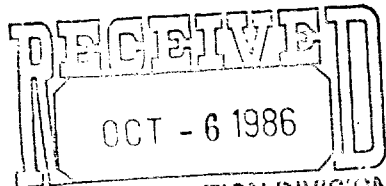


Mobil Producing Texas & New Mexico Inc.



OIL CONSERVATION DIVISION
State of New Mexico
Energy and Minerals
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

September 29, 1986

P.O. BOX 633
MIDLAND, TEXAS 79702

MIDLAND DIVISION

Attn: Mr. R. L. Stamets,
Director

7.01
Statewide Rule 309-A, Exception
Request to Commingle
Mobil Producing TX. & N.M. Inc.
Lovington Deep State No. 1
Lovington Deep Amoco State No. 1
South Shoe Bar-Devonian Field
Lea County, New Mexico

Dear Mr. Stamets:

Mobil Producing TX. & N.M. Inc. is applying for administrative authority to commingle production from the Lovington Deep Amoco State No. 1 (now drilling) with production from the Lovington Deep State No. 1. Permission to produce the well into a common facility after it is tested and metered, instead of using test tanks, is also requested. Test tanks will be used if necessary.

The wells to be commingled have common ownerships, working interest ownership and royalty ownership. There will be no decrease in the value of the crude oil or casinghead gas because of commingling. Production will be tested and metered, using a positive displacement type meter, prior to commingling. A LACT unit has been approved for the existing facilities. Location of the wells and pertinent data of the subject wells follows:

Lovington Deep State No. 1
823' FNL, 581' FEL, Unit A
Section 1, T-17-S, R-35-E
South Shoe Bar-Devonian Field

Lovington Deep Amoco State No. 1
1980' FNL, 660' FWL, Unit E
Section 6, T-17-S, R-36-E
South Shoe Bar-Devonian Field

<u>Well Name & No.</u>	<u>Gr.</u> <u>60°F</u>	<u>Gr.</u> <u>Comm.</u>	<u>Current Production</u> <u>Oil</u>	<u>Gas</u>	<u>Water</u>
Lovington Deep State 1	49.96	49.96	598	341	85
Lovington Deep Amoco State 1	Anticipated to be same				

Attached, per Statewide Rule 309-A, are the following data:

1. Well location map
2. Site facility schematic flow diagram
3. Equipment inventory list
4. Copy of letter to Commissioner of Public Lands.

Your early approval of this application will be appreciated as the Lovington Deep Amoco State No. 1 will be potentialled in approximately four weeks. If additional information is needed, please call Lorraine Maroney at (915) 688-1773.

