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EXPLORATION AND PRODUCTION GROUP Permian Basin Region

4001 PENBROOK

January 17, 1994

Re: Surface Commingling
M. E. Hale (B-2317) Lease
Mable (B-2317) No. 3
Vacuum Gb/SA Pool

State of New Mexico Energy and Minerals Natural Resources Department Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87504-2088

#### Gentlemen:

Phillips Petroleum Company requests your approval to surface commingle the production from the Mable Well No. 3 and M. E. Hale Lease in Vacuum Gb/SA Pool.

Attached is the following required information:

- 1. Lease Plat
- 2. Tank Battery Schematic
- 3. Gravity and Value of Commingled Production

Phillips has 100 percent ownership of these wells and will measure production by well tests. Texas-New Mexico Pipeline Company is the oil transporter and GPM Gas Corporation is the casinghead gas transporter.

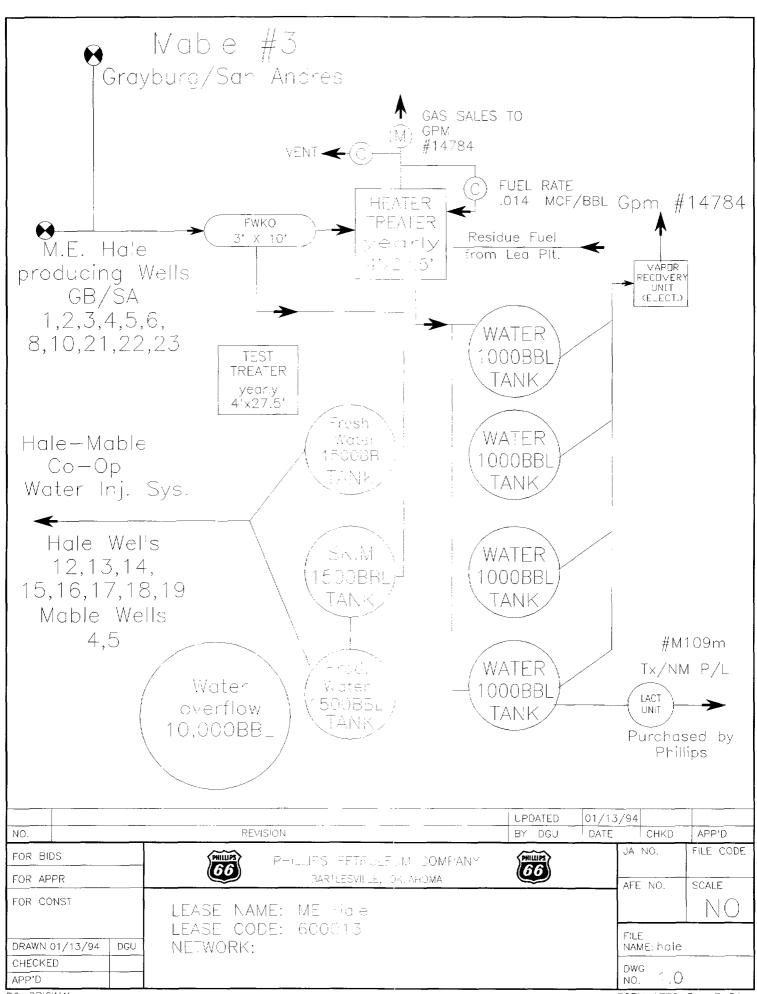
Please advise me at (915) 368-1488 if you have any questions.

