



OFFICE PHONE 684-6631  
RESIDENCE PHONE 684-6818

**JOHN H. HENDRIX**  
OIL PRODUCERS  
403 WALL TOWERS WEST  
MIDLAND, TEXAS 79701

May 2, 1974

CERTIFIED MAIL NO. 546587  
RETURN RECEIPT REQUESTED

New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Ref: Request of Administrative Approval  
for Exception of Rule 303(A) to  
Permit Commingling in Common  
Facilities - Cossatot "J" Lease  
Section 24, T-22-S, R-37-E  
Lea County, New Mexico

Gentlemen:

Please accept this Application for Administrative Approval for exception to Rule 303(A) to permit commingling in a common storage facility of production on my Cossatot "J" Lease. No. 1 is a dual completion in the Wantz Granite Wash Pool and in the Drinkard Pool. Application for approval of the dual completion has been approved by your office.

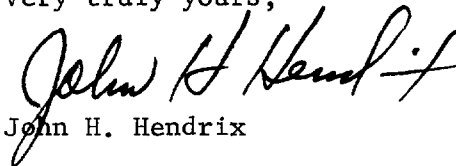
The following is submitted in support of this application:

1. Schematic diagram of the proposed installation;
2. A plat showing the location of lease and well;
3. Production from the Wantz Granite Wash from Well No. 1 will not exceed 60 BOPD. Gravity is 40 API, having a value of \$10.25 per barrel;
4. Production from the Drinkard well will not exceed 30 BOPD. Gravity is 40 API, having a value of \$10.25 per barrel.
5. Anticipated gravity of the commingled production is 40 API, having a value of \$10.25 per barrel;
6. This is a fee lease involving no state or federal lands; and

7. Liquid hydrocarbon production from each common source of supply is to be accurately measured or determined prior to commingling in accordance with the applicable provisions of the Commission's "Manual for the Installation and Operation of Commingling Facilities". The Applicant states specifically that the actual commercial value of such commingled production will not be less than the sum of the values of the production from each common source of supply.

Your early consideration of this Application will be appreciated.

Very truly yours,

A handwritten signature in cursive script, reading "John H. Hendrix". The signature is written in dark ink and is positioned above the printed name.

