

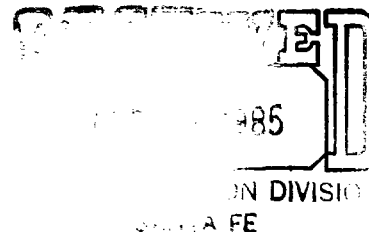


Donald W. Johnson
Division Manager
Production Department
Hobbs Division
North American Production

Conoco Inc.
P.O. Box 460
726 East Michigan
Hobbs, NM 88240
(505) 393-4141

April 12, 1985

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501



Attention Gilbert Quintana

Dear Sir:

Surface Commingling, Lockhart B-11 Lease, Section 11, T-21S, R-37E, Lea County, NM

Surface commingling of the production from the Terry-Blinebry, Drinkard, Brunson, Hare, and Wantz-Abo oil pools and the Blinebry gas pool on the subject lease began in 1962 under Administrative Order PC-97. This order required that the Terry-Blinebry, Drinkard and Wantz-Abo oil pools and Blinebry gas pool be metered separately.

Four of the lease's wells have since been downhole commingled involving the Drinkard, Wantz Abo, and Blinebry and oil and gas pools. Because of this downhole commingling, we began allocating production to each pool by well tests instead of using separate metering facilities. We cannot, however, find evidence that permission to allocate in this manner was ever granted by the Oil Conservation Division. Therefore, Conoco Inc. hereby requests your approval of this arrangement.

Attached is a copy of your order PC-97, Bureau of Land Management's approval, form C-115 showing current production volumes for the wells and a lease plat. If you have any questions, please contact Coleen Bose at ext. 120 of this office.

Yours very truly,

RCB:jr
Attachments

GOVERNOR
EDWIN L. MECHEM
CHAIRMAN

ILLEGIBLE

State of New Mexico
Oil Conservation Commission

LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER



P. O. BOX 871
SANTA FE

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY & DIRECTOR

September 7, 1962

Continental Oil Company
P. O. Box 1377
Roswell, New Mexico

*Copy to Executive
9-11-62
[initials]*

Attention: Mr. A. B. Slaybaugh

Administrative Order PC-97

Gentlemen:

Reference is made to your application dated September 5, 1962, for administrative approval of an exception to Rule 303 (a) of the Commission Rules and Regulations to permit the commingling of the production from the Terry-Blinebry, Drinkard, Brunson, Hare, and Wantz-Abo Oil Pools and the liquid hydrocarbon production from the Blinebry Gas Pool on your Lockhart B-11 Lease comprising the N/2 and SE/4 of Section 11, Township 21 South, Range 37 East, Lea County, New Mexico, after separately metering the production from the Terry-Blinebry, Drinkard, and Wantz-Abo Oil Pools and the liquid hydrocarbon production from the Blinebry Gas Pool, and determining the combined Brunson and Hare Oil Pool production by means of the subtraction method. Allocation of individual Brunson and Hare production will be on the basis of six months' well tests.

By the authority vested in me under the provisions of Rule 303 (b) of the Commission Rules and Regulations, you are hereby authorized to commingle the production from the aforesaid pools on said lease in the above-described manner. Provided however, that the installation shall be operated in accordance with the provisions of the Commission "Manual for the Installation and Operation of Commingling Facilities"; and provided further however that you shall immediately notify the Commission at such

PC-97

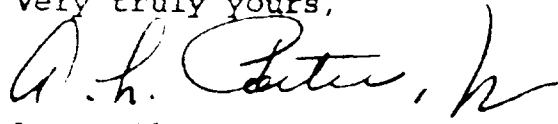
-2-

September 7, 1962

Continental Oil Company
Roswell, New Mexico

time as any well in either the Brunson or the Hare Oil Pools becomes capable of top allowable production.

Very truly yours,

A handwritten signature in dark ink, appearing to read "A. L. Porter, Jr.", with a stylized flourish at the end.

