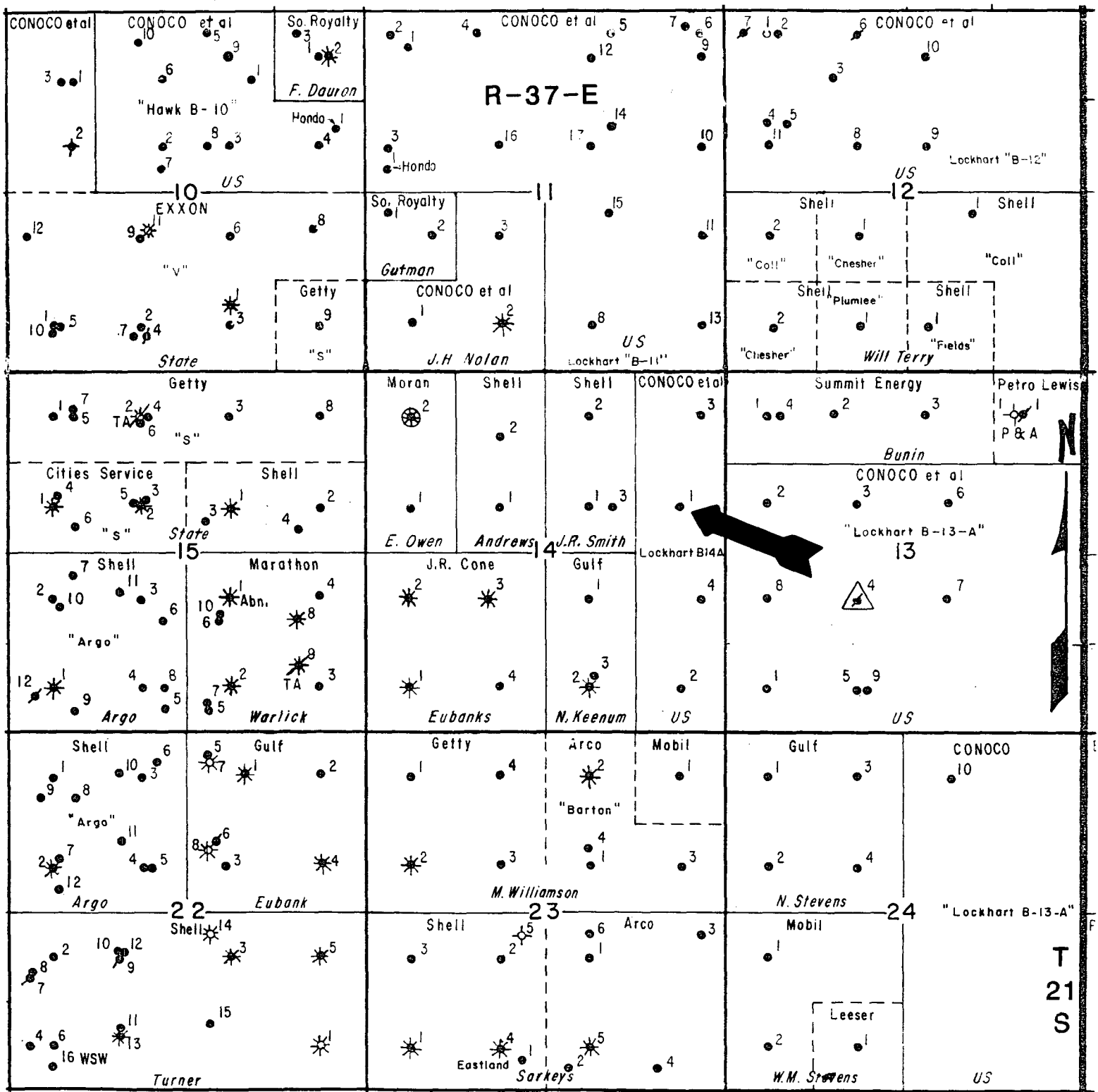
cc: BLM - Carlsbad
NMOCD - Hobbs

Lockhart B-14A No. 1
Offset Operators

Shell Western
P. O. Box 1950
Hobbs, NM 88240

Chevron USA
P. O. Box 670
Hobbs, NM 88240

Summit Energy
1925 Mercantile Dallas Bldg.
Dallas, TX 75201



LOCKHART B-13-A & B-14-A LEASES

Lea County, New Mexico

**NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS**

C-116
Revised 1-1-65

Operator CONOCO, INC.		Pool BLINEBRY OIL & GAS		County LEA												
Address P. O. BOX 460, HOBBS, NEW MEXICO 88240				TEST - (X)	Completion <input type="checkbox"/>											
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	STATUS	CHOKE SIZE	TBG. PRESS	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST				GAS-OIL RATIO CU.FT./BBL.
		U	S	T	R							WATER BBL.S.	GRAV. OIL	OIL BBL.S.	GAS M.C.F.	
LOCKHART B-13 A	8	L	13	21S	37E	SHUT IN					0	0	0.0	0	0	0
LOCKHART B-13 A	10	B	24	21S	37E	SHUT IN					0	0	0.0	0	0	0
LOCKHART B-14 A	1	H	14	21S	37E	08-04-87 P					24	0	38.1	3	126	42000
LOCKHART B-14 A	2	P	14	21S	37E	08-11-87 P					24	0	38.1	3	48	16000
LOCKHART B-14 A	3	A	14	21S	37E	08-05-87 P					24	0	38.1	3	23	7667
LOCKHART B-14 A	4	I	14	21S	37E	SHUT IN					0	0	0.0	0	0	0

No well will be assigned an allowable greater than the amount of oil produced on the official test.

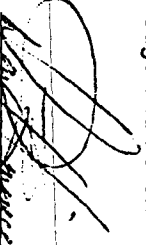
During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that the well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60°F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

I hereby certify that the above information is true and complete to the best of my knowledge and belief.



D. F. FINNEY

ADMINISTRATIVE SUPERVISOR

(Title)

075DCT-87

(Date)

**NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS**


C-116
Revised 1-1-65

Operator Conoco Inc.		Pool Drinkard		County Lea										
Address P. O. Box 460, Hobbs, NN 88240		TYPE OF TEST - (X)		Completion <input type="checkbox"/> Special <input checked="" type="checkbox"/>										
LEASE NAME Lockhart B-14A	WELL NO. 1	LOCATION			DATE OF TEST 5/4/88	STATUS P	CHOKE SIZE 	TBG. PRESS. 	DAILY ALLOW-ABLE 	LENGTH OF TEST HOURS 24	PROD. DURING TEST			GAS - OIL RATIO CU.FT./BBL.
		U	S	T							R	WATER BBL.S.	GRAV. OIL BBL.S.	

No well will be assigned an allowable greater than the amount of oil produced on the official test.
 During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.
 Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.
 Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

