



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Jennifer A. Salisbury**  
Cabinet Secretary

**Lori Wrotenbery**  
Director  
Oil Conservation Division

## *AMENDED COMMINGLING ORDER PLC-139*

Conoco Inc.  
10 Desta Drive  
Suite 100W  
Midland, Texas 79705-4500

Attention: Ms. Ann Ritchie

The above named company is hereby authorized to commingle Warren-McKee (Oil - 63270), Warren-Devonian (Oil - 62990) and Eumont (Yates-Seven Rivers-Queen) (Oil - 22800) Pool production from the following leases:

Lease: Warren McKee (Wells No. 27 and 128)  
Description: SW/4 SE/4, E/2 SE/4 of Section 20, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico;

Lease: Warren McKee (Well No. 7)  
Description: NW/4 NE/4 of Section 29, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico;

Lease: Warren Unit (Well No. 85)  
Description: NW/4 SW/4 of Section 29, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico.

Production shall be allocated to each lease by separately metering the production from each lease prior to commingling.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 309-B of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

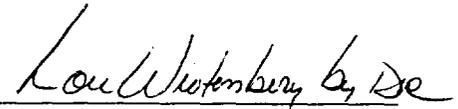
REMARKS: The commingled production shall be stored in the Warren McKee tank battery facility located in the NW/4 SE/4 of Section 29, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico.

FURTHER: The operator shall notify the supervisor of the Hobbs district office prior to implementation of commingling operations.

Amended Administrative Order PLC-139  
Conoco Inc.  
January 4, 2002  
Page 2

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DONE at Santa Fe, New Mexico, on this 4th day of January, 2002.

A handwritten signature in cursive script, appearing to read "Lori Wrotenbery by De".

LORI WROTENBERY,  
Division Director

LW/DRC

cc: Oil Conservation Division – Hobbs  
U.S. Bureau of Land Management - Carlsbad

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION COVERSHEET**

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR

RECEIVED  
 NOV 19 11 21 AM '01

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or  Does Not Apply

- [A]  Working, Royalty or Overriding Royalty Interest Owners
- [B]  Offset Operators, Leaseholders or Surface Owner
- [C]  Application is One Which Requires Published Legal Notice
- [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F]  Waivers are Attached

[3] **INFORMATION / DATA SUBMITTED IS COMPLETE** - Certification

I hereby certify that I, or personnel under my supervision, have reviewed the applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common.

*I understand that any omission of data (including API numbers, pool codes, etc.), pertinent information and any required notification is cause to have the application package returned with no action taken.*

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Ann E. Ritchie

Print or Type Name

[Signature]

Signature

Regulatory Agent

Title

11-14-01

Date

e-mail Address

November 5, 2001

New Mexico Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Att: Mr. David Catanach, Engineering

RE: **Conoco, Inc.**, Warren Unit, Well #85, Eumont Yates Seven Rivers Queen (oil) Pool,  
(22800), Lea County, New Mexico  
Warren McKee Tank Battery, Section 29, T20S, R38E, Surface Commingling

Dear Mr. Catanach,

Conoco, Inc. has applied to recomplate their Warren Unit, Well #85, 1980' FSL & 430' FWL, Section 29, T20S, R38E, API #30 025 27091 in the Eumont Yates Seven Rivers Queen pool. This well has been temporarily abandoned with perforations from 5803'-6030' with a CIBP/PBTD @ 5739'. Conoco plans to produce the well from the Seven Rivers formation.

The Warren McKee battery currently serves the Warren McKee Wells #7, #27 and #128. These wells are within the Warren McKee participating area (PL#6828855). The Warren Unit, Well #85 does not have the same ownership as the Warren McKee PA. The ownership listing is attached and copies of this application request have been sent to each owner on this date.

The Warren McKee battery is a sweet battery with 45.5 API gravity crude with production at an approximate rate of 250-280 bbls of crude oil per day. The anticipated rate of crude oil production from the Warren Unit, Well #85 recompletion in the Seven Rivers is 35 bbls of 38 API gravity crude oil per day. This rate of production will not cause the crude to change below the 40 degree gravity that the battery is currently deemed and will not cause the crude oil to go sour. The Warren McKee crude is .08% sulfur; the Eumont in offsetting areas is a maximum of 1.35% sour. The total production would have to go to .5-wt % sulfur to have a sour designation.

