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June 20, 1979

New Mexico Oil Conservation Division (3)
Department of Energy & Minerals
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention Mr. Joe D. Ramey, Director

Gentlemen:

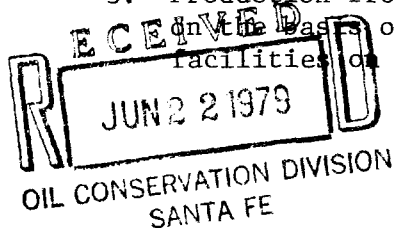
Application for Permission to Surface Commingle Production from
Wm. B. Mitchell Lease, Maljamar (G-SA) and Maljamar Paddock Pools,
Sections 17 and 20, T-17-S and T-20-S, R-32-E, Lea County, New Mexico

Continental Oil Company respectfully requests administrative approval
under the provisions of Rule 303 to commingle production from the
Grayburg San Andres zone and Paddock zone of Sections 17 and 20,
T-17-S and T-20-S, R-32-E, Lea County, New Mexico. Wells and pools
to be commingled are as follows:

1. Maljamar (G-SA) - Well Nos. 1, 2, 4, and 5 are shut-in, Well Nos. 3, 6, 9, and 19 are producing.
2. Maljamar Paddock - Well No. 17 is shut-in, Well Nos. 10, 11, and 15 are producing.

In support of this request, we should like to point out that the
existing facility is in accordance with the applicable provisions
of the Commission's "Manual for the Installation and Operation of
Commingling Facilities," now current, and Rule 303(B) as follows:

1. Ownership of all zones is common.
2. The facility is in substantial compliance with the installation
depicted on Figure 3 in the manual. The schematic drawing of
this current facility was submitted when the well was initially
completed in Maljamar (G-SA) zone. See attached.
3. Production from each zone to be commingled will be allocated
on the basis of well tests. There are two separate testing
facilities on this lease; one for each current producing zone.



New Mexico Oil Conservation Division

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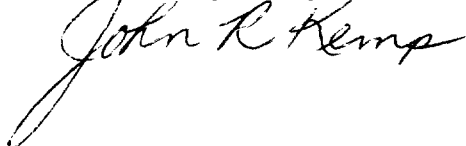
4. The common test vessel will be utilized with well test headers controlled such that only one well from any one zone may be tested at any one time.
5. BS & W content will be periodically determined by the standard centrifugal testing procedure. The lease LACT unit is proved monthly.
6. The value of the commingled crude will remain at present prices as indicated below:

<u>Formation</u>	<u>Oil Gravity</u>	<u>April Production Data</u>		
		<u>Daily Volume</u>	<u>Value</u>	<u>MCF Daily Volume</u>
Maljamar (G-SA)	34.6	24.96	\$16.62	38.9
Maljamar Paddock	37.6	18.52	\$ 5.58	84.5

A plat is attached hereto showing, to the best of our knowledge and belief, the location of the Wm. Mitchell B Lease, the wells thereon, those wells to be commingled and offset wells and owner-ships thereof.