A. L. PORTER, Jr.,
Secretary-Director

ALP/DSN/esr

cc: Oil Conservation Commission (with enclosure) - Hobbs

Oil & Gas Engineering Committee - Hobbs

CONOCO

Copy sent to file
10-01-83

Mark K. Mosley
Division Manager
Production Department
Hobbs Division
North American Production

September 26, 1983

Bureau of Land Management
1717 West 2nd Street
Roswell, NM 88201

RECEIVED	
HOBBS DIVISION	
OCT 07 '83	
Div. Manager	
Asst. Div. Mgr.	
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Cons. Chief	
Training Coord.	
Adm. Supt. - APPL	
Adm. Serv. Supt.	
Sup. Prod. Engr.	
Sup. Resv. Engr.	
Prod. Supt. - H-I	
Prod. Supt. - H-II	
Prod. Supt. - F	

Conoco Inc.
P.O. Box 460
726 E. Michigan
Hobbs, NM 88240
(505) 393-4141

Operator



Gentlemen:

Please refer to your letter of June 6, 1962 approving surface commingling of production from the Wantz Abo, Brunson, Drinkard, Hare, and Terry Blinebry oil pools, and the Blinebry gas pool on the Lockhart B-11 Lease, Section 11, T-21S, R-37E, Lea County, New Mexico, lease LC-032096 (b). Production from all pools, except the Brunson and Hare oil pools, was to be separately metered.

Four of the lease's wells have since been downhole commingled involving the Drinkard, Wantz Abo, and Blinebry oil and gas pools. Because of this downhole commingling, we began allocating production to each pool by well tests instead of utilizing separate metering facilities. We cannot, however, find evidence that permission to allocate in this manner was ever granted by the Bureau of Land Management. Therefore, Conoco Inc. hereby seeks your approval of this arrangement. Data and documentation relative to this matter are as follows:

- 1) A copy of the BLM's original authorization to commingle is attached.
- 2) A lease plat and an updated battery schematic are attached.
- 3) The accompanying Form 9-329 shows current production amounts and types.
- 4) All ownership is common, and by copy of this letter we are notifying all other owners of our intent to commingle.
- 5) Because all the zones are already commingled, values will not be reduced by this action.

If you have any questions concerning this matter, please advise. Thank you for your assistance.

Yours very truly,

MR Mosley

CLF:cyg
Attachments
cc: NMFU Partners (Amoco, Arco, Chevron)

SUBJECT TO STATE
APPROVAL BY STATE

APPROVED
P. Ritschke
OCT 6 1983

NEW MEXICO OIL CONSERVATION COMMISSION

P O BOX 2088 SANTA FE, NEW MEXICO
OPERATOR'S MONTHLY REPORT

(ADDRESS)

(COMPANY OR OPERATOR)

STATE LAND LEASE NUMBER OR FEDERAL LEASE NUMBER	POOL NAME LEASE NAME WELL NO. UNIT LETTER, SEC., TWP., RNG. AND WELL STATUS	WATER INJECTION		TOTAL LIQUIDS PRODUCED			GAS PRODUCED MCF	OIL ON HAND END OF MONTH	DISPOSITION OF GAS				DISPOSITION OF OIL				OIL ON HAND END OF MONTH		
		VOLUME	PRESSURE	MONTHLY OIL ALLOWABLE	ACTUAL BARRELS PRODUCED	BARRELS OF WATER PRODUCED			SOLD	TRANS- PORTER	OTHER	C O D E	BARRELS TO TRANS- PORTER	TRANS- PORTER	OTHER	C O D E			
	WANTZ ABO																		
	LOCKHART B-11			COMM. NO. 1621															
71032096B	1 D 11 21S 37E P			140	35		739 23												
071032096B	3 E 11 21S 37E P			112	86		772 28												
071032096B	17 G 11 21S 37E P			112	49	65	401 21												
	POOL TOTAL			364	170	65	1912			1910	GTY	2 U				TNM			
	BATTERY			3752	2034	933	23391			23371	GTY	20 U		2144		INM			60
	TOTAL																		