The anticipated gas rate for the recompletion is 350 mcf per day that will be metered separately. The ability to run the crude oil to the existing Warren McKee battery will reduce recompletion costs by approximately \$50,000.00 and eliminate the environmental exposure of another battery in this section.

Please see attached the ownership listing for Warren McKee, Well #7, #27 & #128 (wells going into Warren McKee battery) and the ownership listing for the Warren Unit, Well #85. Also attached is the current battery diagram, along with a map of the area and the offset operator listing.

Yours truly,



Ann E. Ritchie, Regulatory Agent  
Conoco, Inc.

10 Desta Dr., Suite 100W  
Midland, TX 79705

(915) 684-6381, (915) 682-1458-fax; e-mail: [Wtor1948@aol.com](mailto:Wtor1948@aol.com)

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**Conoco, Inc.**  
Warren McKee battery  
Surface Commingling Application  
Warren Unit, Well #85

cc: Reesa Wilkes-Conoco/Midland, Bill Burns-Conoco/Midland  
Bureau of Land Management-Roswell, Oil Conservation Division-Hobbs  
Ownership as listed

attachments: Ownership listing, battery diagram, plat

**Conoco, Inc.**

Warren Unit #85, Section 29, T20S, R38E-Warren McKee battery  
Surface Commingling Application

Ownership listing:

Chevron USA, Inc., P.O. Box 840592, Dallas, TX 75284

Boys & Girls Clubs of America, Att: National Headquarters, 1230 West Peachtree  
Street NW, Atlanta, GA 30309-3404

Apache Corp., Att: Julia North, P.O. Box 840133, Dallas, TX 75284-0133

Boyer/Coleman/Spitler/Collection TR #1, c/o Bank of America NA Trustee  
P.O. Box 840738, Dallas, TX 75284

Chloe Blair Trust, Att: Mike Floyd, Trustee, P.O. Box 868, Borger, TX 79008-0868

Elks National Foundation, Att: Jim O'Kelley, Director, 2750 North Lakeview Ave.,  
Chicago, IL 60614-1842

Molly M. Azopardi, P.O. Box 620, Wimberley, TX 78676-0620

New Mexico Boys Ranch, Att: Business Office, 6209 Hendrix NE, Albuquerque, NM  
87110-1334

Atlantic Richfield Company, P.O. Box 0910355, Dallas, TX 75391-0355

Leonard Trust, Att: R. J. Leonard Trustee, P.O. Box 400, Roswell, NM 88202-0400

Timothy Leonard, P.O. Box 2625, Eagle Pass, TX 78853-2625

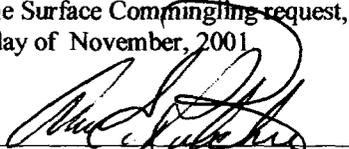
Conoco, P.O. Box 1267, Ponca City, OK 74602-1267

Minerals Management Service, Att: Onshore Federal #17555, P.O. Box 5810,  
Denver, CO 80217-5810

