

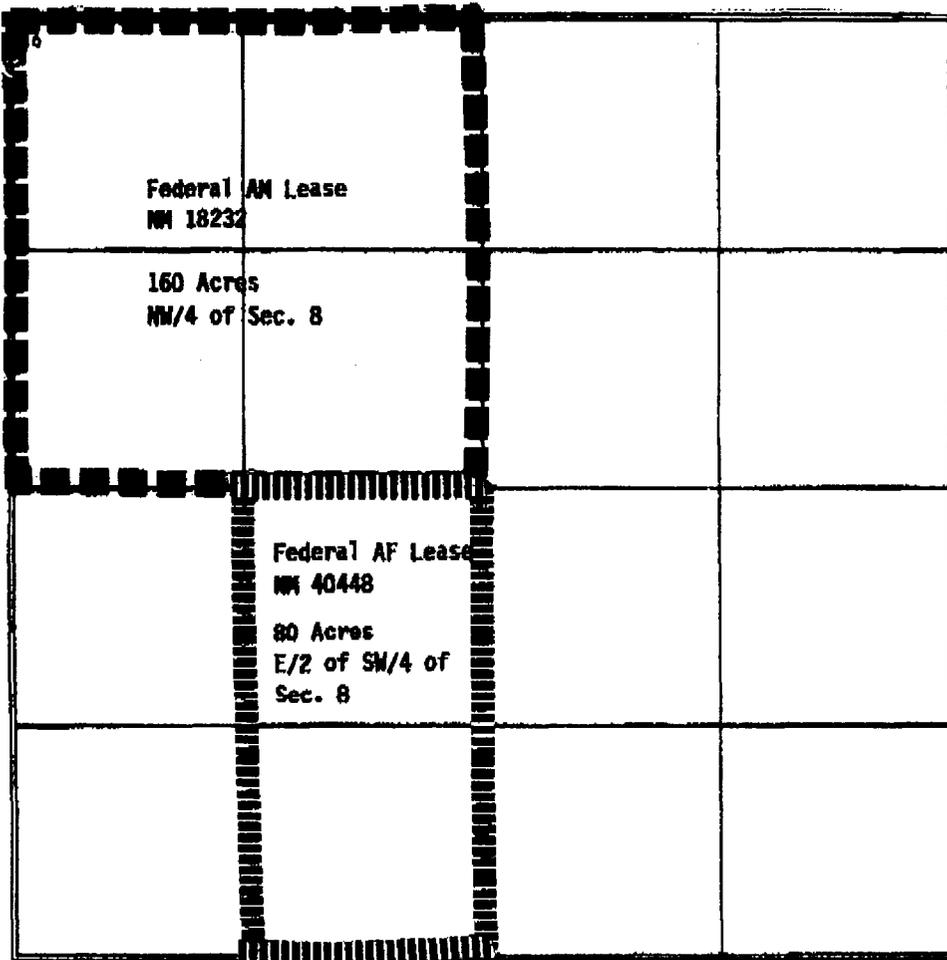
August 19, 1997

TO: Ben Stone @ 505-827-1389
Oil Conservation Division

FROM: Donna Williams
Burlington Resources Oil & Gas Company
915-688-6943

RE: Application for Surface Commingling
Federal AM and AF Lease(s), Lea County New Mexico

The individual lease descriptions as follows as depicted on the map. Let me know if you need anything else, and sorry for the delay.



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
 Burlington Resources Oil & Gas Company

3. Address and Telephone No.
 P.O. Box 51810 Midland, TX 79710-1810 915-688-6943

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 Battery located in SE/NW of Sec. 8, T18S, R32E, Lea County, New Mexico

5. Lease Designation and Serial No.
NM18232

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
Federal AM Lease

9. API Well No.

10. Field and Pool, or exploratory Area
North Young Bone Spring

11. County or Parish, State
Lea NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other <u>Surface Commingling</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Burlington Resources Oil & Gas Company respectfully requests approval for off-lease storage, measurement of hydrocarbon products, and surface commingling for the Federal AM (NM18232) and the Federal AF (NM40448), both leases are location in Section 8, T18S, R32E, Lea County, New Mexico.

Please find attached the enclosed information.

14. I hereby certify that the foregoing is true and correct
 Signed [Signature] Title Regulatory Compliance Date 4/30/97

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
 Conditions of approval, if any:

FEDERAL APPROVAL ON APPLICATION FOR OFF-LEASE STORAGE, MEASUREMENT OF HYDROCARBON PRODUCTS, & SURFACE COMMINGLING OF LEASES NM 18232 AND NM 40448, LEA COUNTY, NEW MEXICO. BOTH LEASES ARE LOCATED IN SECTION 8, T18S, R32E, LEA COUNTY, NEW MEXICO REGARDING THE FEDERAL 'AM' AND 'AF' LEASES.

**TO: BUREAU OF LAND MANAGEMENT
2909 WEST SECOND STREET
ROSWELL, NEW MEXICO 88201**

BURLINGTON RESOURCES IS REQUESTING APPROVAL FOR OFF-LEASE STORAGE, MEASUREMENT OF HYDROCARBON PRODUCT, AND SURFACE COMMINGLING INVOLVING SEC. 08, T18S, R32E LEA COUNTY, NEW MEXICO.