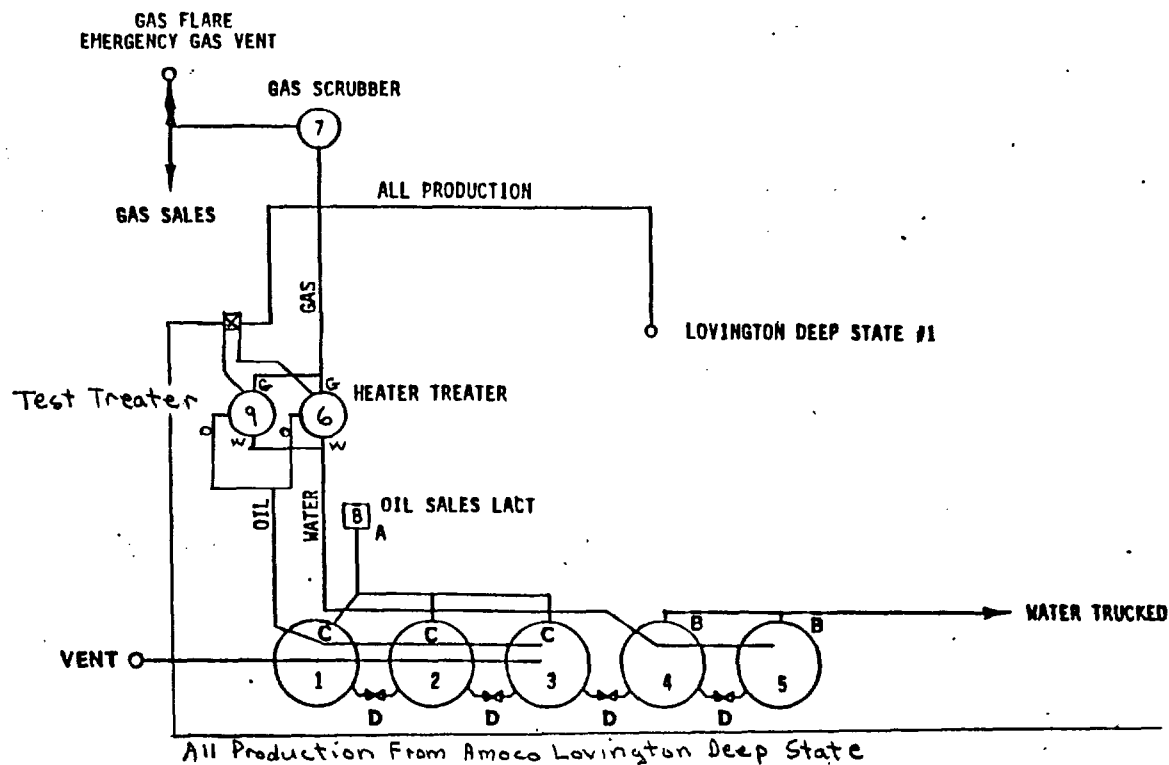
Yours very truly,

M. E. Sweeney

M. E. Sweeney *MS*
Environmental & Regulatory Manager

LLMaroney/mp

xc: NMOCC, Hobbs



SITE SECURITY PLAN #1 LOCATED AT
 A-SALES (SALES MODE OPEN, PRODUCING MODE SEALED CLOSED)
 B-DRAIN (NORMALLY SEALED CLOSED)
 C-FILL
 D-EQUALIZER
 PIPING - OPEN SYSTEM
 VALVE
 TANK

Mobil Producing Texas & New Mexico Inc. MIDLAND DIVISION MIDLAND, TEXAS		
SITE FACILITY SCHEMATIC FLOW DIAGRAM LOVINGTON DEEP STATE #1 WILDCAT DEVONIAN LEA COUNTY, NEW MEXICO		
DRAWN A.L.W.	SCALE NONE	DWG. NO.
CHECKED	DATE 8/11/86	

Lovington Deep State #1
 823' FNL ± 581' FEL
 Lovington Deep State Amoco #1
 1980' FNL ± 660' FWL

 Pipeline
 Existing Roads
 Proposed Pipeline
 (Approx. 2400')

Mobil Producing
 Texas & New Mexico Inc.

Lovington Deep
 South Shoobar Field

DRAWN	SCALE	DWG. NO.
CHECKED	DATE	
APP.	CERT.	

R36 E

Sec 31

Lovington Deep
 State Amoco #1

Sec 6

R35 E

Sec 36

See Facility Diagram

Lovington Deep
 State #1

Proposed Pipeline
 Approx. 2400'

Sec 1

T16 S

T17 S

EQUIPMENT INVENTORY
LOVINGTON DEEP STATE #1
TANK BATTERY
WILDCAT DEVONIAN
LEA COUNTY, NEW MEXICO

1. Stock tank, crude oil storage, 500 bbl., 15.6' dia x 16' high, cone roofed, flat bottom, welded steel
2. Ditto
3. Ditto
4. Stock tank, produced water storage, 500 bbl., 15.6' dia. x 16' high, cone roofed, flat bottom, welded steel
5. Ditto
6. Heater treater, 250m BTU/hr, 3 phase separator, 4' dia. x 27 1/2' high
7. Gas scrubber separator, 36" dia x 10' high, 125# WP
8. LACT unit.
9. Test Treater

Mobil Producing Texas & New Mexico Inc.

P.O. BOX 633
MIDLAND, TEXAS 79702

MIDLAND DIVISION

September 24, 1986

State of New Mexico
Commissioner of Public Lands Office
Oil and Gas Division
P. O. Box 1148
Santa Fe, New Mexico 87501

Attn: Mr. Floyd D. Prando,
Director

7.01
Request to Commingle
Statewide Rule 309-A Exception
Mobil Producing TX. & N.M. Inc.
Lovington Deep State No. 1 and
Lovington Deep Amoco State No. 1
South Shoe Bar-Devonian Field
Lea County, New Mexico

Dear Mr. Prando:

Mobil Producing TX. & N.M. Inc. is applying to the New Mexico Oil Commisison for administrative approval authority to commingle production from the Lovington Deep Amoco State Well No. 1 (now drilling) with production from the Lovington Deep State No. 1. Permission to produce the well into a common facility after it is tested and metered, instead of using test tanks, is also requested. Test tanks will be used if necessary.