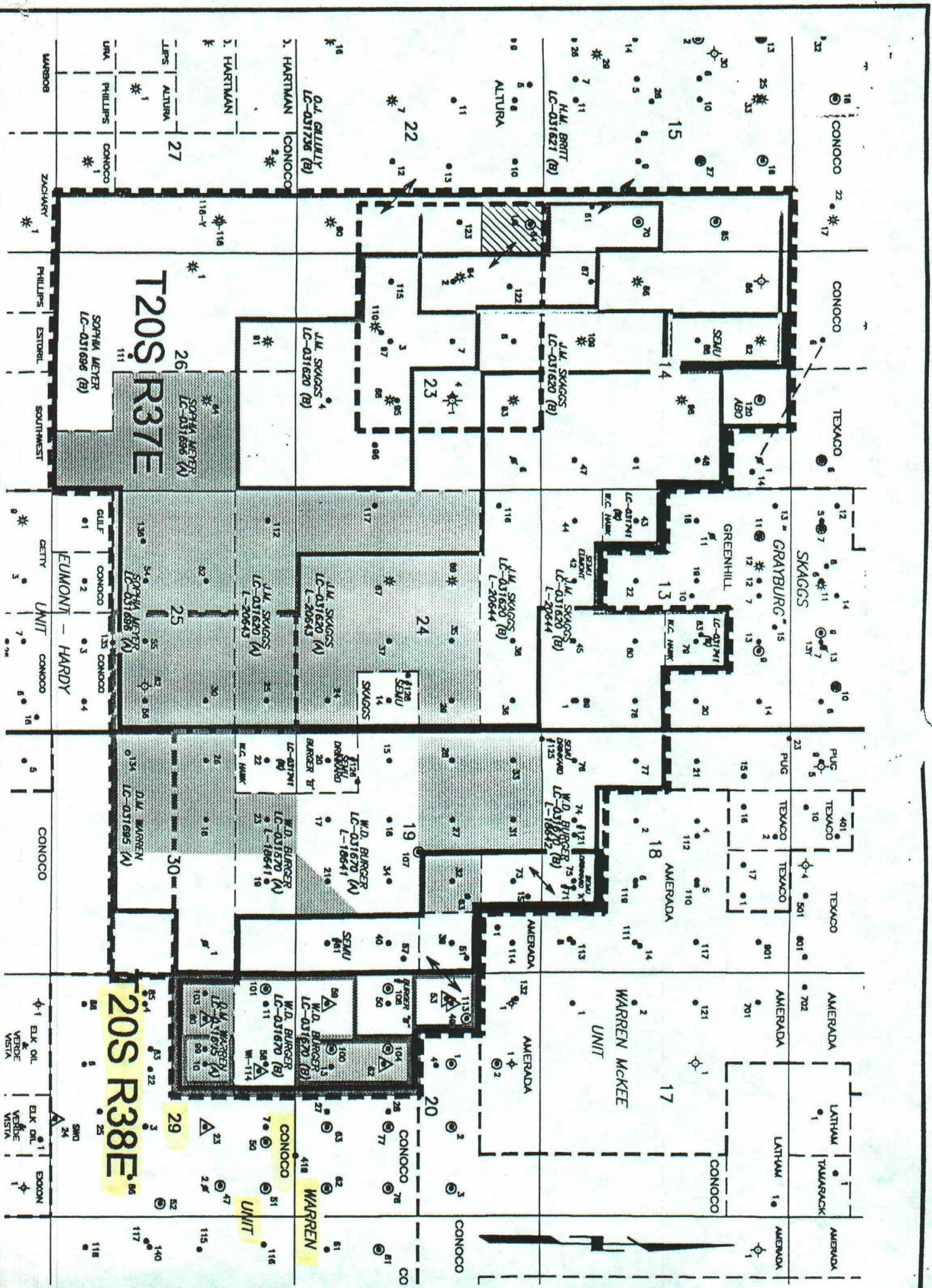
Shattuck St. Mary's School, P.O. Box 218, Fairbault, MN 55021-0218

University of New Mexico, Att: UNM Pre-Audit Dept., Sholes Hall Room #251,  
Albuquerque, NM 87131-3011

Copies of the Surface Commingling request, along with the area plat were sent to above stated parties on  
this the 9<sup>th</sup> day of November, 2001.



Ann E. Ritchie, Regulatory Agent  
Conoco, Inc.  
10 Desta Dr., Suite 100W  
Midland, TX 79705  
(915) 684-6381, (915) 682-1458-fax



**SEMU UNIT BOUNDARY**

- DEVONIAN P/A C-4224-07
- TUBB 'A' P/A C-4224-05
- DRINKARD P/A C-4224-10
- EUMONT P/A C-4224-04
- MCKEE P/A C-4224-06
- BLINEBERRY 'A' P/A C-4224-03
- BLINEBERRY P/A C-4224-08
- PERMIAN P/A C-4224-09
- GRAYBURG FORM.
  - C-4224-01 (LOWER PERM.)
  - C-4224-02 (UPPER PERM.)
- STRAWN P/A

ARCO SALE C-49108 7.5% ORRI

DATE: 2/2/00

DRAWN BY: glg

CHECKED BY:

APPROVED BY:

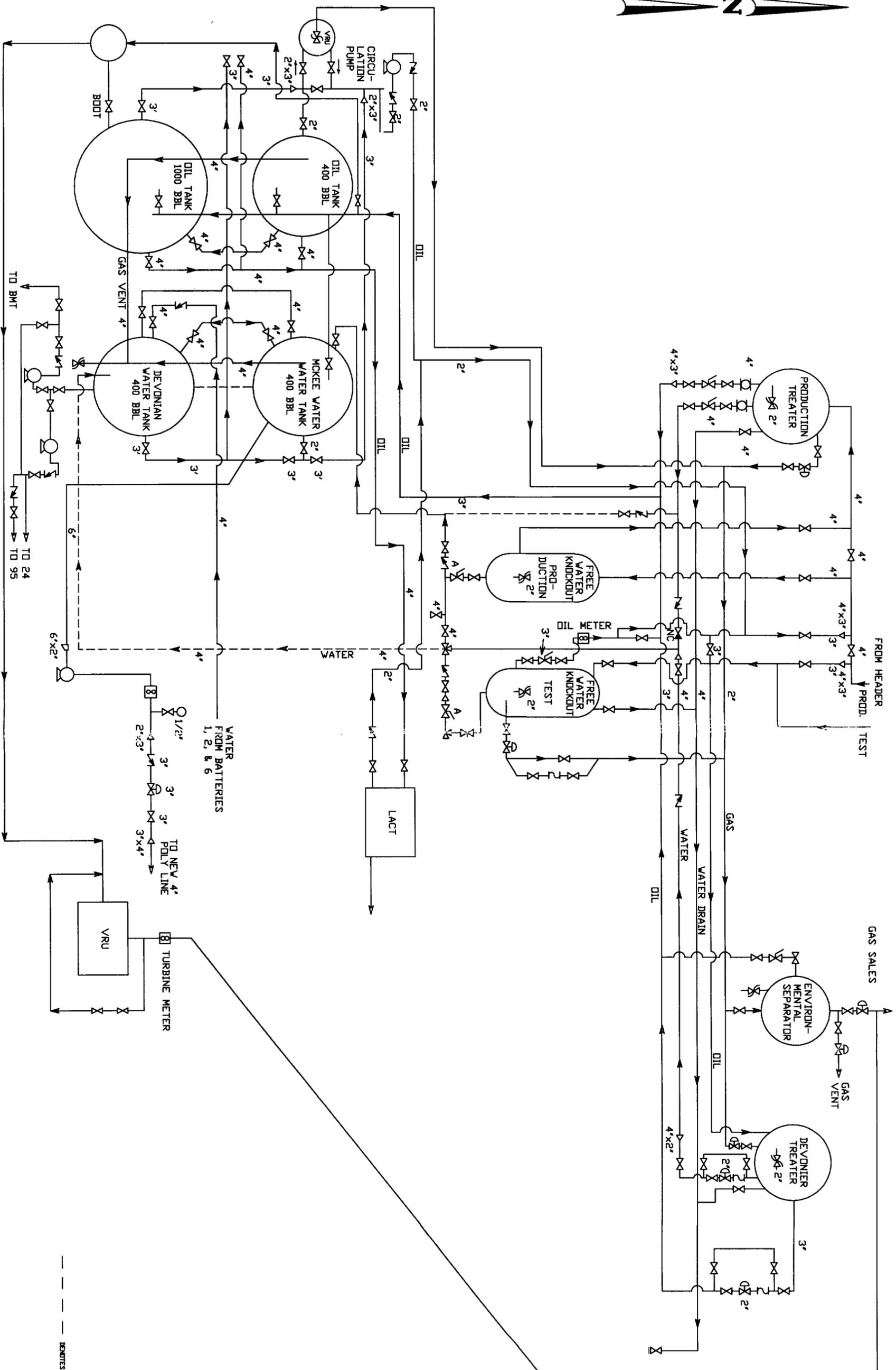
SCALE: 1" = 2640'

STATE PLANE COORDINATES REFERRED TO NAD27 - NEW MEXICO EAST STATE PLANE COORDINATES ZONE - 3001

**CONOCO** EPNGNA  
MIDLAND DIVISION  
SOUTHEAST MONUMENT UNIT AREA  
LEA COUNTY  
NEW MEXICO

CONOCO INC. OFFICE  
10 DESTA DRIVE WEST  
MIDLAND, TEXAS 79705

STATE	AP <sup>1</sup>	COUNTY	DRAWING
30	\	025	SEMU-UNT



**PIPING LEGEND**

- GAS
- OIL
- WATER
- CIRCULATING
- AIR SUPPLY
- VAPOR RECOVERY
- 3 PHASE FLOWLINE

THIS FACILITY IS IN COMPLIANCE WITH CONOCO INC. MIDLAND DIVISION SITE SECURITY PLAN. PLAN LOCATED AT: CONOCO INC. OFFICE 10 DESTA DRIVE WEST MIDLAND, TEXAS 79705

