

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CTB
N.M. Oil Cons. Division
1625 N. French Dr.
Hobbs, NM 88240

~~12/6/99~~
1119/00
FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

493

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

NOV 15 1999

1. Type of Well
 Oil Well Gas Well Other LEASE

2. Name of Operator
SOUTHWESTERN ENERGY PRODUCTION COMPANY CONSERVATION DIVISION

3. Address and Telephone No.
2350 N. Sam Houston Pkwy E, Ste 300, Houston, TX 77032 281-618-4749

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
NESE, Sec. 33, T17S, R33E AND
NWSW, Sec. 33, T17S, R33E

5. Lease Designation and Serial No.
NM 99146, NM 04242

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

9. API Well No.

10. Field and Pool, or Exploratory Area
CORBIN (APD) (MIL-13150)

11. County or Parish, State
LEA Co, 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 checked="" type="checkbox"/> Other <u>SURFACE COMBINING</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.)*

Propose surface combining of Oil, Gas and Water Production from lease no's NM 99146 (wells 1, 2, 4, 5, 7, 8) and NM 04242 (wells 3 and 6). See attached letter and other supporting documents.

14. I hereby certify that the foregoing is true and correct

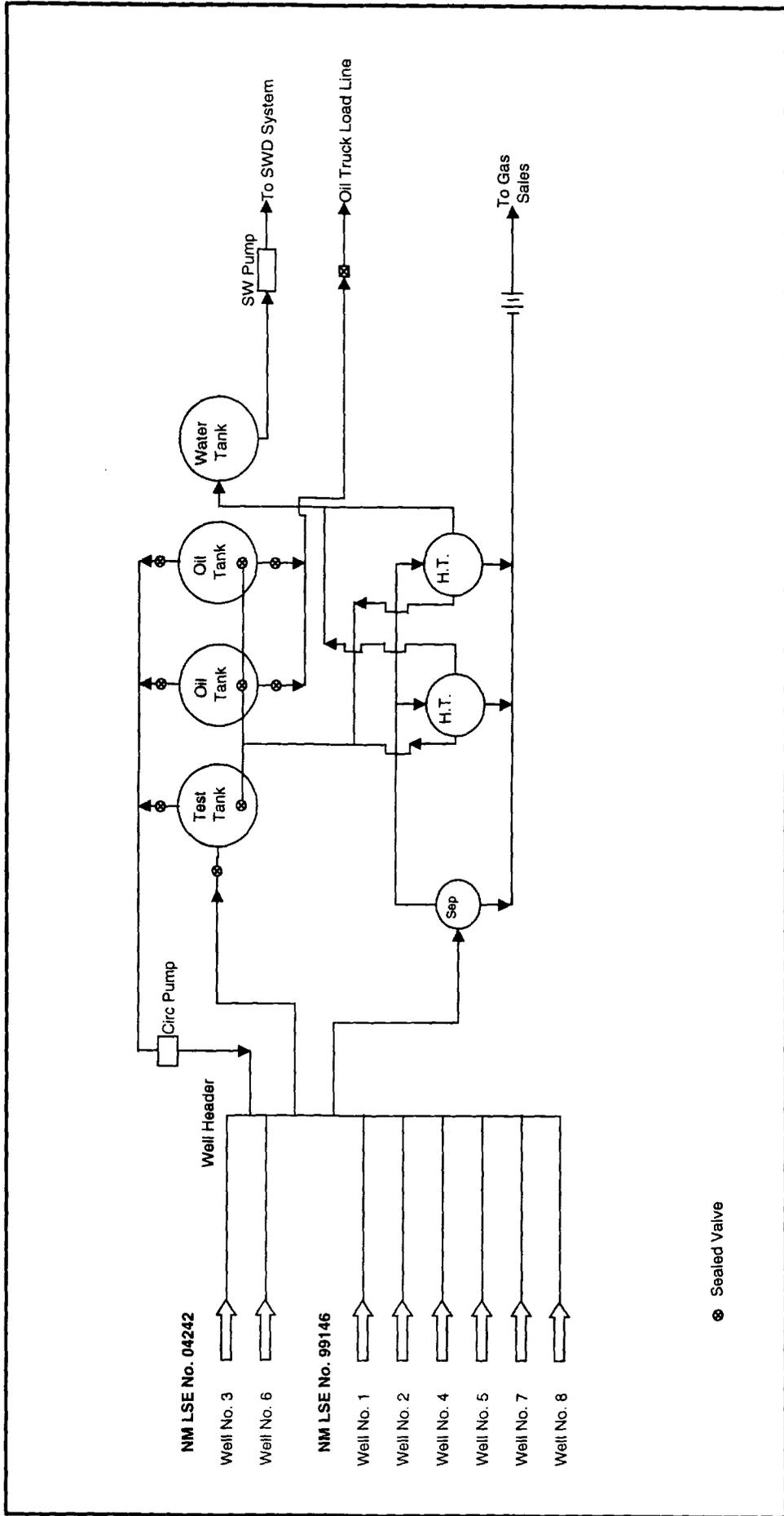
Signed Kurt Bauer Title SR. OIL PRODUCTION ENGINEER Date 10-11-99

