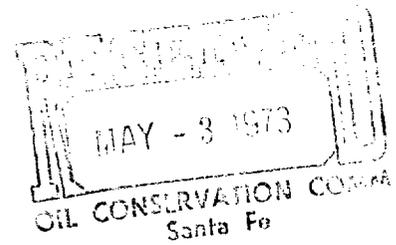


PC -

Case 4980

APPLICATION OF PUBCO PETROLEUM CORPORATION
FOR COMMINGLING PRODUCTION FROM SEPARATE POOLS
ON THE SAME LEASE AT ITS SHIPP BATTERY LOCATED
NW/4 SE/4 SECTION 11, T-17S, R-37E, LEA COUNTY,
NEW MEXICO, IN ACCORDANCE WITH RULE #303-B.



Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

Pubco Petroleum Corporation hereby makes application for commingling production from separate pools on the same lease at its Shipp Battery located NW/4 SE/4 Section 11, T-17S, R-37E, Lea County, New Mexico, in accordance with provisions of Rule #303-B, for the Following pools:

<u>Pool</u>	<u>Present Wells Operated by Pubco</u>
Humble City Strawn	Shipp #2, NW/4 SE/4 Sec. 11-17S-37E
Humble City Wolfcamp	Shipp #4, NW/4 SW/4 Sec. 11-17S-37E

As shown in Table I, the total daily value of produced oil will be greater after commingling by virtue of gravity-price bracketing, by an estimated \$32.20 per day. Gravities and volumes are shown in Table I for production from each pool.

A schematic diagram of the proposed installation is attached, showing complete separation of production through the metering devices. The attached plat shows the location of all wells and the pool or formation from which each well is producing.

PUBCO PETROLEUM CORPORATION

BY: J. C. Johnson
J. C. Johnson
Vice President Production

TABLE I

~~4980~~

<u>Well</u>	<u>Formation</u>	<u>Grav. API 60° F</u>	<u>Daily Allow</u>	<u>Est. Dly. Prod.</u>	<u>Price Per Bbl.</u>	<u>Value Dly. Prod.</u>
Shipp #2	Strawn	45.7	534	500	3.81	1905.00
Shipp #4	Wolfcamp	35.8	322*	322	3.71	1194.62
Combined	Strawn & Wlfc.	--	--	822	3.77	3099.62
Commingled	Strawn & Wlfc.	41.8	--	822	3.81	3131.82
Added Value						32.20

*Based on 275 + 66 discovery allowable - Potential test = 322

Insert

Color Page/Photo

Here

EXHIBIT "A"

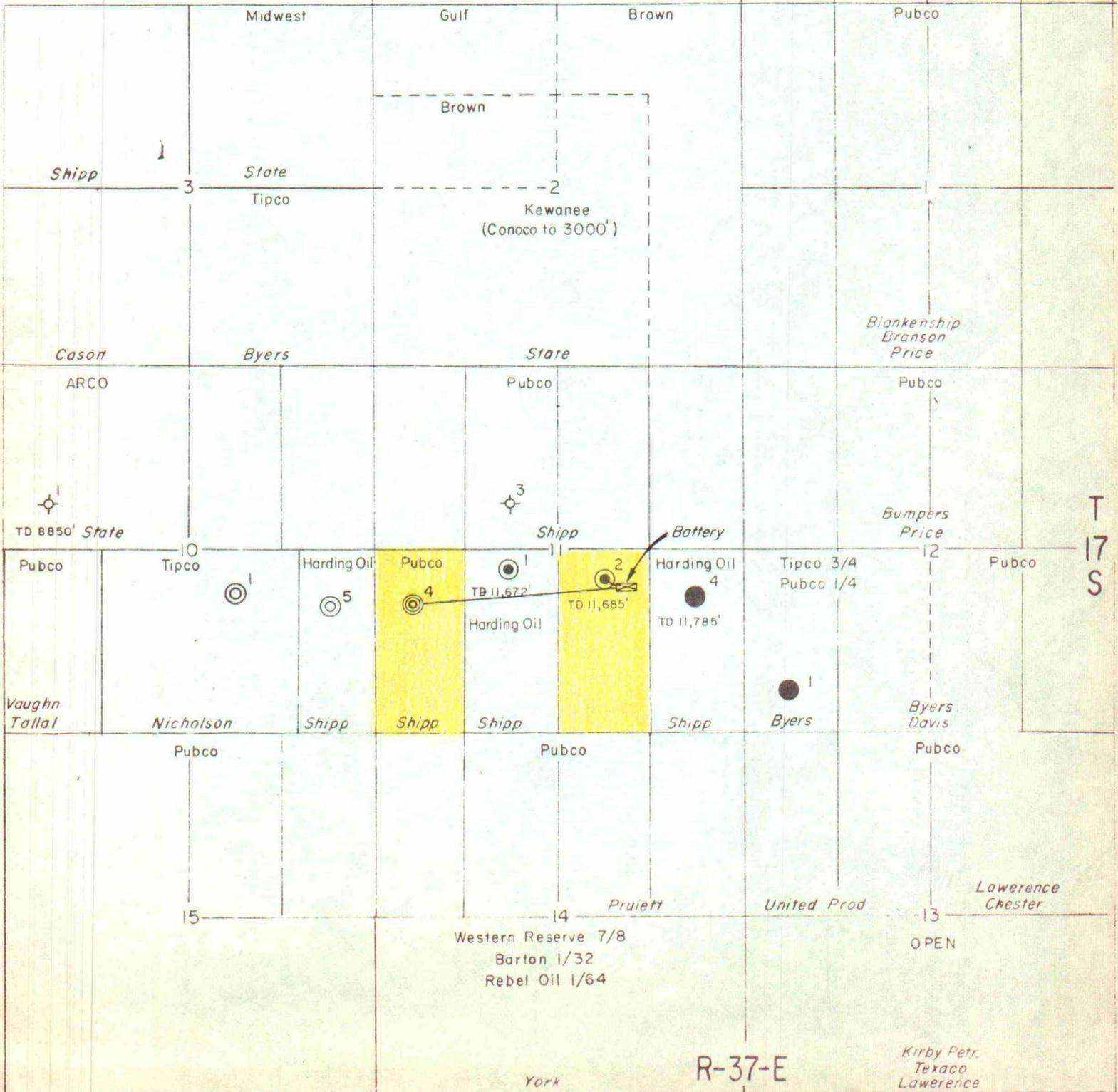
HUMBLE CITY FIELDS
LEA COUNTY, NEW MEXICO

