



PHILLIPS PETROLEUM COMPANY

ODESSA, TEXAS 79762
4001 PENBROOK

EXPLORATION AND PRODUCTION GROUP
Permian Basin Region

October 25, 1995

PLC DIVISION 11-20-95
95 00 30 PM 8 52

Re: Surface Commingling,
M. E. Hale Lease, B-2317A
Mable Lease, B-2317A
State H-35 Lease, B-3196
Vacuum GB/SA & N.Abo Fields,
Lea County, New Mexico

State of New Mexico
Energy, Minerals & Natural Resources Dept.
Oil Conservation Division
2040 S. Pacheco
Santa Fe, NM 87504-1148

Attention: Mr. David R. Catanach,
Petroleum Engineer

Gentlemen:

Phillips Petroleum Company respectfully requests your approval to surface commingle the production from our State H-35 Lease with the current production in our Hale Lease Battery. Surface commingling permits already exist for the Hale and Mable Leases (all Vacuum GB/SA production) and the State H-35 Lease (all Vacuum GB/SA and Abo production). The following are the State Lease Numbers for each lease, followed by the NMOCD Property Numbers and Pool Numbers:

<u>Property Name</u>	<u>State Lease No.</u>	<u>Property Number</u>	<u>Pool Number</u>
Hale Lease	B-2317A	009099	62180
Mable Lease	B-2317A	009118	62180
State H-35 Lease (except #9)	B-3196	017021	62180
State H-35 Lease #9	B-3196	017021	61760

Phillips has 100.000000% working interest in these wells and will measure production by well tests. Texas-New Mexico Pipeline will be the oil transporter and GPM Gas Services Company will be the casinghead gas transporter.

915
368
1418
SUSAN SNOW

Surface Commingling
Vacuum GB/SA & N.Abo Fields
Lea County, New Mexico
Page 2

Additional information attached:

Lease Plat
Tank Battery Schematic
Gravity and Value of Commingled Production

Sincerely,



L. M. Sanders
Sr. Regulation Analyst

LMS/d

Attachments

cc - State of New Mexico
Commissioner of Public Lands
Santa Fe, NM

PHILLIPS PETROLEUM COMPANY

(OGRID 017643)

Hale, Mable, and H-35 Leases

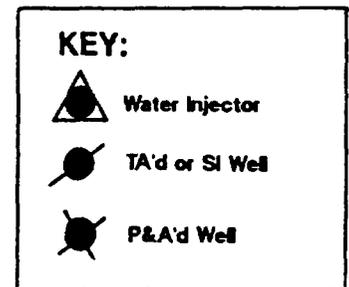
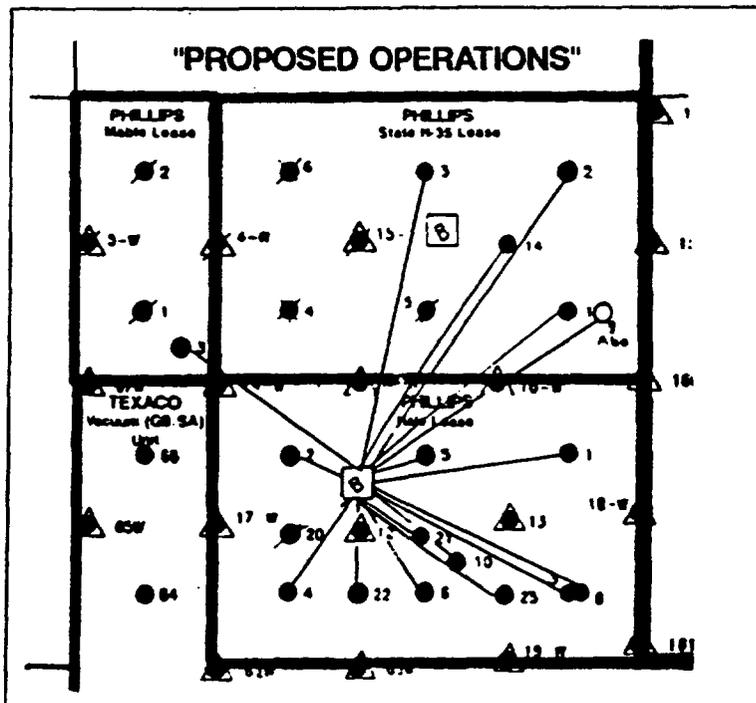
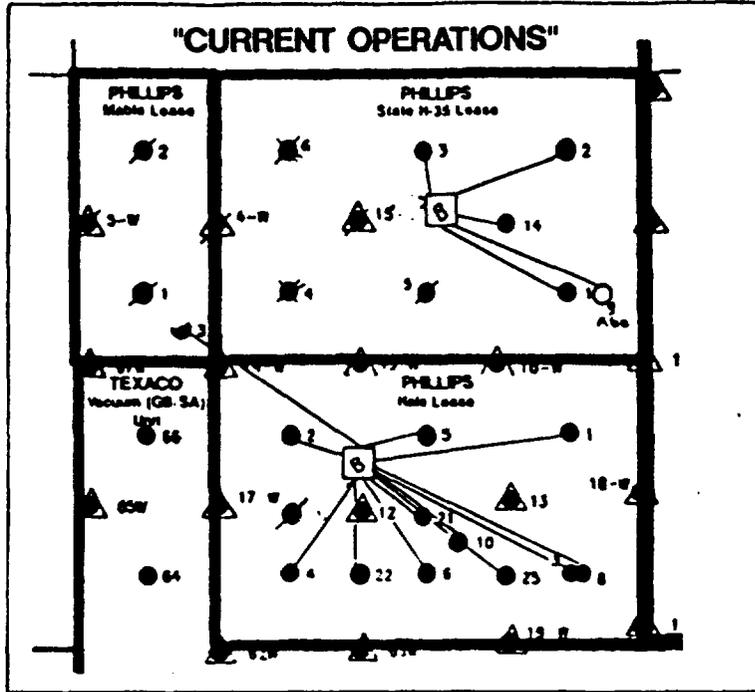
Section 35-17S-34E

