

PC 256

110 21

3162 (067)
LC-032096-A

JUN 14 1991

Conced. ~~_____~~
Attn.: Mr. Jerry Hoover
10 Desta Drive West
Midland, TX 79705-4514

RE: LC-032096-A
~~Lockhart A-27 Lease~~
N $\frac{1}{2}$ Sec. 27, T21S, R37E
Lea County, New Mexico

Gentlemen:

Your request to ~~surface commingle~~ production from the Paddock Formation with the Blinebry, Tub, Drinkard, and Abo Production from the Lockhart A-27 Lease, is hereby approved.

As stated in your application, production allocation will be made based on well tests. Also, it is our understanding that commingling is based on economics and will not result in reduced royalty.

This approval is subject to the concurrence of the New Mexico Oil Conservation Division.

Please contact Adam Salameh at (505) 887-6544 or at the letterhead address if any further information is required.

Sincerely,

Orig. Signed by Richard L. Manus

Richard L. Manus
Area Manager

cc: NM (065, B. Lopez)
NM (067, A. Salameh)
NM (067A, K. Haston)

NMOCD - Attn.: Mr. D. R. Catanach
P. O. Box 2088
Santa Fe, NM 87504



7/1 21 1038 1011 2111
Midland Division
Exploration and Production

Conoco Inc.
10 Desta Drive West
Midland, TX 79705-4514
(915) 686-5400

May 29, 1991

Mr. William LeMay
State of New Mexico
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

Dear Mr. LeMay:

**Request For Administrative Amendment Of
Commingling Order PC-256 To Authorize The
Surface Commingling Of Paddock Production
From the Lockhart A-27 Lease With The
Currently Approved Commingled Blinebry, Tubb,
Drinkard, And Abo Production From The Same Lease**

Conoco Inc. requests administrative authorization to commingle Paddock production from its Lockhart A-27 Lease (N/2, Sec. 27, T-21S, R-37E) with the Blinebry, Tubb, Drinkard, and Abo production from this lease, which is already approved for commingling by Commingling Order PC-256.

1. Attached is a copy of the amended Commingling Order PC-256 which approved the commingling of Blinebry, Tubb, Drinkard, and Abo production from the Lockhart A-27 Lease. Production from all of these formations is currently marginal and production is allocated by well test for these four pools.
2. Also attached is a map of the Lockhart A-27 Lease which identifies all of the wells on this lease and the pools from which each well is producing.
3. A recent recompletion in the Lockhart A-27 Well No. 6 resulted in a successful Paddock completion. In order to minimize operation costs for the interest owners and to maximize Paddock oil recovery from this lease the Paddock production needs to be stored in the existing battery for this lease. Additional Paddock recompletions on this lease will be evaluated.
4. Since the Paddock production from Well No. 6 is marginal, it is requested that its commingled production be approved for allocation by well test.
5. A table of production tests and oil gravities from the various wells and pools from the Lockhart A-27 Lease is included with this application. The oil gravity of this Paddock production (34.4 API) is almost identical to that of the Blinebry production (33.1 API) which lies immediately below the Paddock formation in the geological column.
6. Also included in this table are the gravities and calculated values of (a) currently commingled Blinebry, Tubb, Drinkard, and Abo production, (b) Paddock production alone, and (c) all five formations commingled. Notice that the combined oil gravity should change no more than .3 API and the value is essentially the same.
7. A schematic diagram of the Lockhart A-27 Lease Battery is enclosed with this application.