John H. Hendrix

JHH:mc

Enclosures

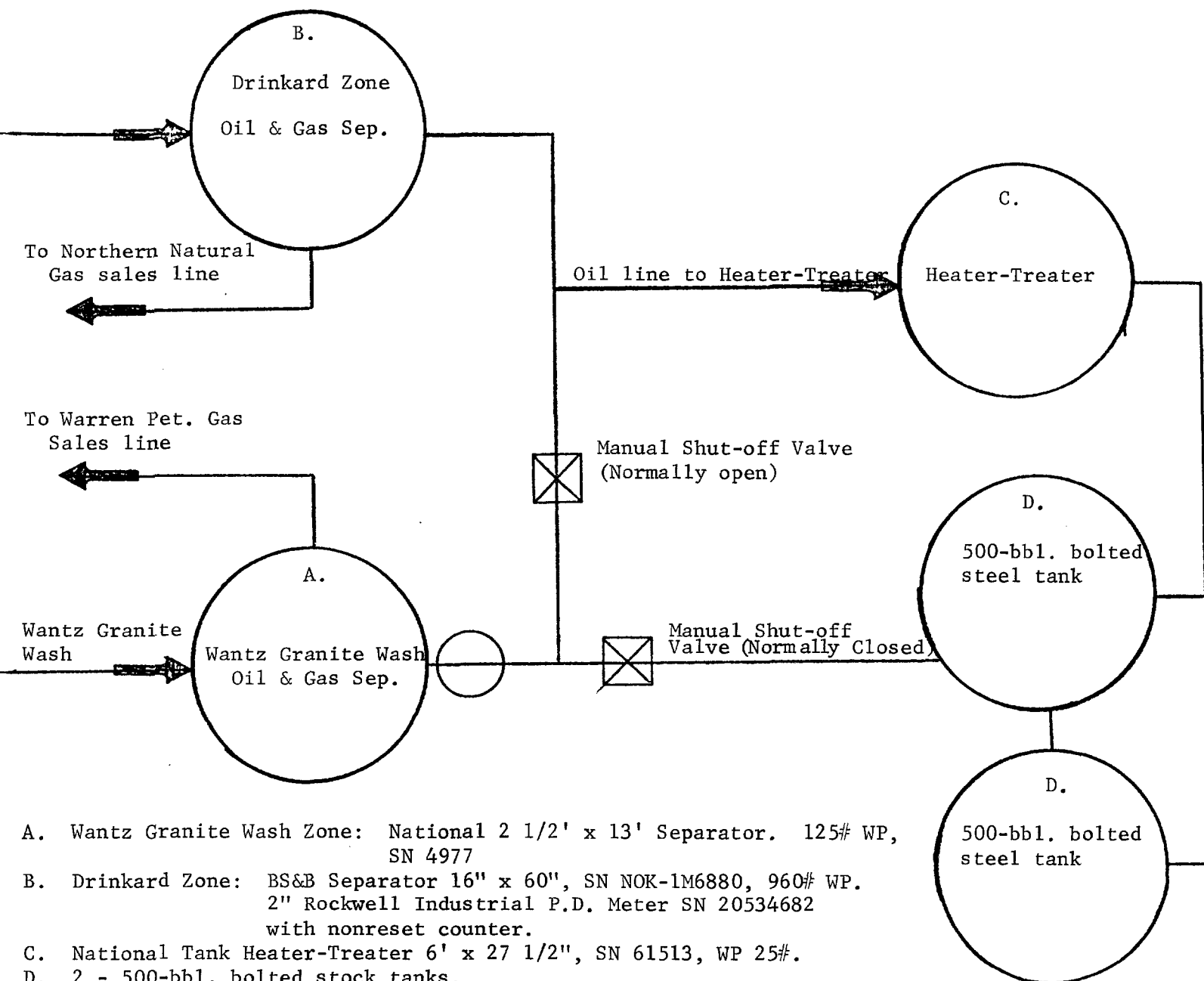


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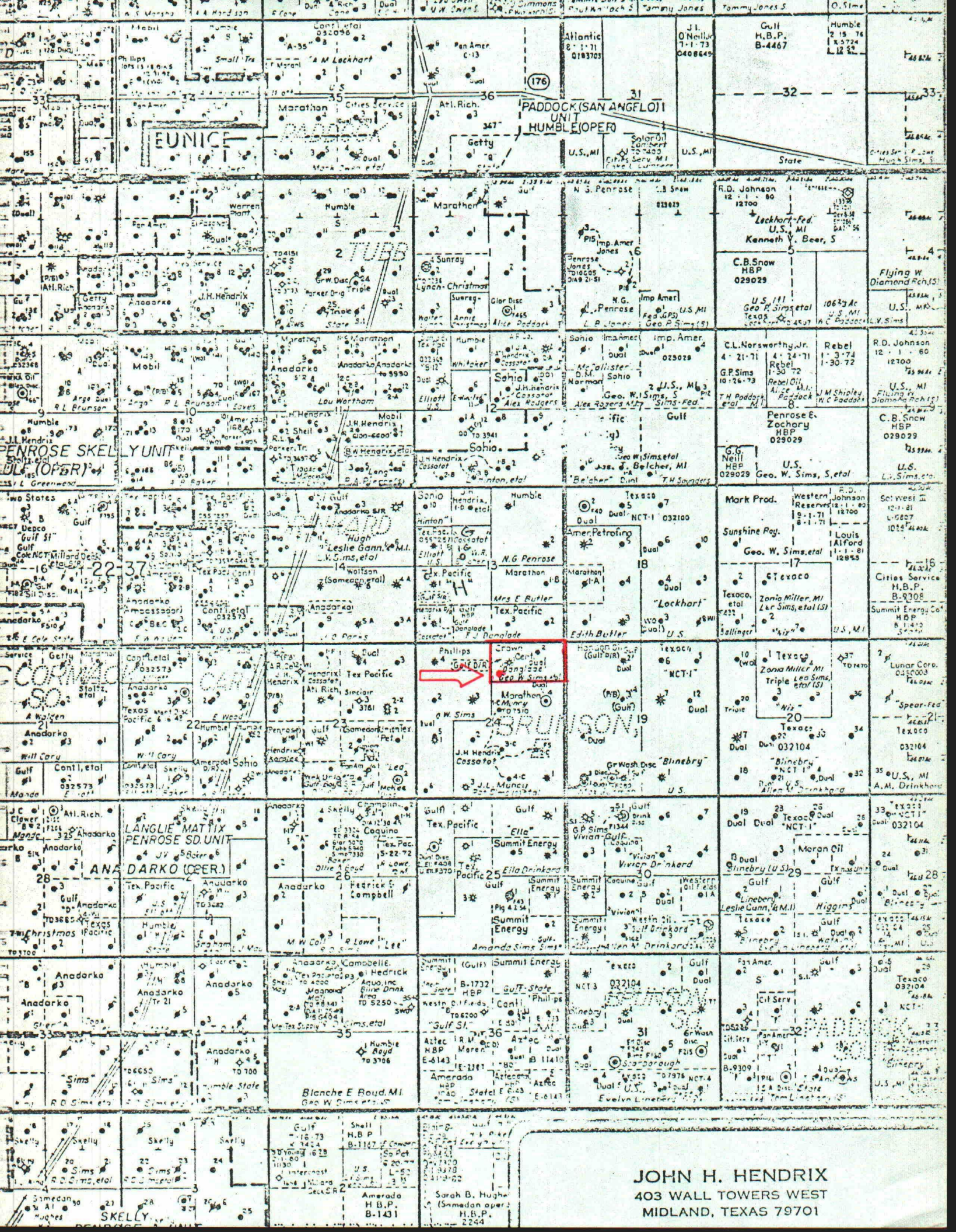
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SCHEMATIC DIAGRAM OF COMMINGLE INSTALLATION  
(Substraction Method)  
COSSATOT "J" LEASE







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