FEDERAL AM LEASE (NM 18232)

Well No. 1	08	18S	32E	Bone Spring	NM18232	Prod.
Well No. 2	08	18S	32E	Bone Spring	NM18232	Prod.

FEDERAL AF LEASE (NM 40448)

Well No. 1	08	18S	32E	Bone Spring	NM40448	Prod.
Well No. 2	08	18S	32E	Bone Spring	NM40448	Prod.

PRODUCTION FROM LEASES

<u>Well Number</u>	<u>Gravity</u>	<u>BOPD</u>	<u>MCFPD</u>	<u>WATER</u>	<u>FORMATION</u>
Federal AF # 1	35.4	02	50	13	Bone Spring
Federal AF # 2	35.4	03	50	28	Bone Spring
Federal AM # 1	35.4	13	230	09	Bone Spring
Federal AM # 2	35.4	92	312	00	Bone Spring

All the production is stored on the Federal AM battery. This facility consists of two 500 bbl closed top tanks for oil storage, and one 500 bbl closed top tank for water production. As indicated by the enclosed schematic, production from the Federal AF lease is transported via above ground poly line into a separate heater treater. The production from the Federal AM lease is transported via the same method to another heater treater. Prior to entering the main line to the battery, production is measured by means of a 'one barrel dump pot' which counts the production and registers it. Gas from each lease is separately metered prior to entering the main gas meter line. Water is stored into the one tank and subsequently trucked.

All working interest owners have been notified of the commingled facilities.

The proposed commingling of production is in the interest of conservation and will not result in reduced royalty or improper measurement of production. The proposed commingling is necessary to continue operations for the above referenced leases. Due to the low volumes on the Federal AF lease, there was no economical way to justify building a separate battery.

SIGNATURE:



NAME:

Donna Williams

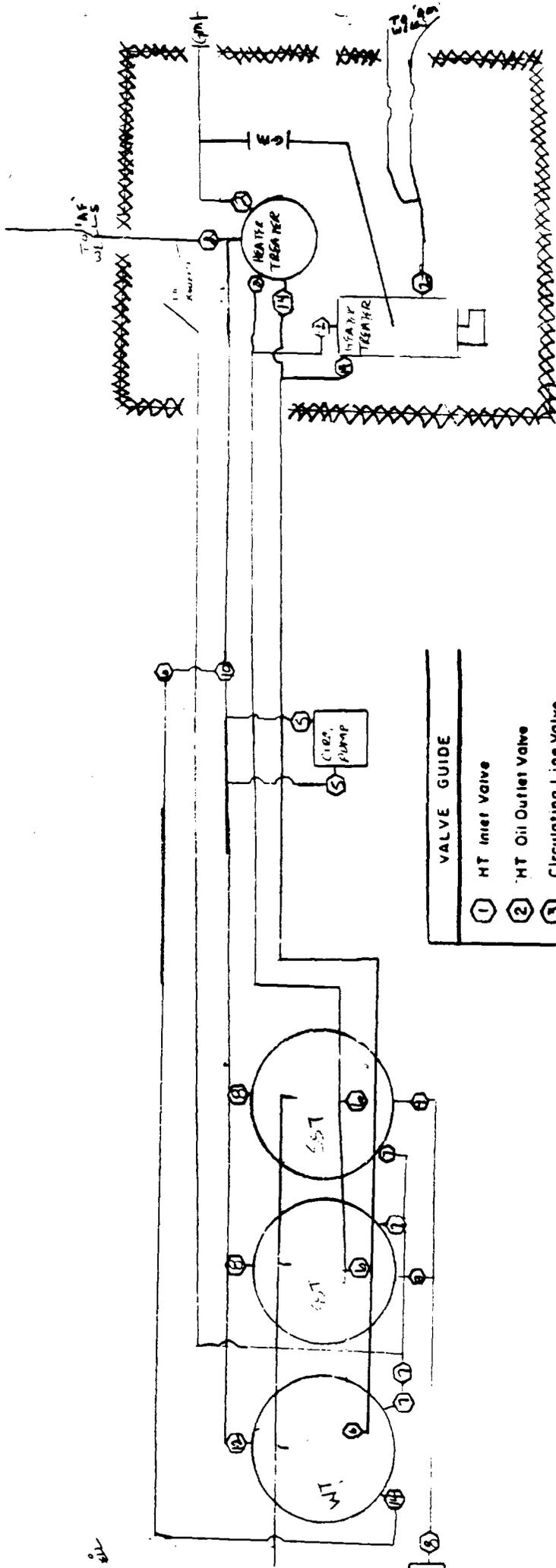
TITLE:

Regulatory Compliance

DATE:

April 30, 1997

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VALVE GUIDE	
①	HT Inlet Valve
②	HT Oil Outlet Valve
③	Circulating Line Valve
④	HT Bypass Valve
⑤	Circulating Pump Valve
⑥	SST Fill Valve
⑦	SST Equalizing Line Valve
⑧	SST Sales Valve
⑨	SST Circulating Valve
⑩	SST Pipeline Valve
⑪	WT Fill Valve
⑫	WT Circulating Valve
⑬	Surge Valve
⑭	WT Outlet Valve
⑮	Gas Sales Valve
⑯	SST Rolling Valve
⑰	PRESS. BYPASS VALVE
⑱	TURBINE METER
⑲	ELEC. SHUT-OFF VALVE

Sec. B, 183.32E
NM 18232

FLORIAN AM/AF
DA 117761