Mr. William LeMay
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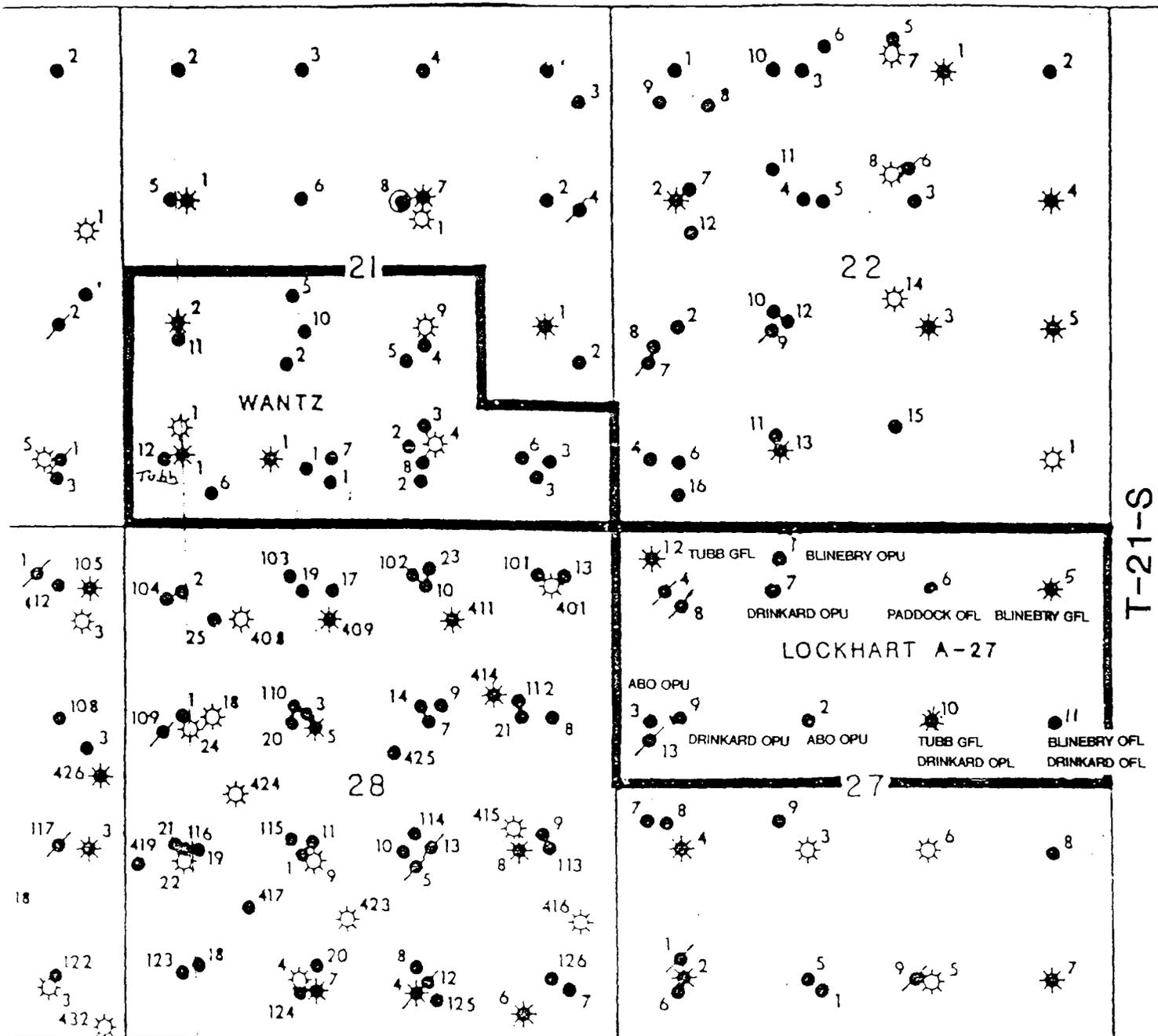
Since this is a federal lease, a copy of this application and its attachments will also be submitted to the Regional Supervisor of the United States Bureau of Land Management for approval.

Very truly yours,

A handwritten signature in black ink, appearing to read "Jerry W. Hoover". The signature is written in a cursive style with a long, sweeping underline that extends to the right.

Jerry W. Hoover
Senior Conservation Coordinator

JWH/tm



T-21-S

PRODUCTION DEPARTMENT

CONOCO

HOBBS DIVISION

**WANTZ & LOCKHART A-27
LEASES**

LEA COUNTY, NEW MEXICO

SCALE

LOCKHART A-27 LEASE
 APPLICATION TO SURFACE COMMINGLE

POOL	OIL GRAVITIES	BOPD	MCFPD	BWPD	PRODUCING WELLS
BLINEBRY OIL AND GAS POOL	34.4 @ 77, 33.1 API	14	893	0	Nos.1,5 AND 11
PADDOCK POOL (REQUESTING)	35.6 @ 76, 34.4 API	90	300	50	NO.6
DRINKARD POOL	37.6 @ 70, 36.8 API	4	419	0	Nos.5,7,9,10, AND 11
WANTZ ABO POOL	41.3 @ 76, 40.3 API	3	41	0	Nos.2 AND 3
TUBB OIL AND GAS POOL	NO OIL PRODUCTION	0	64	0	Nos.10 AND 12

PRODUCTION REVENUES

	BOPD	API GRAVITY	\$ VALUE/BO	REVENUE/DAY
CURRENTLY COMMINGLED (BLINEBRY, TUBB, DRINKARD, ABO)	21	34.8	17.87	375.27
PADDOCK ALONE	90	34.4	17.81	1,602.90
			TOTAL UNCOMMINGLED:	1,978.17
ALL COMMINGLED (PADDOCK, BLINEBRY, TUBB, DRINKARD, ABO)	111	34.5	17.82	1,978.02

NOTE: WELL NO. 4 PERMANENTLY PLUGGED AND AMANDONED
 WELLS NDS. 8 AND 13 TEMPORARILY ABANDONED
 GRAVITIES TAKEN ON WELLS 1,2,6 AND 9 ON APRIL 3, 1991
 PRICES AS OF 4-1-91