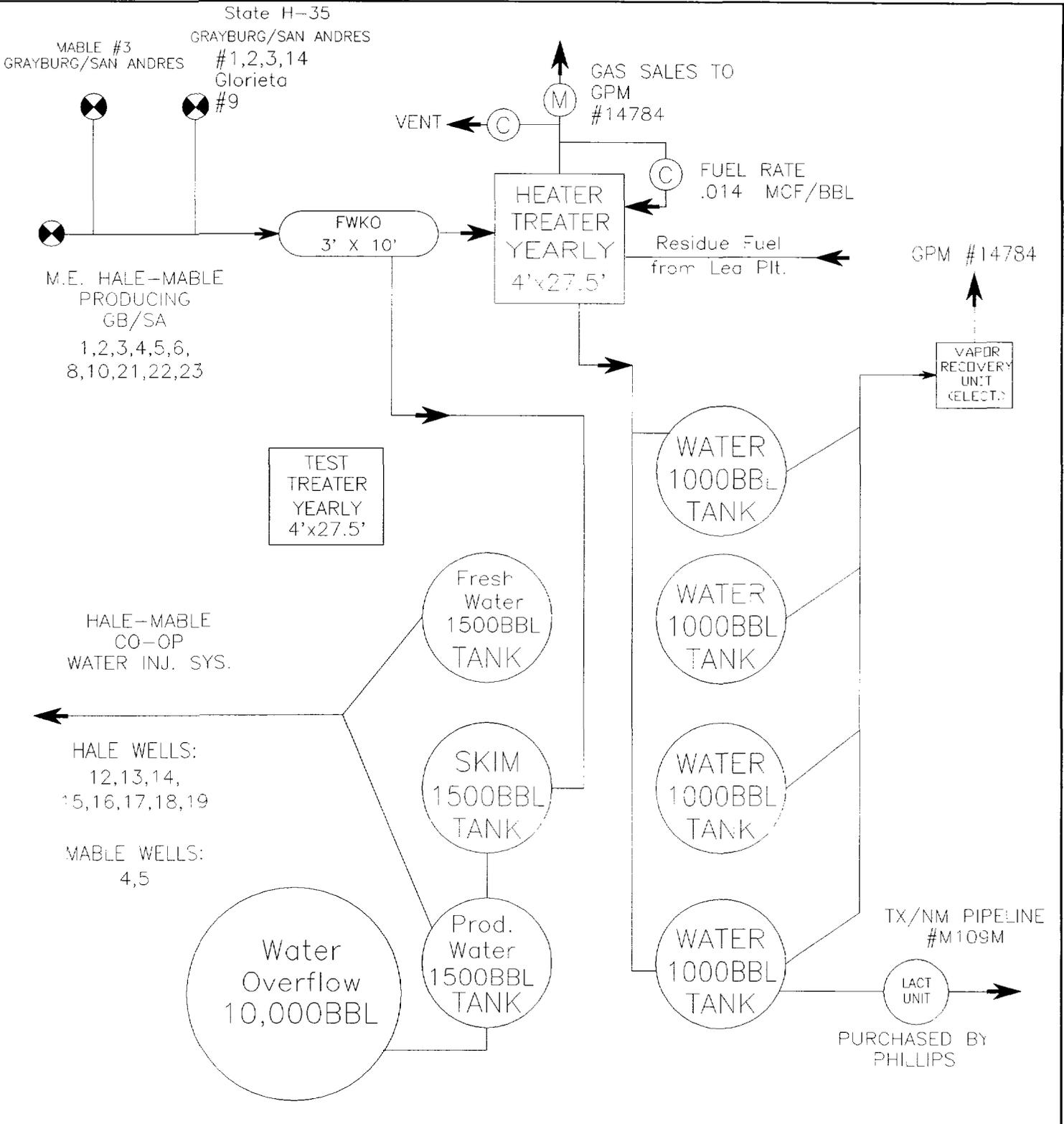
Lea County, New Mexico

<u>Lease Name & Well No.</u>	<u>Property Number</u>	<u>Pool Number</u>	<u>Unit</u>	<u>Legal Location</u>	<u>Formation</u>
Mable # 3	009118	62180	E	2310' FNL, 990' FWL	Vacuum Gb/SA
M. E. Hale # 1	009099	62180	I	1980' FSL, 660' FEL	Vacuum Gb/SA
M. E. Hale # 2	009099	62180	K	1980' FSL, 1980' FWL	Vacuum Gb/SA
M. E. Hale # 3	009099	62180	P	660' FSL, 660' FEL	Vacuum Gb/SA
M. E. Hale # 4	009099	62180	N	660' FSL, 1980' FWL	Vacuum Gb/SA
M. E. Hale # 5	009099	62180	J	1980' FSL, 1980' FEL	Vacuum Gb/SA
M. E. Hale # 6	009099	62180	O	660' FSL, 1980' FEL	Vacuum Gb/SA
M. E. Hale # 8	009099	62180	P	660' FSL, 560' FEL	Vacuum Gb/SA
M. E. Hale # 10	009099	62180	O	960' FSL, 1680' FEL	Vacuum Gb/SA
M. E. Hale # 21	009099	62180	O	1194' FSL, 2040' FEL	Vacuum Gb/SA
M. E. Hale # 22	009099	62180	N	650' FSL, 2630' FWL	Vacuum Gb/SA
M. E. Hale # 23	009099	62180	P	620' FSL, 1250' FEL	Vacuum Gb/SA
State H-35 # 1	017021	62180	H	1980' FNL, 660' FEL	Vacuum Gb/SA
State H-35 # 2	017021	62180	A	660' FNL, 660' FEL	Vacuum Gb/SA
State H-35 # 3	017021	62180	B	660' FNL, 1980' FEL	Vacuum Gb/SA
State H-35 # 4	017021	62180	F	1980' FNL, 1980' FWL	Vacuum Gb/SA
State H-35 # 5	017021	62180	G	1980' FNL, 1980' FEL	Vacuum Gb/SA
State H-35 # 6	017021	62180	C	660' FNL, 1980' FWL	Vacuum Gb/SA