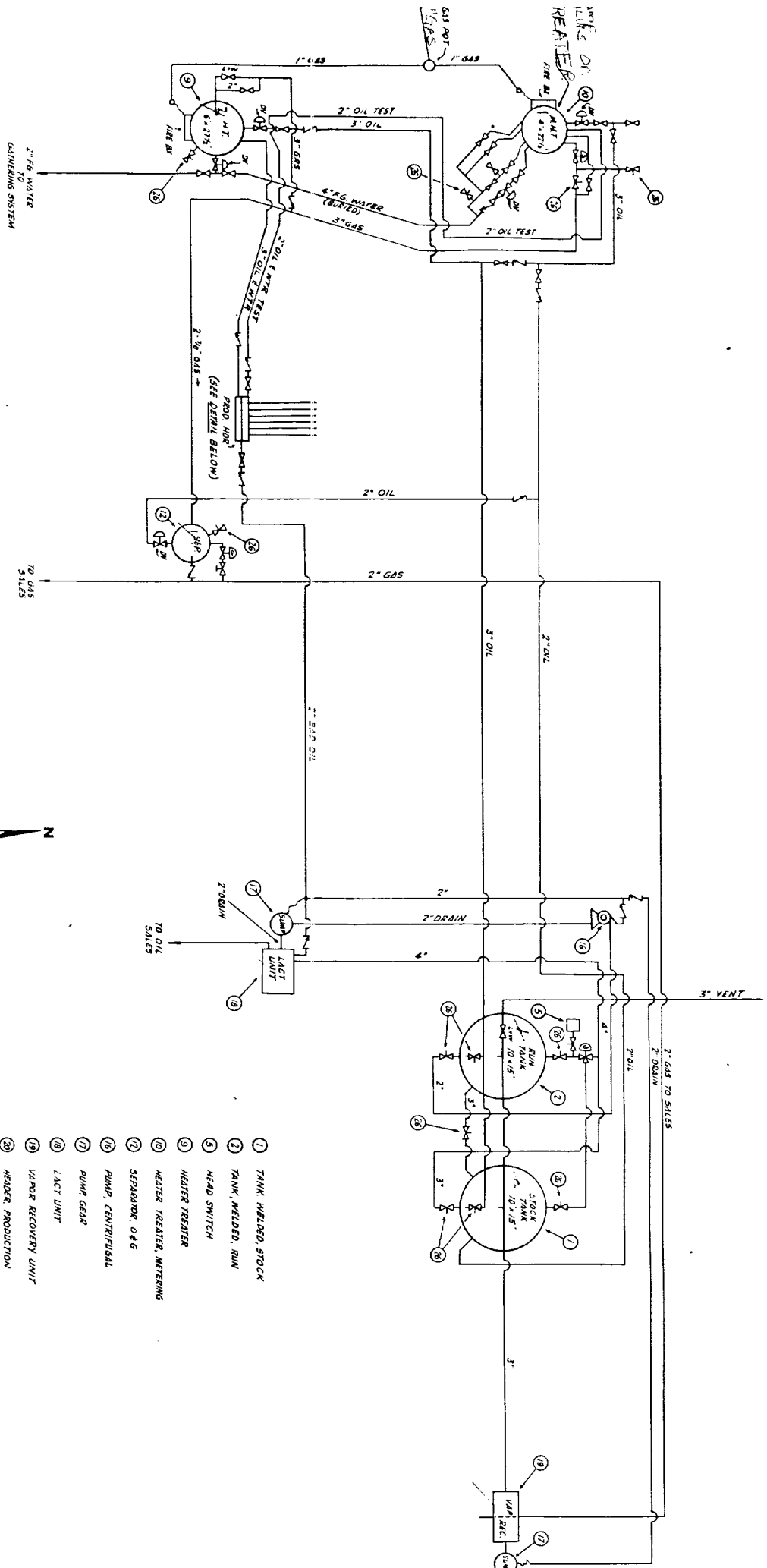
In view of the facts set out herein, it is respectfully requested that the Division enter an order granting an exception to Rule 303(A) and permit the commingling of production from the Grayburg San Andres zone with the Paddock zone as described above.

