



POC 8/25/97  
949 N/R

Mid-Continent Region  
Exploration/Production

Conoco Inc.  
10 Desta Drive, Suite 100W  
Midland, TX 79705-4500  
(915) 686-5400

August 1, 1997

AUG - 4 1997

Mr. William LeMay  
Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, New Mexico 87504

Re: Application to Surface Commingle Glorieta, Tubb, and Drinkard  
Production all from the State A-2A Lease in a common Battery  
Located in Unit P, Section 2, Township 20S, Range 37E

57190  
SEALS  
47090  
MONUMENT

Dear Mr. LeMay:

57000  
SEALS

Conoco Inc. request administrative approval to surface commingle Glorieta, Tubb, and Drinkard production, all from the State A-2A Lease in a common Battery located near the State A-2A Well No. 5. EXHIBIT 1 shows the State A-2A lease the producing wells and the battery location. Currently operations on this lease consists of dualled Tubb and Drinkard production from Well No. 5 and single Drinkard production from Well No. 7.

An application was filed June 3, 1997 to downhole commingle the Tubb and Drinkard completions in Well No. 7. An application was approved May 21, 1997 to recomplate Well No. 6 to the Glorieta. Therefore, it is now being requested to surface commingle all of these marginal zones in the State A-2A battery and to allocation the production from these pools by periodic well tests.

Conoco owns 100 % of the working interest in this state lease No. B-2656, and the State of New Mexico is the only Royalty Interest Owner. The locations of the wells are as follows:

State A-2A #5	Unit P, Sec. 2, T-20S, R-37E
State A-2A #6	Unit O, Sec. 2, T-20S, R-37E
State A-2A #7	Unit I, Sec. 2, T-20S, R-37E

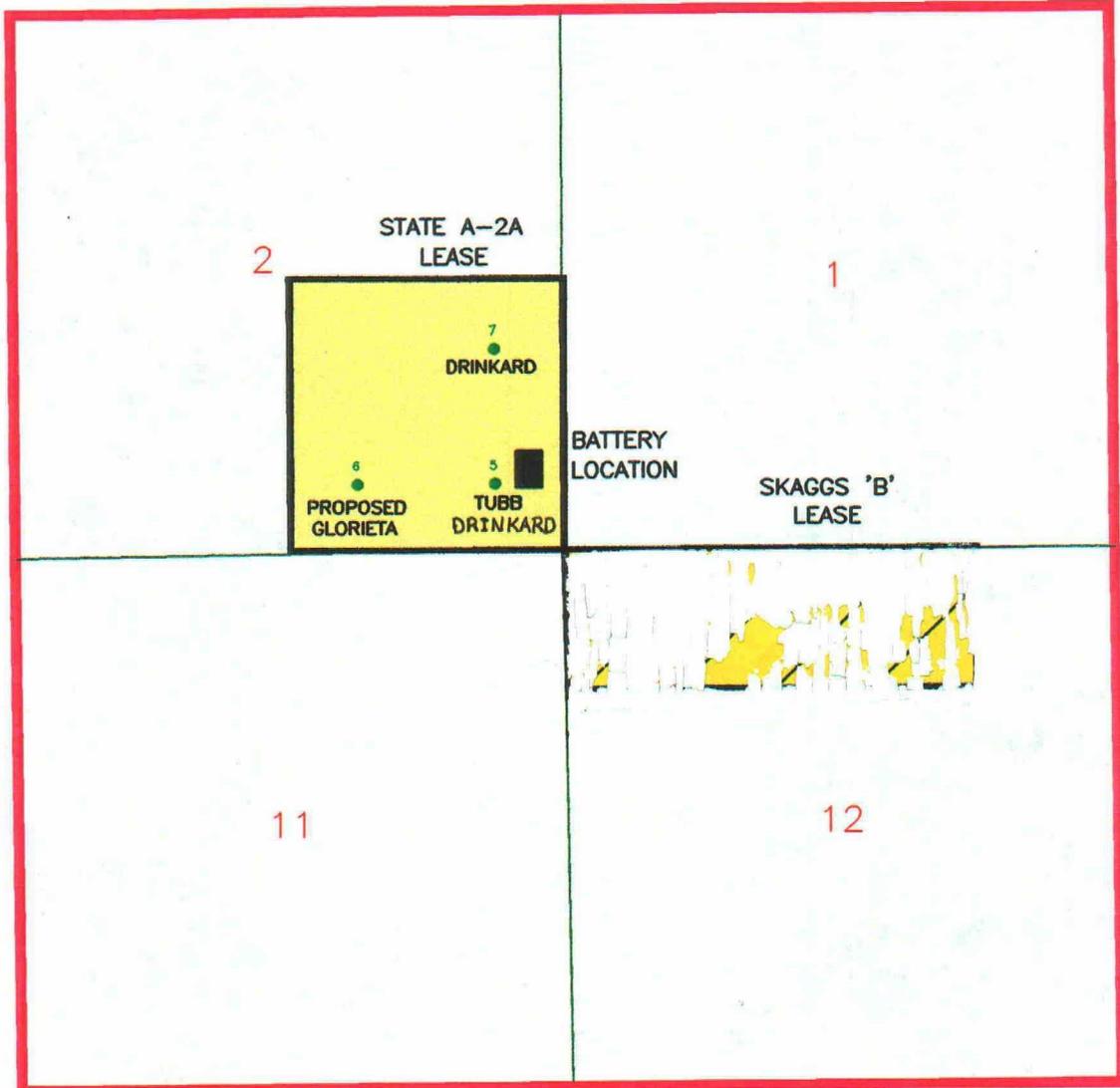
EXHIBIT 2 shows revenue calculations for each well separately and for all three combined. Blending of production from the three pools actually increases revenue slightly by upgrading the lower gravity Glorieta production.