State H-35 # 9	017021	61760	H	1980' FNL, 450' FEL	Vacuum Abo
State H-35 # 14	017021	62180	G	1345' FNL, 1210' FEL	Vacuum Gb/SA

PHILLIPS PETROLEUM COMPANY
Section 35 - 17S - 34E
Lea County, New Mexico

SURFACE COMMINGLING APPLICATION
Vacuum (GB/SA) and Vacuum Abo North Fields





NO.	REVISION	UPDATED BY LWS	05/10/95	CHKD	APP'D
FOR BIDS	 PHILLIPS PETROLEUM COMPANY BARTLESVILLE, OKLAHOMA	JA NO.		FILE CODE	
FOR APPR		AFE NO.		SCALE	
FOR CONST		NO		FILE NAME: MEHALE.DWG	
DRAWN 01/13/94	DGU	LEASE NAME: ME Hale		DWG NO. 1.0	
CHECKED		LEASE CODE: 600013			
APP'D		NETWORK:			

PHILLIPS PETROLEUM COMPANY - SURFACE COMMINGLE APPLICATION
M.E. HALE, MABLE, and STATE H-35 LEASES

<u>LEASE</u>	<u>FORMATION</u>	<u>PRODUCTION (BOPD)</u>	<u>API GRAVITY</u>	<u>PRICE \$/BBL)</u>	<u>VALUE (\$)</u>
M.E. HALE	GRAYBURG/ SAN ANDRES	319	37	15.98	5098
MABLE	GRAYBURG/ SAN ANDRES	3	37	15.98	48
STATE H-35	GRAYBURG/ SAN ANDRES VACUUM ABO	163	37	15.98	2605

IT IS ANTICIPATED THAT PHILLIPS PETROLEUM COMPANY WILL BE PAID THE SAME PRICE FOR THE COMMINGLED LEASES' PRODUCTION FROM THE M.E. HALE AND MABLE LEASES AND THE STATE H-35 LEASE. NO VALUE WILL BE LOST WHEN THE OIL IS SURFACE COMMINGLED.

NOTE: THE M.E. HALE AND MABLE LEASES' PRODUCTION IS ALREADY COMMINGLED.

THE PRODUCTION FROM THE GRAYBURG/SAN ANDRES AND VACUUM ABO RESERVOIRS FROM THE STATE H-35 LEASE IS ALREADY SURFACE COMMINGLED.

