

CTB 475



JUL 29 1998  
OIL CONSERVATION DIVISION

COMMERCIAL RESOURCES  
(505)-827-5724

SURFACE RESOURCES  
(505)-827-5795

MINERAL RESOURCES  
(505)-827-5744

ROYALTY  
(505)-827-5772

State of New Mexico  
Commissioner of Public Lands

Ray Powell, M.S., D.V.M.  
310 Old Santa Fe Trail, P. O. Box 1148  
Santa Fe, New Mexico 87504-1148  
Phone (505)-827-5760, Fax (505)-827-5766

PUBLIC AFFAIRS  
(505)-827-5765

ADMINISTRATIVE MGMT.  
(505)-827-5700

LEGAL  
(505)-827-5713

PLANNING  
(505)-827-5752

July 27, 1998

Trinity University & Closesit  
P.O. Box 40  
Loco Hills, New Mexico 88255

Attn: Mr. Sonny Hope

Re: Application to Surface Commingle Production  
State A Lease B3014 Consisting of Wells Nos. 1, 2, and 3 Producing From the SR-Q-G-SA Pool  
State B Lease B2613 Consisting of Wells Nos. 1, 2, 3 and 4 Producing From the SR-Q-G-SA Pool  
Sections 16-17S-31E  
Eddy County, New Mexico

Dear Mr. Hope:

We are in receipt of your letter of July 10, 1998, requesting our approval to surface commingle the production from the above-captioned leases. It is our understanding that the production will be commingled at the State B Battery located in the NW/4SE/4 of Section 16-17S-31E.

Since it appears that all the New Mexico Oil Conservation Division's rules and regulations have been complied with, and there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request is hereby approved. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Your \$30.00 filing fee has been received.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.  
COMMISSIONER OF PUBLIC LANDS

BY:   
JAMI BAILEY, Director  
Oil, Gas and Minerals Division  
(505) 827-5744

RP/JB/cpm  
Enclosure  
pc: Reader File

OCD—Mr. David Catanach, Mr. Ben Stone

BLM

7/8/98 | 7/29/98 | BS | W | CTB

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION  
- Engineering Bureau -

475

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
- [DD-Directional Drilling] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

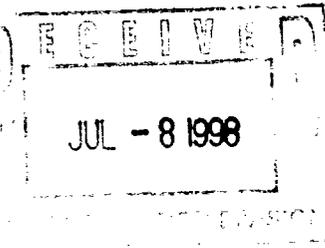
[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Directional Drilling
- NSL  NSP  DD  SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
- DHC  CTB  PLC  PC  OLS  OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
- WFX  PMX  SWD  IPI  EOR  PPR



[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or  Does Not Apply

- [A]  Working, Royalty or Overriding Royalty Interest Owners
- [B]  Offset Operators, Leaseholders or Surface Owner
- [C]  Application is One Which Requires Published Legal Notice
- [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F]  Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Sonny Hope  
Print or Type Name

*Sonny Hope*  
Signature

Production Supervisor  
Title

6/23/98  
Date

TRINITY UNIVERSITY & CLOSUIT

P.O. BOX 40  
LOCO HILLS, NM 88255

June 23, 1998

ATTN: David Catanach  
New Mexico Oil Conservation Division  
2040 S. Pacheco Str.  
P.O. Box 6429  
Santa Fe, NM 87505

RE: Application to surface commingle production from :

Trinity & Closuit

State A Lease B3014 Consisting of wells #1,2 & 3 producing from the SR-Q-G-SA Pool.

State B Lease B2613 Consisting of wells #1,2,3 & 4 producing from the SR-Q-G-SA Pool.