(This space for Federal or State office use)

Approved by _____ Title PETROLEUM ENGINEER Date NOV 02 1999

Conditions of approval, if any:

**DENIUS FEDERAL LEASE
(NM 04242 AND NM 99146)
FACILITY DRAWING**



**SOUTHWESTERN ENERGY PRODUCTION COMPANY
PRODUCTION ALLOCATION**

LEASE: **DENIUS FEDERAL** PRODUCTION MONR **05/99**

WELL	5.0	28.0	1.796	155	868	278	140	868	251	247
1	6.0	11.0	1.796	188	341	334	168	341	302	296
2	0.0	0.0	1.796	0	0	0	0	0	0	0
3	30.0	161.0	1.796	930	4,991	1,670	842	4,991	1,509	1,479
4	24.0	188.0	1.796	744	5,828	1,336	674	5,828	1,207	1,183
5	6.0	26.0	1.796	186	806	334	168	806	302	296
6	25.0	188.0	1.796	775	5,828	1,392	702	5,828	1,257	1,233
7	0.0	0.0	1.796	0	0	0	0	0	0	0
8	0.0	0.0	1.796	0	0	0	0	0	0	0
TOTAL	96.0	602.0	17.96	2,113	28,802	6,354	2,284	27,518	7,318	7,117

TOTAL LSE OIL SALES 2614 BBL (INPUT) TOT CLOSING INVENTORY 107 BBL (INPUT)
 TOTAL METERED GAS SALES 3987 MCF (INPUT)
 TOTAL LSE USE GAS 868 MCF (CONSTANT)

FIELD: CORBIN ABO
 NMMN LSE NO: 004242 13335
 Well No's: 3 & 6

CLOSING INVENTORY	7
RUNS	163
OTHER	0
BEGINNING INVENTORY	2

METERED GAS	248	243
LEASE USE	54	53

GRAB OIL RATIO	1.796
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FIELD: CORBIN ABO
 NMMN LSE NO: 99146
 Well No's: 1,2,4,5,7,8

CLOSING INVENTORY	100
RUNS	2,451
OTHER	0
BEGINNING INVENTORY	25
PRODUCTION	2,726

METERED GAS	3,718	3,645
LEASE USE	809	793

GRAB OIL RATIO	1.792
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GAS BTU content 1419 OIL GRAVITY 38.6 (TEMP CORRECTED)



**Southwestern Energy
Production Company**

A subsidiary of Southwestern Energy Company

2350 N. Sam Houston Parkway East
Suite 300
Houston, Texas 77032
(281) 618-4700 FAX: (281) 618-4757

December 27, 1999

Oil Conservation Division
2040 S. Pacheco
Santa Fe, NM 87505

Attn. Mark Ashley

Re: Surface Commingling of Lease No's NM 99146 and NM 04242

Dear Mark:

Attached is a copy of the letter of notification sent to each owner (working and royalty interest) for the surface commingling we are proposing on the subject leases. The names and addresses of the interest owners are listed. As we discussed, we are planning to allocate the production based on well test. The wells will be tested monthly.