EXHIBIT 3 is a battery schematic showing how production from these three wells will be handled on a commingled basis. If there are any further questions, please contact me at (915) 686-6548.

Very truly yours,

Jerry W. Hoover  
Sr. Conservation Coordinator

T20S R37E



**COLOR LEGEND**

 CONOCO  
180 ACRE  
STATE A-2A  
LEASE

**WELL LEGEND**

<b>PRODUCING</b>	•	<b>ABANDONED</b>	•	<b>SUSPENDED</b>	•
OIL	•	OIL	•	LOCATION	•
GAS	•	GAS	•	OBSERVATION	•
OIL & GAS	•	INJECTOR	•		
INJECTOR	•				

REVISIONS			POSTING DATE 3/26/1987	
NO.	DESCRIPTION	DATE	BY	BY

MIDLAND DIVISION	
STATE A-2A	
SKAGGS 'B'	
LEASING COUNTY, NEW MEXICO	
HEAD	DATE

APPLICATION TO SURFACE COMMINGLE  
STATE A-2A No. 5, 6, & 7.

STATE A-2A

WELL NAME	ZONE	MCFGPD	BOPD	API (Corrected)	\$ Per Bo	Revenue/Day
State A-2A #5	TB/DR	190	35	38.8	18.07	\$632.45
State A-2A #6	GLORIETA	3	16	41	16.72	\$267.52
State A-2A #7	DRINKARD	27	7	34.7	18.07	\$126.49
Total		220	58			\$1,026.46

COMBINED STATE A-2A

Production	MCFGPD	BOPD	API (Corrected)	\$ Per Bo	Revenue/Day
Total	220	58	38.9	18.07	\$1,048.06

07/25/97

EXHIBIT 2

EXHIBIT 3

STATE A-  
PROD. WEI

PIPING LEGEND	THIS FAC COMPLIAN
	INC. MID SITE SEC PLAN LO CONQCC TO DEST MIDLAND
GAS	CIRCULATING
OIL	MIXTURE LINE/VESSEL
WATER	VAPOR RECOVERY
CIRCULATING	EXTRA
MIXTURE LINE/VESSEL	
VAPOR RECOVERY	
EXTRA	