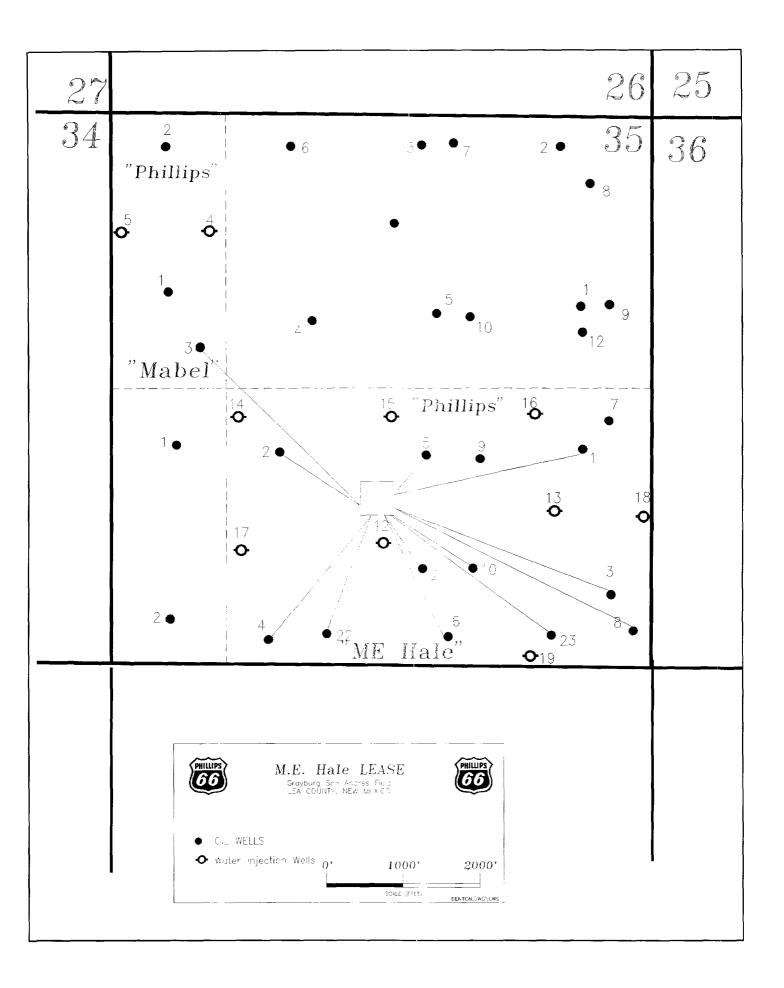
Sincerely,

L. M. Sanders, Supervisor Regulatory Affairs

LMS:AF:ehg Attachments

RegPro:AFran:SrfComg.MEH





#### PHILLIPS M.E. HALE LEASE - SURFACE COMMINGLE APPLICATION

LEASE	FORMATION	PRODUCTION (BOPD)	GRAVITY API (@ 70 F)	PRICE _(\$/BBL)	VALUE (\$)
M.E.HALE	GRAYBURG/ SAN ANDRES	460	37.0	14.24	6550
MABLE	GRAYBURG/ SAN ANDRES	8	37.0	14.24	114

IT IS ANTICIPATED THAT PHILLIPS PETROLEUM COMPANY WILL BE PAID THE SAME PRICE FOR THE GRAYBURG/SAN ANDRES OIL FROM THE M.E. HALE AND MABLE LEASES. NO VALUE WILL BE LOST WHEN THE OIL IS SURFACE COMMINGLED.

### **COMMINGLE PRE-APPLICATION**

STATE LAND OFFICE RULES 1.053-1.055 APPLY TO COMMINGLING OIL AND GAS PRODUCTION FROM NEW MEXICO STATE LANDS. PLEASE PROVIDE THE FOLLOWING INFORMATION SO THAT WE CAN DETERMINE WHETHER OR NOT A COMMINGLE APPLICATION PACKAGE SHOULD BE SUBMITTED.

1. BRIEFLY	DESCRIBE WHA	T YOU PROPO	SE TO DO.	
Surface Comming	gle production fo	or the Mable w	ell number 3 and	l M. E. Hale Lease
in the Vacuum G	Gb/SA Pool, loca	ted in Section	35, T-17-S, R-3	34-E, Lea County,
New Mexico.				
2. FILL IN	THE FOLLOWIN	G INFORMATI	ON FOR EACH W	ELL.
WELL LEG NUMBER DESCR		EE OF ORD	N.M. LEASE NUMBER	FORMATION
	<del></del>			
	See i	Attached List.		
			<del></del>	
NAME:	SmSa	yle-	L. M. Sand	ders
COMPANY:	Phillip	s Petroleum Co	mpany	
PHONE NUMBER:	915/368	-1488		<del></del>

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT THE OIL, GAS AND MINERALS DIVISION AT (505) 827-5744.

