



Value of liquid hydrocarbons @ 40° - 44.9° API gravity:

Dakota	\$2.75 per barrel
Gallup	\$2.75 per barrel
Commingled	\$2.75 per barrel

Anticipated daily production:

Dakota	45 BOPD
Gallup	40 BOPD
Total	85 BOPD

3. A schematic diagram of the proposed installation, which will accurately measure the liquid hydrocarbons prior to commingling is marked Exhibit "A" and attached hereto and made a part hereof. It should be noted that in the first separator of each zone there is no metering device for the gas. It is anticipated that the gas will be metered accurately by the purchaser thereof. Also in the first separator of the Dakota production there is no meter for water inasmuch as the production of water from the Dakota formation has been negligible.

4. A plat showing the location of all wells on the Applicant's lease and the pool from which each well is producing is marked Exhibit "B" attached hereto and made a part hereof. The pools are indicated by the following symbols:

KPC	- Picture Cliff
KGA	- Gallup
KD	- Dakota

✓ 5. On May 12, 1961, a copy of this application was mailed to El Paso Natural Gas Company, P. O. Box 997, Farmington, New Mexico, by the attorney of the Applicant, William M. Griffith.

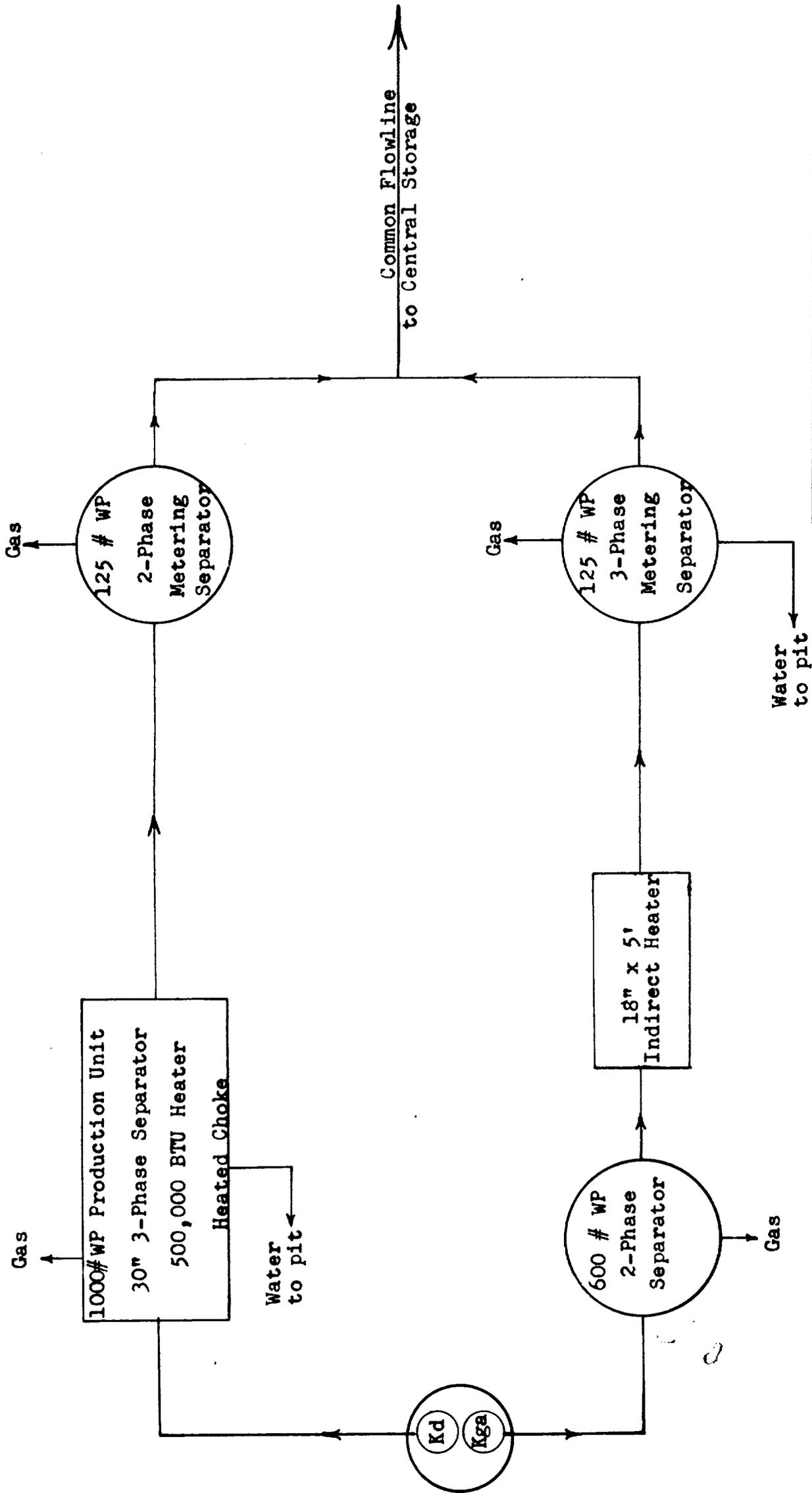
6. The actual commercial value of the commingled production will be the same as the sum of the values of the production from each common source of supply.