If any additional information is required or you have any questions, please feel free to contact me at 281-618-4749.

Sincerely,

Southwestern Energy Production Company

W. Kurt Butler
Senior Production Engineer

Attachment



**Southwestern Energy
Production Company**

A subsidiary of Southwestern Energy Company

2350 N. Sam Houston Parkway East
Suite 300
Houston, Texas 77032
(281) 618-4700 FAX: (281) 618-4757

December 21, 1999

TO ALL INTEREST OWNERS - LIST ATTACHED

Re: Denius Federal Leases-Surface Commingling Permit

Gentlemen:

Please be advised that the Bureau of Land Management required Southwestern Energy Production Company, as Operator, to apply for a commingling permit on our two Denius Federal Leases (04242 & 99146). As a result of the BLM segregating our original base lease into two leases, we have to allocate production from both leases as it is produced into a common tank battery. Hence, the production will be allocated by well based on monthly tests. Furthermore, this commingling will not affect the ownership or distribution of revenue since the ownership is common. This notice is in accordance with BLM Regulations.

If you have any questions in this matter, please advise.

Very Truly Yours,

Kurt Butler

Senior Production Engineer

991221

OWNER ADDRESS LIST

PROPERTY NO: 200105-001
PROPERTY NAME: DENIUS FEDERAL 4242 #3
EFF DATE: 1/1999

OWNER NAME
ADDRESS

OWNER#

SOUTHWESTERN ENERGY PROD. CO.	999020
P. O. BOX 1408 FAYETTEVILLE AR	727021408
MARY ELLEN JOHNSTON	223309
2715 NORTH KENTUCKY #16 ROSWELL NM	882010000
CATHY D. BLOTTER	251365
P. O. BOX 9306 SANTA FE NM	875029306
DAN L. WILLIAMS, JR.	223743
P.O. BOX 442 LAS CRUCES NM	880040000
DANNA LYN BIEL	222896
C/O ELAINE LUST TEMPE AZ	1059 EAST BROADMOR 852820000
DENIUS ENERGY CO., LTD.	223067
12630 MILAM RD. COLORADO SPRI CO	809080000
E. BERNARD JOHNSTON	223307
2715 NORTH KENTUCKY #16 ROSWELL NM	882010000
ELIZABETH W. KNOWLES	223342
P.O. BOX 285 ROSWELL NM	
JOHN W. BOONE TRUST	222913
2703 ARDSLEY DRIVE ORLANDO FL	328044311
WILLIAN J. WRIGHT	223766
916 SOUTH ROSELAWN ARTESIA NM	882100000
MARY LEE S. REESE	223538
P.O. BOX 8531 SALT LAKE CITY UT	841080000

OWNER ADDRESS LIST

PROPERTY NO: 200105-001
PROPERTY NAME: DENIUS FEDERAL 4242 #3
EFF DATE: 1/1999

OWNER NAME	OWNER#
ADDRESS	
MINERAL MANAGEMENT SERVICE	201907
ROYALTY MANAGEMENT PROGRAM	BOX 5810
DENVER CO	802170000
PEARL SIEGENTHULER	223598
707 HERMOSA DRIVE	
ARTESIA NM	882100000
RALPH A. SHUGART TRUST	223570
ELIZABETH S DUNCAN, TRST	300 SOUTH JACKSON ST. #500
DENVER CO	802090000
SHIRLEY C. CHILDRESS	222999
604 N DELAWARE, NO. 2	
ROSWELL NM	882010000
SOUTHWESTERN ENERGY PROD. CO.	999020
P. O. BOX 1408	
FAYETTEVILLE AR	727021408
JOHN E COCHRAN	223011
1314 TENTH ST., SUITE 130	
HUNTSVILLE TX	773400000