Mable No. 3 M. E. Hale

Lease Name & Well Number	NM Lease No.	Legal Description	Formation
Mable No. 3	B-2317	Unit E, 2310' FNL & 990' FWL of Sec. 35, 17-S, 34-E	Vacuum Gb/SA
M. E. Hale No. 1	B-2317	Unit I, 1980' FSL & 660' FEL of Sec. 35, 17-S, 34-E	Vacuum Gb/SA
M. E. Hale No. 2	B-2317	Unit K, 1980' FSL & 1980' FWL Sec. 35, 17-S, 34-E	Vacuum Gb/SA
M. E. Hale No. 3	B-2317	Unit P, 660' FSL & 660' FEL of Sec. 35, 17-S, 34-E	Vacuum Gb/SA
M. E. Hale No. 4	B-2317	Unit N, 660' FSL & 1980' FWL of Sec. 35, 17-S, 34-E	Vacuum Gb/SA
M. E. Hale No. 5	B-2317	Unit J, 1980' FSL & 1980' FEL of Sec. 35, 17-S, 34-E	Vacuum Gb/SA
M. E. Hale No. 6	B-2317	Unit O, 660' FSL & 1980' FEL of Sec. 34, 17-S, 34-E	Vacuum Gb/SA
M. E. Hale No. 8	B-2317	Unit P, 560' FEL & 660' FSL of Sec. 35, 17-S, 34-E	Vacuum Gb/SA
M. E. Hale No. 10	B-2317	Unit O, 960' FSL & 1680' FEL of Sec. 35, 17-S, 34-E	Vacuum Gb/SA
M. E. Hale No. 21	B-2317	Unit O, 1194' FSL & 2040' FEL of Sec. 35, 17-S, 34-E	Vacuum
M. E. Hale No. 22	B-2317	Unit N, 650' FSL & 2630' FWL of Sec. 35, 17-S, 34-E	Vacuum Gb/SA
M. E. Hale No. 23	B-2317	Unit P, 620' FSL & 1250' FEL of Sec. 35, 17-S, 34-E	Vacuum Gb/SA

M. E. Hale is the Lessee of record for all wells to be commingled. AF:ehg



# State of New Mexico Commissioner of Public Lands

RAY POWELL, M.S., D.V.M. COMMISSIONER

310 OLD SANTA FE TFIAIL P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148 (505) 827-5760 FAX (505) 827-5766

January 24, 1994

Phillips Petroleum Company 4001 Penbrook Odessa, Texas 79762

Attention: Mr. L. M. Sanders

Re: Surface Commingling

Mabel Well No. 3 and M.E. Hale Lease

Vacuum Grayburg/San Andres Pool

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

Dear Mr. Sanders:

This office is in receipt of your application to surface commingle the Vacuum Grayburg/San Andres Pool production from the Mable Well No. 3 with the M. E. Hale Lease production located in Section 35-17S-34E, Lea County, New Mexico.

According to your application, the Mabel Well No. 3 and the M.E. Hale Well Nos. 1, 2, 3, 4, 5, 6, 8, 10, 21, 22, and 23 are producing from the Vacuum Grayburg/San Andres pool.

Since ownership is common through and there will be no loss of revenue to the State of New Mexico's beneficiaries from your proposed operation, the Commissioner of Public Lands, this date approves your request. Our approval is given with the understanding that the Commissioner of Public Lands reserves the right to amend our withdraw his approval should operation prove to be unprofitable to the State at any time in the future. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

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

BY: I (a) haus FLOYD O. PRANDO, Director Oil/Gas and Minerals Division (505) 827-5744

RBP/FOP/pm cc: Reader File

OCD--David Catarach, Ben Stone B-2317-3, B-2317-1A

## SECTION 35 TOWNSHIP 17 South RANGE 34 East

D	C	l B	; A
HILLIPS	CONOCO	CONOCO	CONOCO
	P&A	U	UOI
12 38 B2317-3	08 44 B3196	08 44 B3196	OB 44 B3196
E HILLIPS	F CONOCO	: G : CONOCO	CONOCO
MAREL NO.3	P&A	UPN	UIO
12 38 82317-3	08 44 B3196	08 44 B3196	; 08 44 ; B3196
L CEXACO	K PHILLIPS	PHILLIPS	; I  PHILLIPS
U		y-0	010
12 38 8870-2	B2317-1A	/B5311-19/	12 38 B2317-1A
M	PHILLIPS W.	PHILLIPA	PHILLIPS
U	OIL	OIL	UON
12 38 8870-2	12 38 B2317-1A	12 38 B2317-1A	12 38 B2317-1A

REMARKS VAC. GLORIETA W UT BENE:MI

VACUUM GRBG SA UNIT