NEW MEXICO OIL CONSERVATION COMMISSION

P. O. BOX 2088 SANTA FE, NEW MEXICO
OPERATOR'S MONTHLY REPORT

Conoco Inc. TEL 505 393-4141 P O BOX 460 HOBBS NEW MEXICO FOR MONTH FEBRUARY 85 PAGE 304 OF 304

STATE LAND LEASE NUMBER OR FEDERAL LEASE NUMBER	POOL NAME LEASE NAME WELL NO. UNIT LETTER, SEC., TWP., RNG AND WELL STATUS	WATER INJECTION		TOTAL LIQUIDS PRODUCED			GAS PRODUCED MCF	OIL PRODUCED BBL	DISPOSITION OF GAS			DISPOSITION OF OIL			OIL (OZ) HAND ENDING MONTH	
		VOLUME	PRESSURE	MONTHLY OIL ALLOWABLE	ACTUAL BARRELS PRODUCED	BARRELS OF WATER PRODUCED			SOLD	TRANS- PORTER	OTHER	C O D E	BARRELS TO TRANS- PORTER	TRANS- PORTER		OTHER
	HLINEBRY OIL AND GAS															
	LOCKHART B-11			COMM. NO. 1621												
0710320968	2 D 11 21S 37E P			140	86	22	814	28								
0710320968	3 E 11 21S 37E P			168	107	21	864	28								
0710320968	4 C 11 21S 37E P			56	22	22	857	28								
0710320968	7 A 11 21S 37E S															
0710320968	8 D 11 21S 37E P			56	21	21	921	28								
0710320968	9 A 11 21S 37E P			168	108		729	28								
0710320968	10 H 11 21S 37E P			280	150	192	1328	28								
0710320968	11 I 11 21S 37E P			168	107		814	28								
0710320968	12 B 11 21S 37E P			196	150	21	2421	28								
0710320968	13 P 11 21S 37E P			140	60		995	28								
0710320968	14 G 11 21S 37E F			84	64	21	686	28								
0710320968	15 J 11 21S 37E P			392	64		364	28								
0710320968	16 F 11 21S 37E P			168	193	64	2335	28								
	POOL TOTAL			2016	1132	384	13228		13215	GTU				13	U	TNM

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P PUMPING
G GAS LIFT
S SHUT IN
T TEMP. ABANDONED
I INJECTION
D DISCONTINUED

"OTHER" GAS DISPOSITION CODE

X USED OFF LEASE
D USED FOR DRILLING } (DETAIL ON FORM C-11)
G GAS LIFT
L LOST (MCF ESTIMATED)
E EXPLANATION ATTACHED
R REPRESSURING OR PRESSURE MAINTENANCE
V VENTED
U USED ON LEASE

"OTHER" OIL DISPOSITION CODE

C CIRCULATING OIL
L LOST
S SEDIMENTATION (BS & W)
E EXPLANATION ATTACHED

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

(SIGNATURE) (DATE) (POSITION)

13-477X4, 7-79

NEW MEXICO OIL CONSERVATION COMMISSION

P.O. BOX 2088 SANTA FE, NEW MEXICO
OPERATOR'S MONTHLY REPORT

Conoco Inc. TEL 505 393-4141 P O BOX 460 HOBES, NEW MEXICO FOR MONTH FEBRUARY 85 PAGE 550 OF 550

STATE LAND LEASE NUMBER OR FEDERAL LEASE NUMBER	POOL NAME LEASE NAME WELL NO. UNIT LETTER, SEC., TWP., RNG. AND WELL STATUS	WATER INJECTION		TOTAL LIQUIDS PRODUCED			GAS PRODUCED MCF	SOL OIL	DISPOSITION OF GAS			DISPOSITION OF OIL			OIL ON HAND END OF MONTH
		VOLUME	PRESSURE	MONTHLY OIL ALLOWABLE	ACTUAL BARRELS PRODUCED	BARRELS OF WATER PRODUCED			SOLD	TRANS- PORTER	OTHER	BARRELS TO TRANS- PORTER	TRANS- PORTER	OTHER	
	DRINKARD														
	LOCKHART B-11			COMM. NO. 1621											
071032096B	2 D 11 21S 37E P			56	21	21	257	25							
071032096B	4 C 11 21S 37E P			56	21		557	28							
071032096B	5 B 11 21S 37E P			252	171	128	1692	25							
071032096B	6 A 11 21S 37E P			140	108	65	793	25							
071032096B	8 O 11 21S 37E P			84	21	21	1135	28							
071032096B	10 H 11 21S 37E P			112	64	85	578	23							
071032096B	11 I 11 21S 37E P			112	64		535	25							
071032096B	15 J 11 21S 37E P			252	129	21	1414	28							
071032096B	16 F 11 21S 37E P			28	21		342	23							
071032096B	17 G 11 21S 37E P			280	112	145	948	21							
	POOL TOTAL			1372	732	484	8251		8246	GTU	S U		TNM		

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"OTHER" GAS DISPOSITION CODE

X... USED OFF LEASE
D... USED FOR DRILLING
L... GAS LIFT
G... GAS LIFT
L... LOST (MCF ESTIMATED)
E... EXPLANATION ATTACHED
R... REPRESSURING OR PRESSURE MAINTENANCE
V... VENTED
U... USED ON LEASE