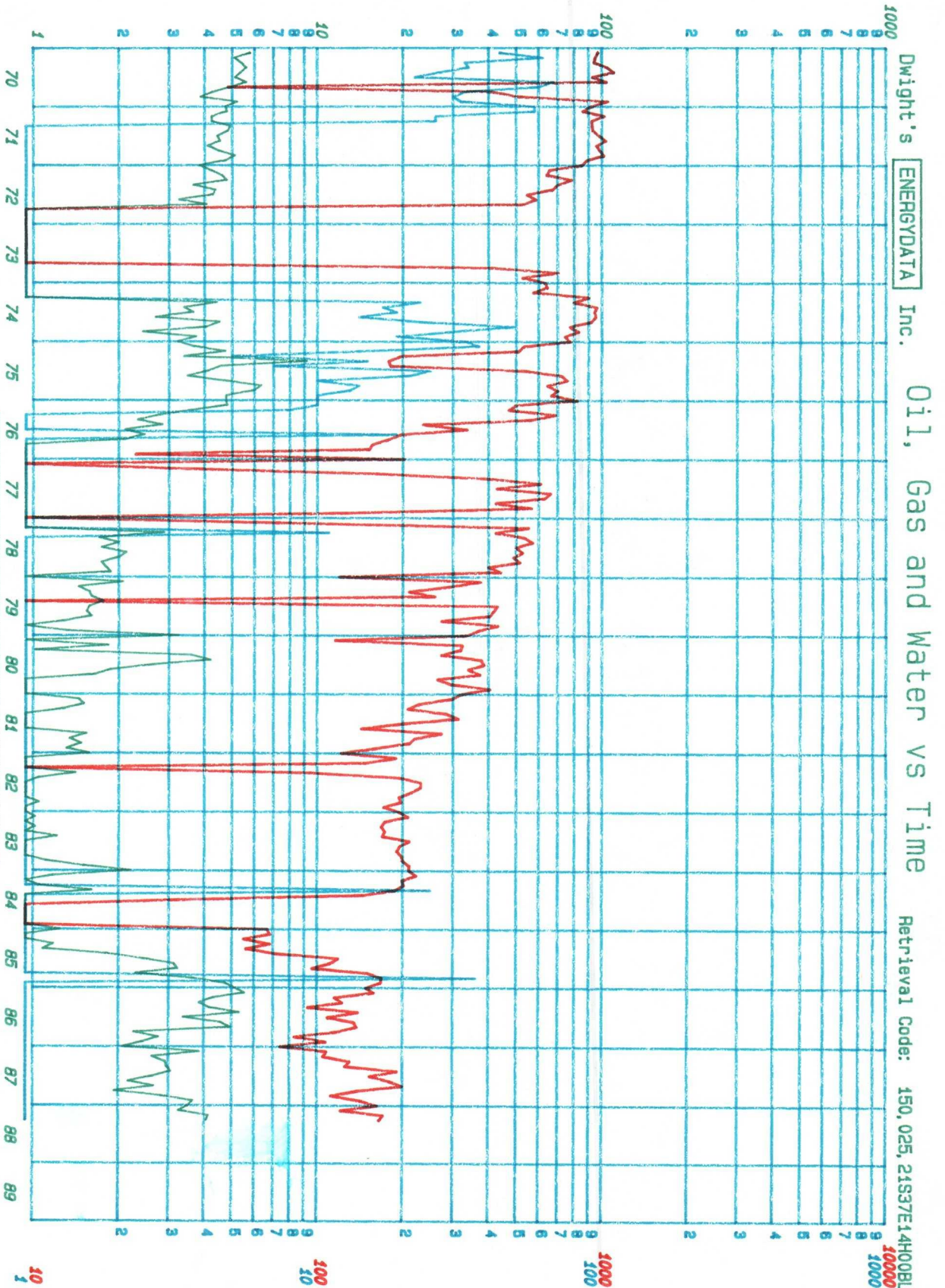
I hereby certify that the above information is true and complete to the best of my knowledge and belief.


 (Signature)
D. F. Finney
 Administrative Supervisor
 (Title)

 (Date)

DAILY OIL PRODUCTION (BBL/DAY)

LEGEND	
OIL	—
GAS	—
WATER	—



Lease: LOCKHART B 14 A
 Well # 000001
 Operator: CONOCO INC
 Field: BLINERY OIL AND GAS
 Reservoir: LEA
 County: LEA NM
 Location: 14 21S 37E