**VALVE LEGEND: POSITION/MODE**

1. CLOSE/SALE
2. OPEN/SALE
3. CLOSED/PRODUCTION
4. OPEN/PRODUCTION

**REVISIONS**

NO.	DESCRIPTION	DATE	BY	NO.	DESCRIPTION	DATE	BY
1	ADD VRU/GAS LINE	4/94	FM				
2	REV. PER MARK-UP	11/96	DR				
3	REV. PER MARK-UP	11/98	ECA				
4	REV PER MARK-UP	2/99	JSG				

**REVISIONS**

NO.	DESCRIPTION	DATE	BY	NO.	DESCRIPTION	DATE	BY

DATE: SEPTEMBER 12, 1991

DRAWN BY: FRANCIS MARTIN
DESIGN BY: CELTON DODLEY
CHECKED BY: SAME
APPROVED BY: SAME

**Conoco** EPNGNA  
MIDLAND DIVISION  
WARREN MCKEE TANK BTRY,  
LEA COUNTY, NEW MEXICO  
UNIT 7-29-T20S-R38E  
FED. LEASE NO. 071316958  
DRAWING NO. TB1314

## Catanach, David

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**From:** Catanach, David  
**Sent:** Tuesday, December 11, 2001 8:51 AM  
**To:** Ann Ritchie (E-mail)  
**Subject:** Conoco App

Ann. Got a few questions about your latest Conoco application.

From what pool or pools are the Warren Mckee Wells No. 7, 27 and 128 producing from?

What acreage is dedicated to each of these wells?

Is this state, federal or fee lands?

What leases (and lease numbers are involved)?

Were all interest owners notified, including those for the Warren Unit No. 85?

Again, because the ownership is not the same, all production from the #85, including oil, will have to be metered separately prior to commingling.

I will continue to process your application after I receive this data. If you have any questions, call me at (505) 476-3466

DRC

## Catanach, David

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**From:** Maddox, M. Kay [M-Kay.Maddox@conoco.com]  
**Sent:** Thursday, December 13, 2001 11:03 AM  
**To:** DCATANACH@state.nm.us  
**Subject:** Warren Unit # 85 Surface commingle application

Mr. Catanach,

In answer to your questions to Ann about the Surface Commingle application for the Warren unit # 85 to add the Eumont to the Warren Mckee Tank Battery -

First - FYI there is already a Surface Commingle Order allowing the Warren Mckee and Warren Devonian to be commingled at this battery - Order PLC-139.

The Warren #7 is producing from the Warren Devonian (62990) and has 40 acres dedicated to it. The well is on Federal lease # LC 031670B. This well is not commercial therefore it is Not in a Devonian participating area and is paid on a lease basis.

The Warren # 27 is producing from the Warren Mckee Simpson (63270) and has 40 acres dedicated to it. The well is on Federal Lease # LC 031670B also. This well is part of the Warren Mckee participating area.

The Warren # 128 is a horizontal well producing from the Warren Simpson Mckee (63270) and has 80 acres dedicated to it. The surface location of this well is on Federal Lease # LC 031695B and the bottom hole location is on Federal Lease # LC 031670B. This well was a commercial well and is a part of the Warren Mckee Participating area.

Yes - all owners were notified including those for the Warren Unit #85.

I hope that this answers all your questions. If not please let me know (915) 686-5798. Ann is recuperating from surgery - I told her she has until January 1 - then I am eagerly handing these surface commingles back to her!!!

## Catanach, David

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**From:** Wtor1948@aol.com  
**Sent:** Thursday, December 13, 2001 9:25 AM  
**To:** DCATANACH@state.nm.us  
**Subject:** Re: Conoco App

David,

I am sorry I am just getting back to you - I had surgery last week and Kay will be taking care of checking on all wells going into the battery and the ownership.

Thank you,

Ann Ritchie/WTOR