

Collier & Collier

DAVID C.

TIMOTHY D.

Independent Oil Producers

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January 11, 1977

N. M. O. C. C.
Box 2088
Santa Fe, NM 87501

RE: Exception to rule #303 part B
Administrative approval for
commingling (surface)

Gentlemen:

David C. Collier respectfully request exception to Rule #303 Part B, State of New Mexico, Oil Conservation Commission, Rules & Regulations.

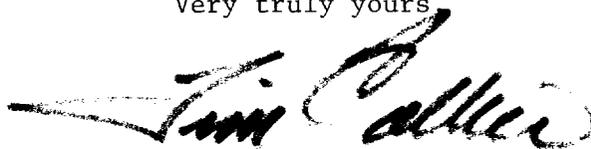
Collier is producing two "stripper" wells on Federal Lease LC 065478 B. The two wells are at different depths and therefore assigned different pools. However each well is subject to the same overrides and interest.

Commercial value of the oil after commingling will be the same as the segregated value. Volumes from each well and pool may be accurately reported.

Telephone conversation (January 10, 1977) with Mr. Kanauf, District Engineer for the U. S. Geological Survey revealed the Survey raised no objection to the proposed commingling inasmuch as the wells were on the same lease and under Federal Regulation was not recognized as commingling.

Enclosed please find required plats and schematics.

Very truly yours,



Tim Collier

TC:gw

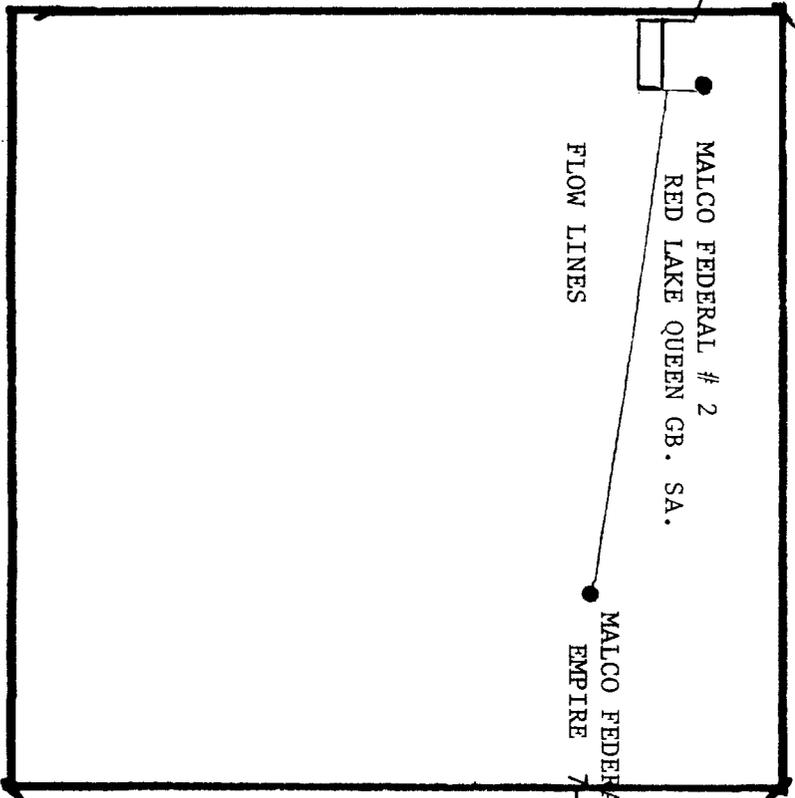
*need written consent
from USGS
note to Tim Collier
2/22 to that effect*

	Malco Federal #1	Malco Federal #2
Location	Sec. 3: T-18-S, R-27-E Unit A: 330 FNL - 330 FEL	Sec. 3: T-18-S, R-27-E Unit A: 143.6 FNL - 1257.6 FEL
Lease Number	LC 065478 B	LC 065478 B
Pool	Empire 7 Rivers	Red Lake GB SA
Segracated Oil Price	\$13.15/brl	\$13.15/brl
Commingled Oil Price	\$13.15/brl	\$13.15/brl
Gravity	36.5	37.3
Volumes from pools	½BOPD	2 BOPD

STORAGE TANKS

U N I T : " A "

OF SEC : 3 T-18-S, R-28-E



MALICO FEDERAL # 2
RED LAKE QUEEN GB. SA.

FLOW LINES

MALICO FEDERAL # 1
EMPIRE 7-RIVERS

TO WELL:
MALCO FEDERAL # 1
EMPIRE 7-RIVERS POOL

TO WELL:

MALCO FEDERAL # 2

RED LAKE QUEEN CR. SA. POOL

SEC: 3, T-18-S, R-27-E

113.6 ENL 125-10-FRI

DATE:

NO: 0652788