BL

Date: 07-21-88

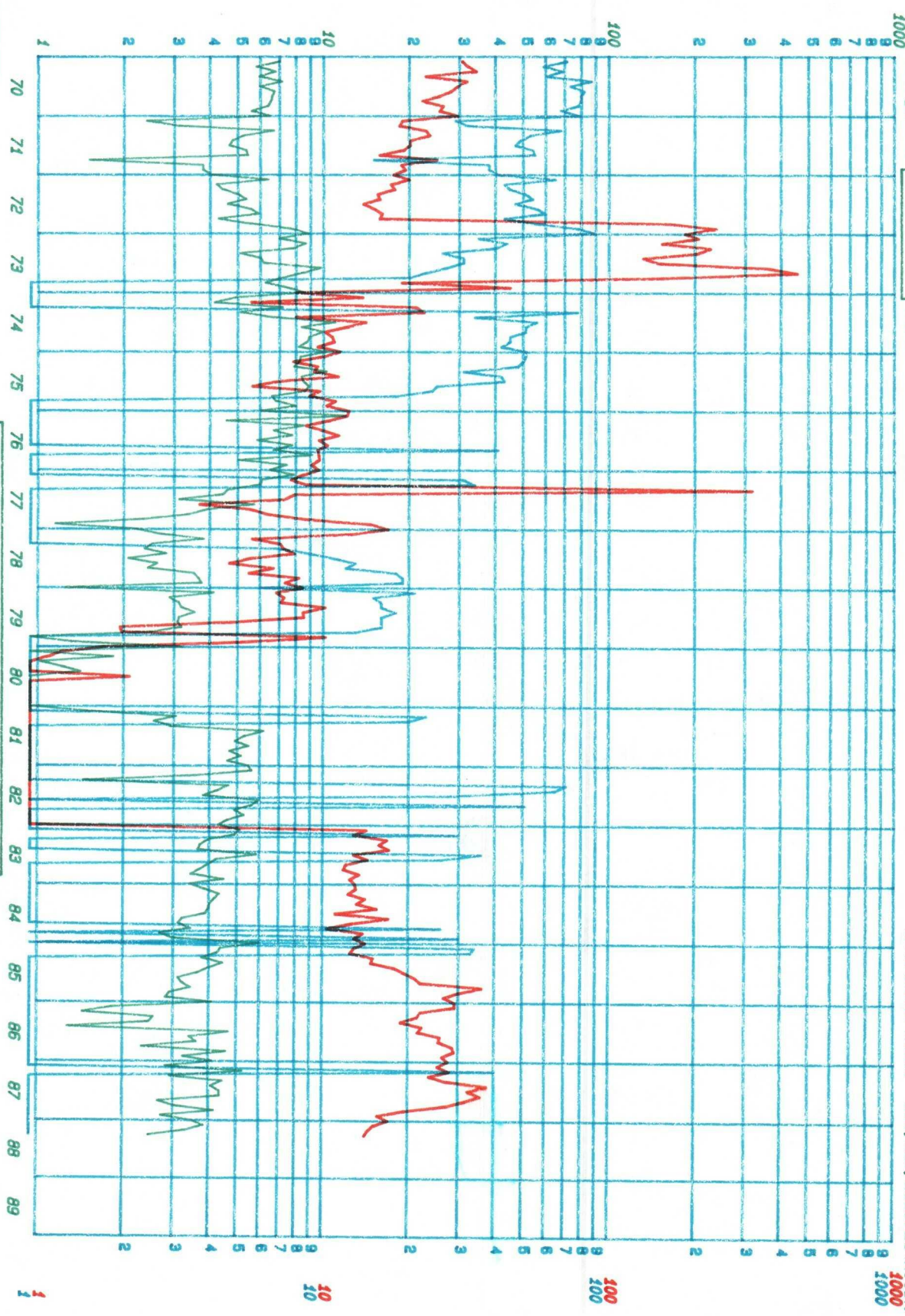
WATER (BBL/MO) DAILY GAS PRODUCTION (MCF/DAY)

DAILY OIL PRODUCTION (BBL/DAY)

Dwight's ENERGYDATA Inc.

Oil, Gas and Water vs Time

Retrieval Code: 150,025,21S37E14H00DR



LEGEND

- OIL —
- GAS —
- WATER —

Lease: LOCKHART B 14 A

Well # 000001

Operator: CONOCO INC

Field: DRINKARD

Reservoir:

County: LEA

Location: 14 21S 37E

NW

DR

WATER (BBL/MO) DAILY GAS PRODUCTION (MCF/DAY)

Date: 07-21-88

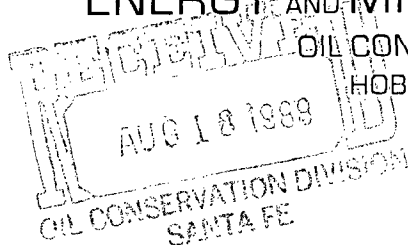


GARREY CARRUTHERS
GOVERNOR

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE



POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC _____
DHC ☒ _____
NSL _____
NSP _____
SWD _____
WFX _____
PMX _____

Gentlemen:

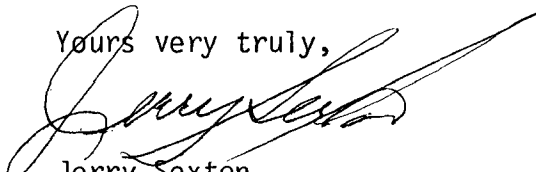
I have examined the application for the:

Conoco Inc. Lockhart B-14 A # 1-H 14-21-37
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,


Jerry Sexton
Supervisor, District 1

/ed