- ATOKA OIL
- ⊙ STRAWN OIL
- ⊙ YESO OIL
- ⊙ WOLFCAMP OIL
- ⊕ DRY HOLE

Scale : 1" = 2000'

Pubco
~~Case 4980~~

T
16
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T
17
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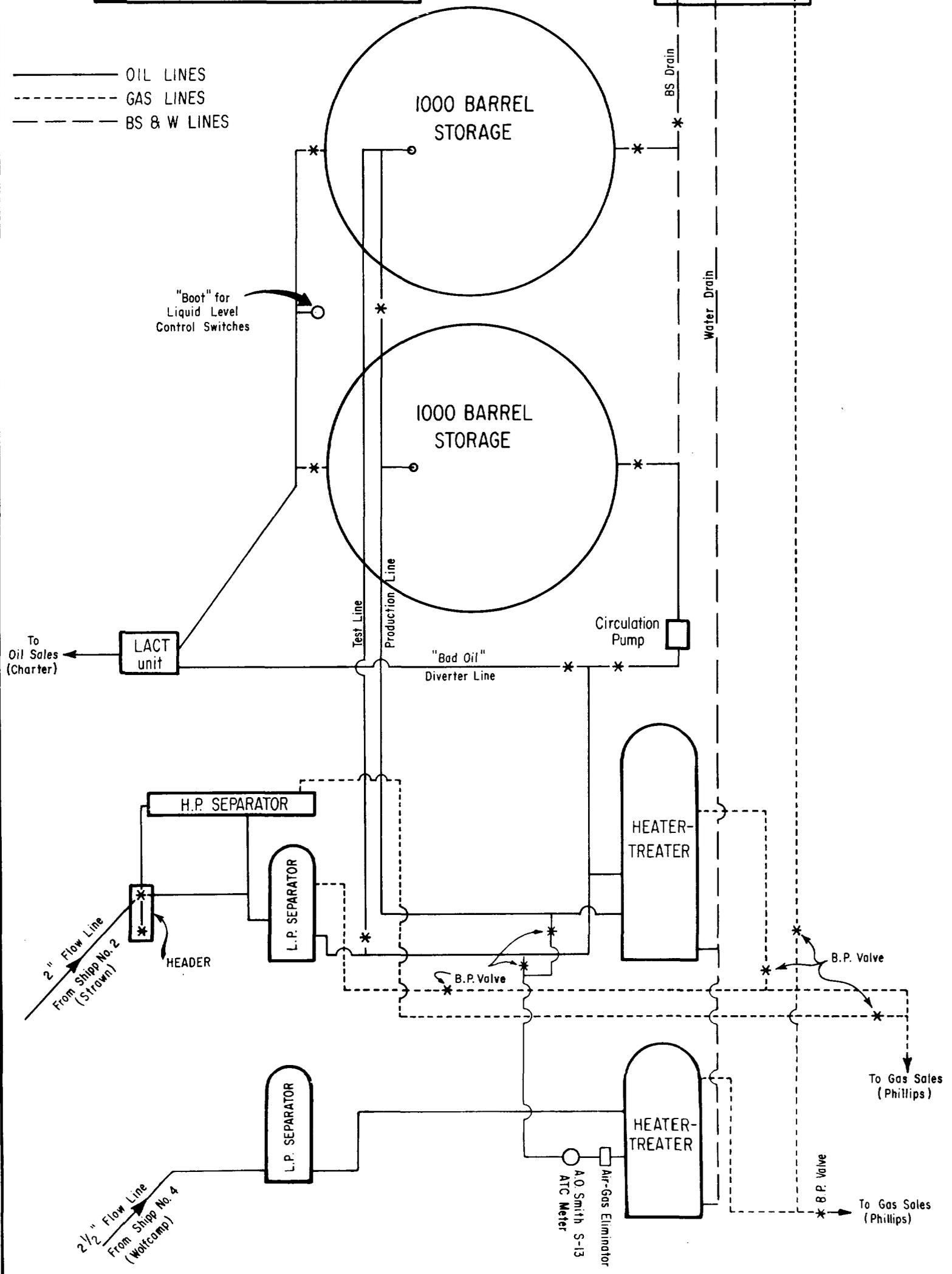
R-37-E

PUBCO PETROLEUM CORPORATION
Shipp No. 2 Battery
 HUMBLE CITY STRAWN FIELD
 NW/SE Sec. 11, T17S R35E
 LEA COUNTY, NEW MEXICO

25' X 25'
 BS PIT

SCHMATIC OF
 TANK BATTERY WITH LACT UNIT

— OIL LINES
 - - - GAS LINES
 - - - BS & W LINES



Case 4780