WHEREFORE, the Applicant respectfully moves the commission to enter an order approving the commingling of production as requested in this application.

Respectfully submitted,

CONTINENTAL OIL COMPANY

By William M. Griffith  
Its Attorney

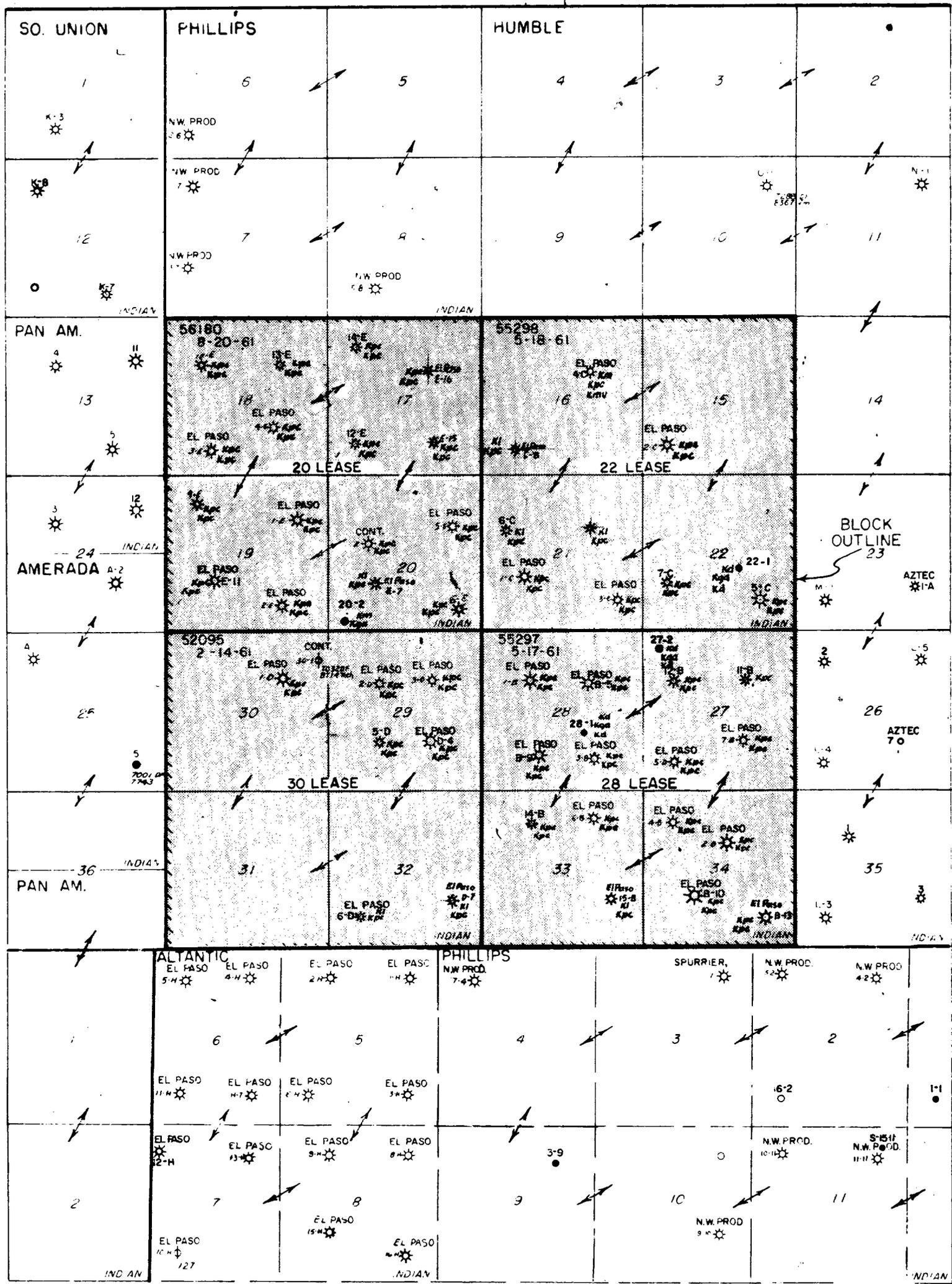


Schematic Diagram of Treating Facilities  
For Jicarilla Apache 22-22 No. 1  
(Dakota and Gallup Production Commingled)

R 4 W

T 25 N

T 24 N



Jm — Total Depth Formation  
 Kpc — Producing Formation  
 Kga — Producing Formation

POSTER

Note. Shallow Gas rights farmed out to El Paso Natural Gas Company under Contract No 8879  
 Entire block within K.G.S.

WEST LINDRITH BLOCK NO. 207  
 RIO ARRIBA CO., N. MEX.