"OTHER" OIL DISPOSITION CODE

C... CIRCULATING OIL
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E... EXPLANATION ATTACHED

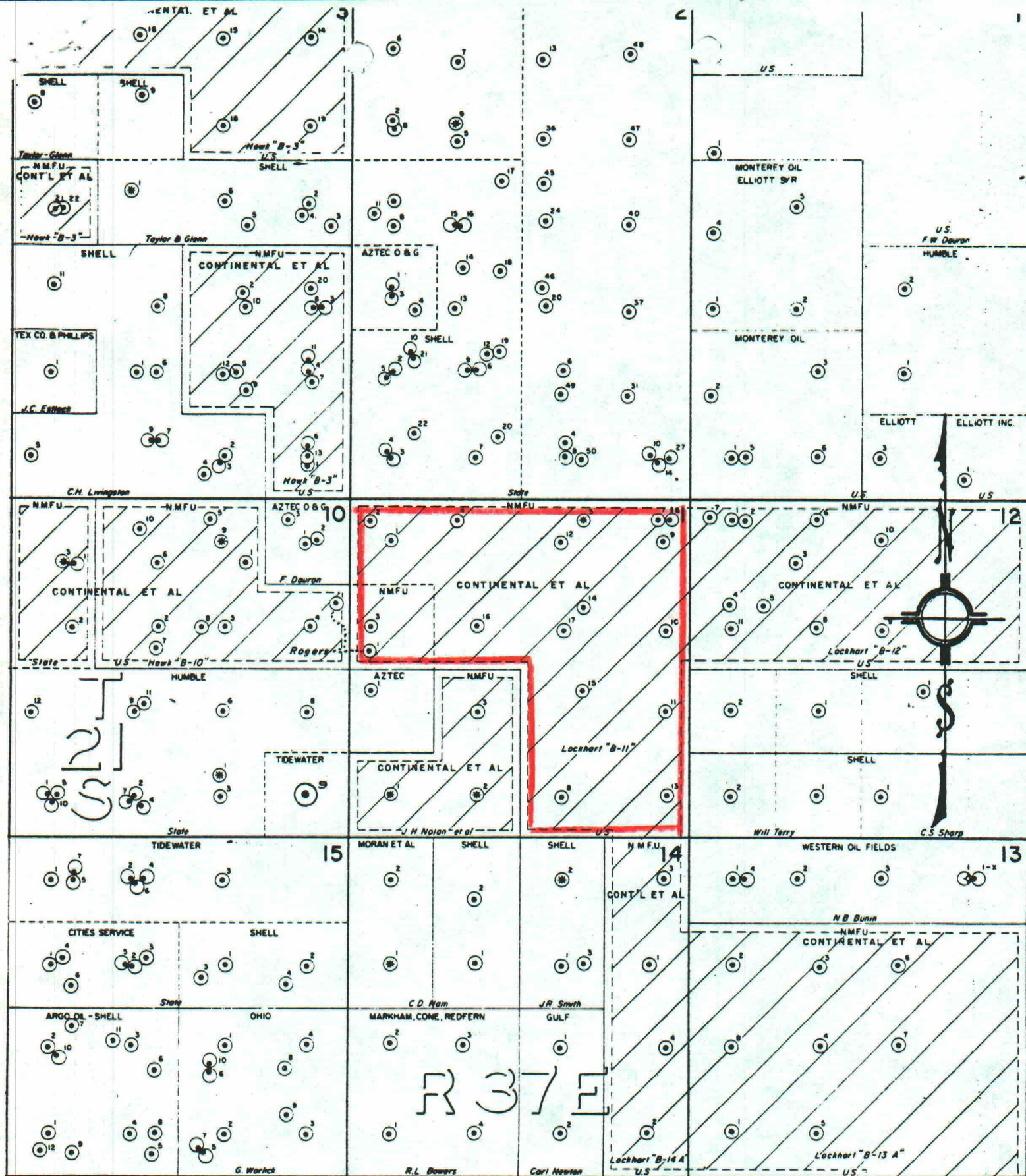
THE BEST OF MY KNOWLEDGE.

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE.

(SIGNATURE)

(DATE)

(POSITION)



CONTINENTAL OIL COMPANY
 PRODUCTION DEPARTMENT
 HOBBS DIVISION
 LOCKHART B-11 LEASE PLAT
 LEA COUNTY, NEW MEXICO