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REDFERN DEVELOPMENT CORPORATION
1200 WILCO BUILDING
MIDLAND, TEXAS

DEC 15 1965

POST OFFICE BOX 1747
ZIP CODE 79701
TELEPHONE MUTUAL 8-5184
AREA CODE 915

December 13, 1965

IN REPLY REFER TO
FILE:

PC-292

Re: Application to Commingle
Condensate Production
Redfern Development Corporation -
#1 - Winston Federal - Section 31,
T-21-S, R-24-E, Eddy County,
New Mexico

New Mexico Oil Conservation Commission
Post Office Box 871
Santa Fe, New Mexico

Attention: Mr. D. S. Nutter, Chief Engineer

Gentlemen:

Redfern Development Corporation requests permission to commingle condensate production from the Upper Penn. and Morrow Zones of the #1 Winston Federal, Unit M, Section 31, T-21-S, R-24-E, Eddy County, New Mexico. Gravity of the condensate from both zones is 60-61°. The value of the condensate for the Upper Penn. is \$2.42 per barrel and \$2.48 per barrel for the Morrow. The price differential is due to the Upper Penn. condensate being sour; therefore, when commingled the value will be \$2.42 per barrel. This lowers the value of the produced Morrow condensate by six cents (6¢) per barrel but because of the small amount of Morrow condensate produced, separate facilities are not warranted. The Upper Penn. produces about 11 barrels of condensate per MMCF and the Morrow produces about 3 barrels per MMCF. Daily gas production from the Upper Penn. will be about four times greater than Morrow gas production; therefore, for every barrel of Morrow condensate produced there will be fourteen barrels of Upper Penn. condensate. A supporting sketch and plat of the proposed commingling hookup is enclosed. We plan to calculate condensate production for reporting purposes from periodic GOR tests of each zone.

The U. S. Government owns all the royalty under the subject well and their letter of approval is enclosed.

Very truly yours,

Frank W. Podpechan
Frank W. Podpechan

FWP:lk



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P. O. Drawer 1857
Roswell, New Mexico 88201

IN REPLY REFER TO:

DEC 1 1965

December 10, 1965

DEC 15 1965

Redfern Development Corporation
Post Office Box 1747
Midland, Texas 79701

Gentlemen:

Your letter of November 10, 1965 requests approval to commingle the associated liquids from the Cisco Canyon and Morrow zones as produced from your dually completed gas well No. 1 Winston located in NE $\frac{1}{4}$ SW $\frac{1}{4}$ sec. 31, T. 21 S., R. 24 E., N.M.P.M., Eddy County, New Mexico. Both zones are communitized as follows:

<u>Zone</u>	<u>Communitization Agreement</u>	<u>Acres</u>	<u>Description</u>
Cisco Canyon	SW-211	637.18	All sec. 31-21S-24E
Morrow	SW-211	637.18	All sec. 31-21S-24E

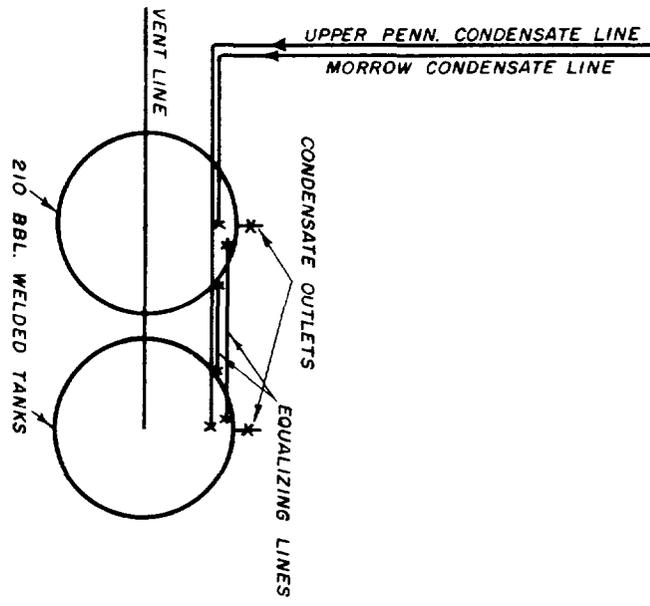
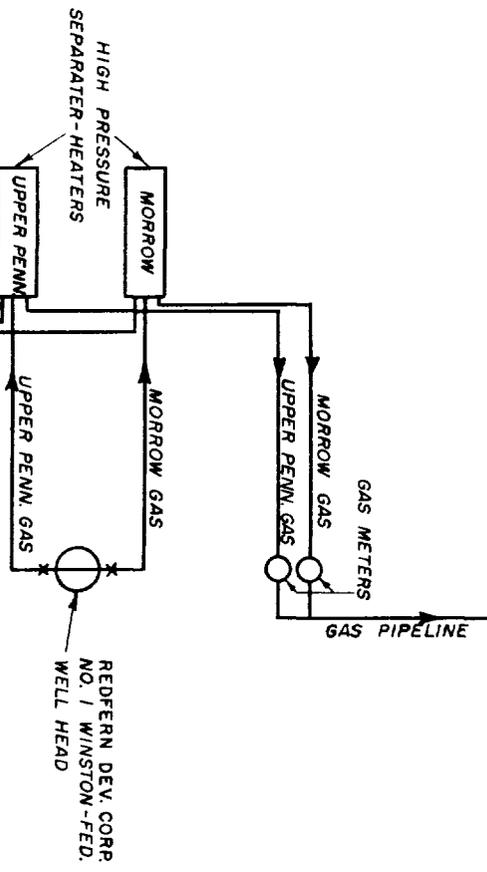
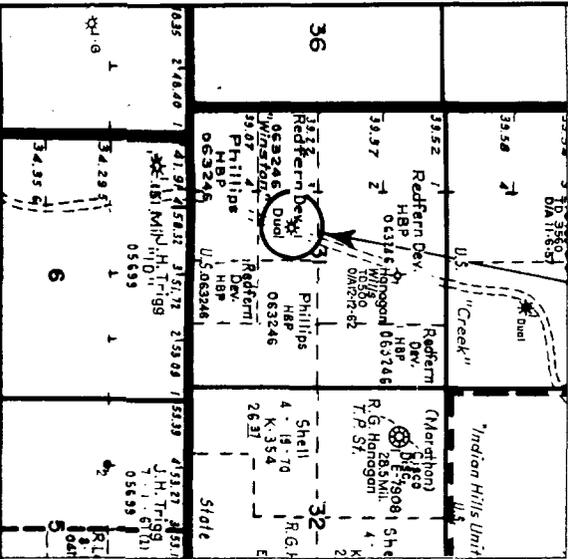
The method of commingling described by your application is hereby approved subject to like approval by the New Mexico Oil Conservation Commission.

Please notify the District Engineer, U. S. Geological Survey, Post Office Drawer U, Artesia, New Mexico, when the installation is completed and operative so that a field inspection can be made.

Sincerely yours,

JOHN A. ANDERSON
Regional Oil and Gas Supervisor

DUAL UPPER PENN. - MORROW GAS PRODUCER
 INDIAN BASIN UPPER PENN. GAS POOL
 INDIAN BASIN MORROW GAS POOL



WELL HEAD AND SURFACE EQUIPMENT FLOW DIAGRAM
 REDFERN DEVELOPMENT CORP.-NO. 1 WINSTON-FEDERAL
 DUAL UPPER PENN.-MORROW GAS PRODUCER
 SEC. 31 TWP-21-S RGE-24-E
 EDDY COUNTY, NEW MEXICO NOV. 10, 1965