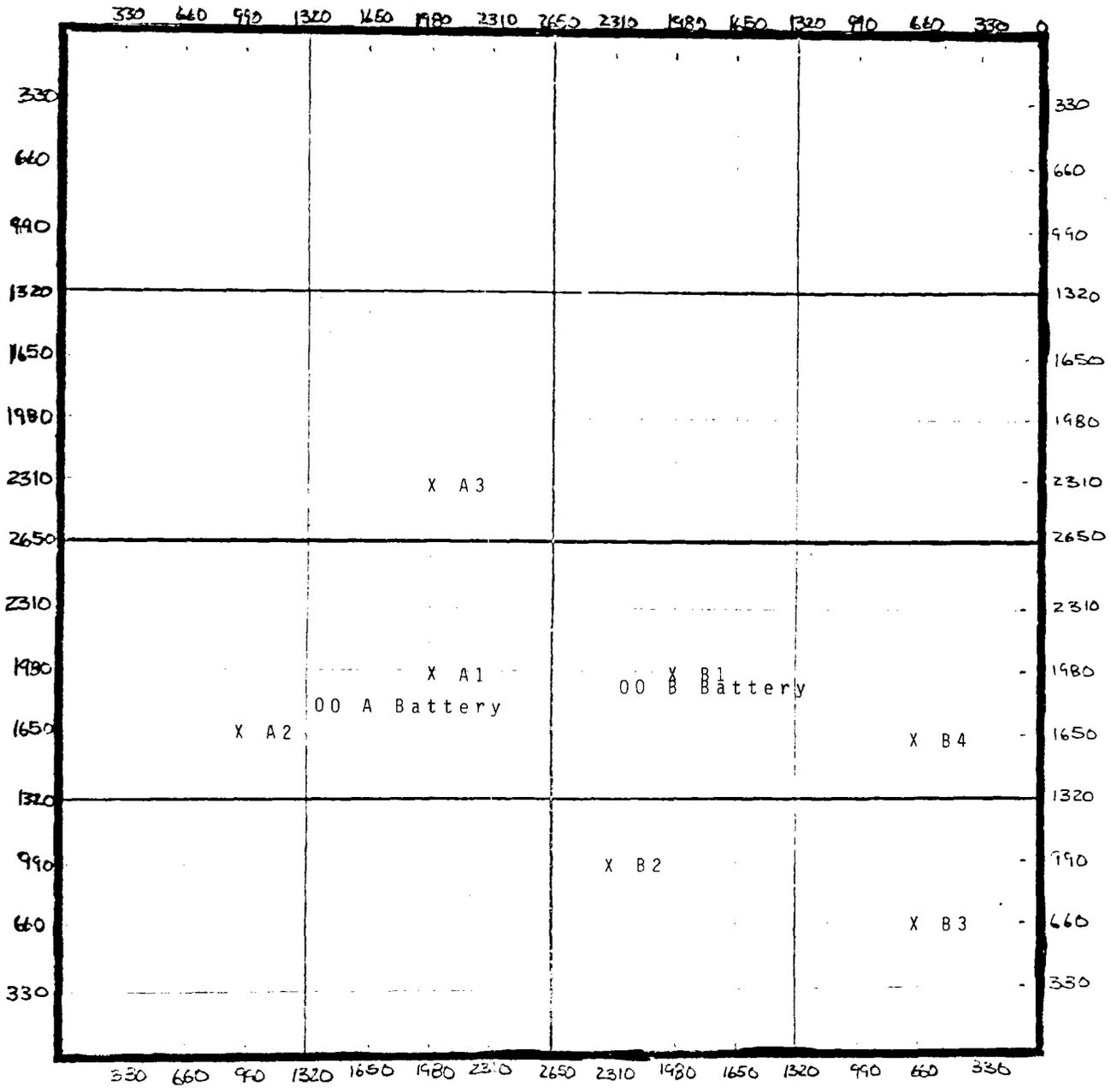
GRAYBURG JACKSON;

Trinity & Closuit hereby requests administrative approval to surface commingle production from the State A Lease B3014 and the State B Lease B2613. These wells are located in Section 16, Township 17 South, Range 31 East, Eddy County, New Mexico. In support of this application, we state the following:

1. Trinity & Closuit is the operator of both leases.
2. The ownership (WI, RI, ORRI) is common for the leases which are proposed for surface commingling. All owners have been notified by letter of this change.
3. These leases have operated from separate batteries. Due to Texas-New Mexico Pipeline's efforts to reduce their facilities and environmental responsibilities, they will no longer haul from the State A battery due to marginal production. Therefore, we would like to commingle these leases to a single battery which would also reduce our surface impact and allow for more efficient operations. Production allocation will be done on a well test basis. These tests will be done on a bi-yearly average.
4. Current POD's for these leases are as follows:  
State A Lease B3014 - Oil POD 2541810  
Gas POD 2541830  
  
State B Lease B2613 - Oil POD 2541910  
Gas POD 2541930

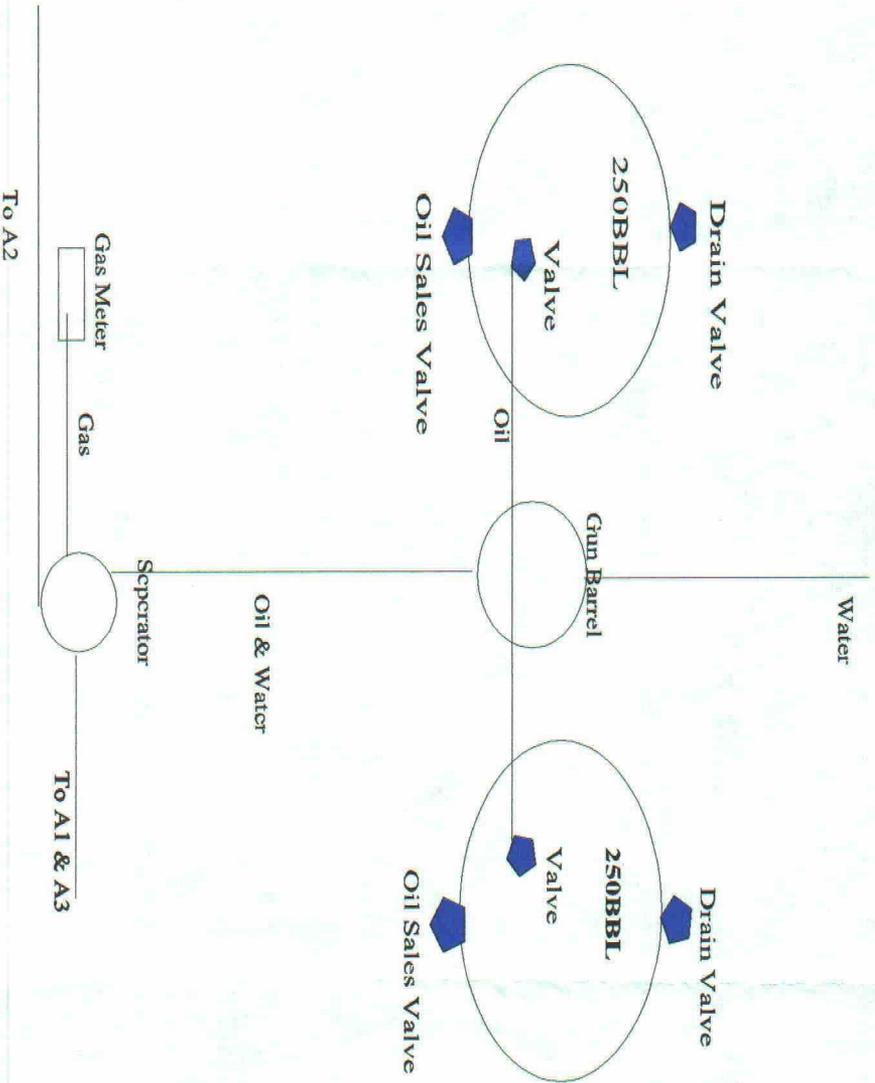
Trinity University & Closuit

Sec 16 Township No. 17S of Range No. 31E



# Trinity & Clossuit

State A Battery  
S 16 T17S R31E  
Eddy, County



# Trinity & Closuit

State B Battery

S 16 T17S R31E

Eddy, County