The wells to be commingled have common ownerships, working interest ownership and royalty ownership. There will be no decrease in value of the crude oil or casinghead gas because of commingling. Production will be tested and metered, using a positive displacement type meter, prior to commingling. Location of wells and pertinent data of wells to be commingled follows:

Lovington Deep State No. 1
823' FNL, 581' FEL, Unit A
Section 1, T-17-S, R-35-E
South Shoe Bar-Devonian Field

Lovington Deep Amoco State No. 1
1980' FNL, 660' FWL, Unit E
Section 6, T-17-S, R-36-E
South Shoe Bar-Devonian Field

<u>Well Name & No.</u>	<u>Gr.</u>	<u>Gr.</u>	<u>Current Production</u>		
	<u>60°F</u>	<u>Comm.</u>	<u>Oil</u>	<u>Gas</u>	<u>Water</u>
Lovington Deep State 1	49.96	49.96	598	341	85
Lovington Deep Amoco State 1	Anticipated to be same				

Attached, per Statewide Rule 309-A, are the following data:

1. \$30.00 check for filing fee
2. Well location map
3. Site facility schematic flow diagram
4. Equipment inventory list.

Your early approval of this application will be appreciated as the Lovington Deep Amoco State No. 1 will be potentialled in approximately four weeks. If additional information is needed, please call Lorraine Maroney at (915) 688-1773.

Yours very truly,

M. E. Sweeney

M. E. Sweeney *LSM*
Environmental & Regulatory Manager

LLMaroney/mp

xc: NMOCC, Santa Fe
NMOCC, Hobbs



JIM BACA
COMMISSIONER

State of New Mexico
OFFICE OF THE
Commissioner of Public Lands
Santa Fe

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

October 15, 1986

Mobil Producing Texas and New Mexico Inc.
Attn: Mr. M. E. Sweeney
P. O. Box 633
Midland, Texas 79702

Re: Request to Commingle Statewide
Rule 309-A Exception Mobil
Producing Tx. & N.M. Inc.
Lovington Deep State No. 1 and
Lovington Deep Amoco State No. 1
South Shoe Bar-Devonian Field,
Lea County, New Mexico

Gentlemen:

Reference is made to your application dated September 29, 1986, wherein you have requested our approval to commingle production from the Lovington Deep Amoco State Well No. 1 (now drilling on State Lease No. B-10639-2) with production from the Lovington Deep State Well No. 1 located on State Lease No. LG-3362-3.

It is our understanding that there will be no decrease in the value of crude oil or casinghead gas because of commingling, and that the production will be tested and metered, using a positive displacement type meter, prior to commingling.

You are hereby given approval to the above request. This approval is subject to being withdrawn at the discretion of the Commissioner of Public Lands, if in his opinion, the operation proves to be unsound or otherwise against the best interest of the State of New Mexico. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

As per our telephone conversation on this date with Ms. Lorraine Maroney of your office it was discussed that a Right-of-Way might be needed across the E/2NE/4 of Section 1-17S-35E. Please contact Mr. Dwain Glidewell of our Surface Bureau at (505) 827-5728 for further information. Our approval will also be conditioned upon you meeting this requirement.

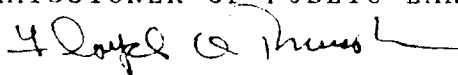
Mobil Producing Texas & New Mexico Inc.
October 15, 1986
Page 2

If we may be of further help please do not hesitate to call on us. Your filing fee in the amount of Thirty (\$30.00) Dollars has been received.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY:


FLOYD O. PRANDO, Director
Oil and Gas Division
(505) 827-5744

JB/FOP/pm

cc: OCD-Santa Fe, New Mexico Attention: Mr. David Catanach
State Lease No. B-10639-2
State Lease No. LG-3362-3