Yours very truly,

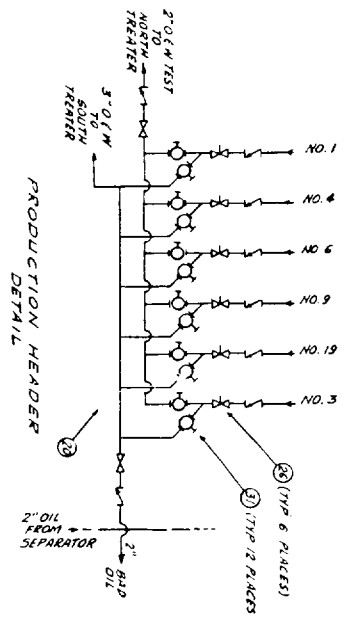


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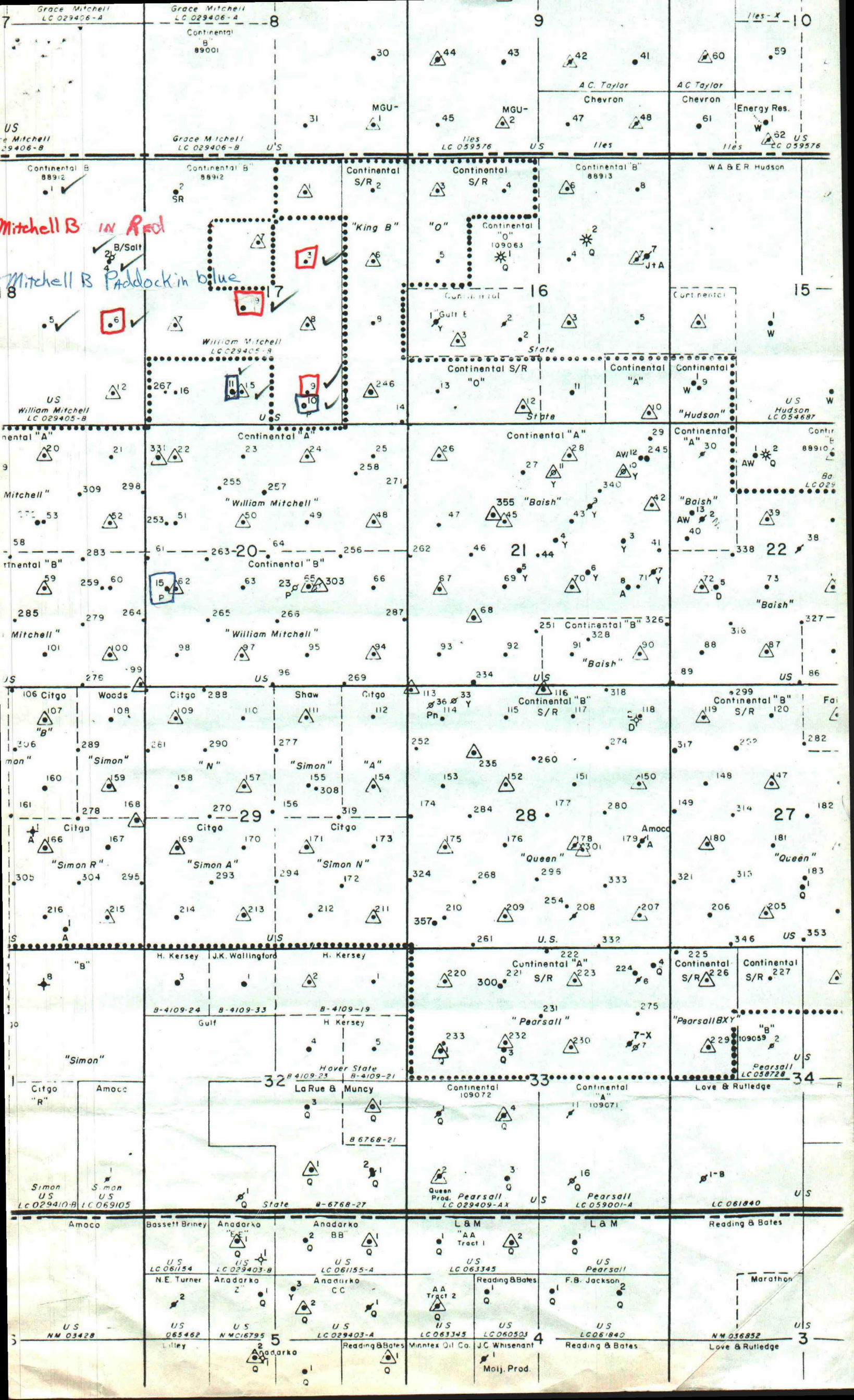


- ① TANK, WELDED, STOCK
- ② TANK, WELDED, RUN
- ③ HEAD SWITCH
- ④ HEATER TREATER
- ⑤ HEATER TREATER
- ⑥ HEATER TREATER, METERING
- ⑦ SEPARATOR O & G
- ⑧ PUMP, CENTRIFUGAL
- ⑨ PUMP, GEAR
- ⑩ LACT UNIT
- ⑪ VAPOR RECOVERY UNIT
- ⑫ HEATER, PRODUCTION
- ⑬ VALVE, LUBRICATED PLUG
- ⑭ VALVE, BALL, HI PRESSURE

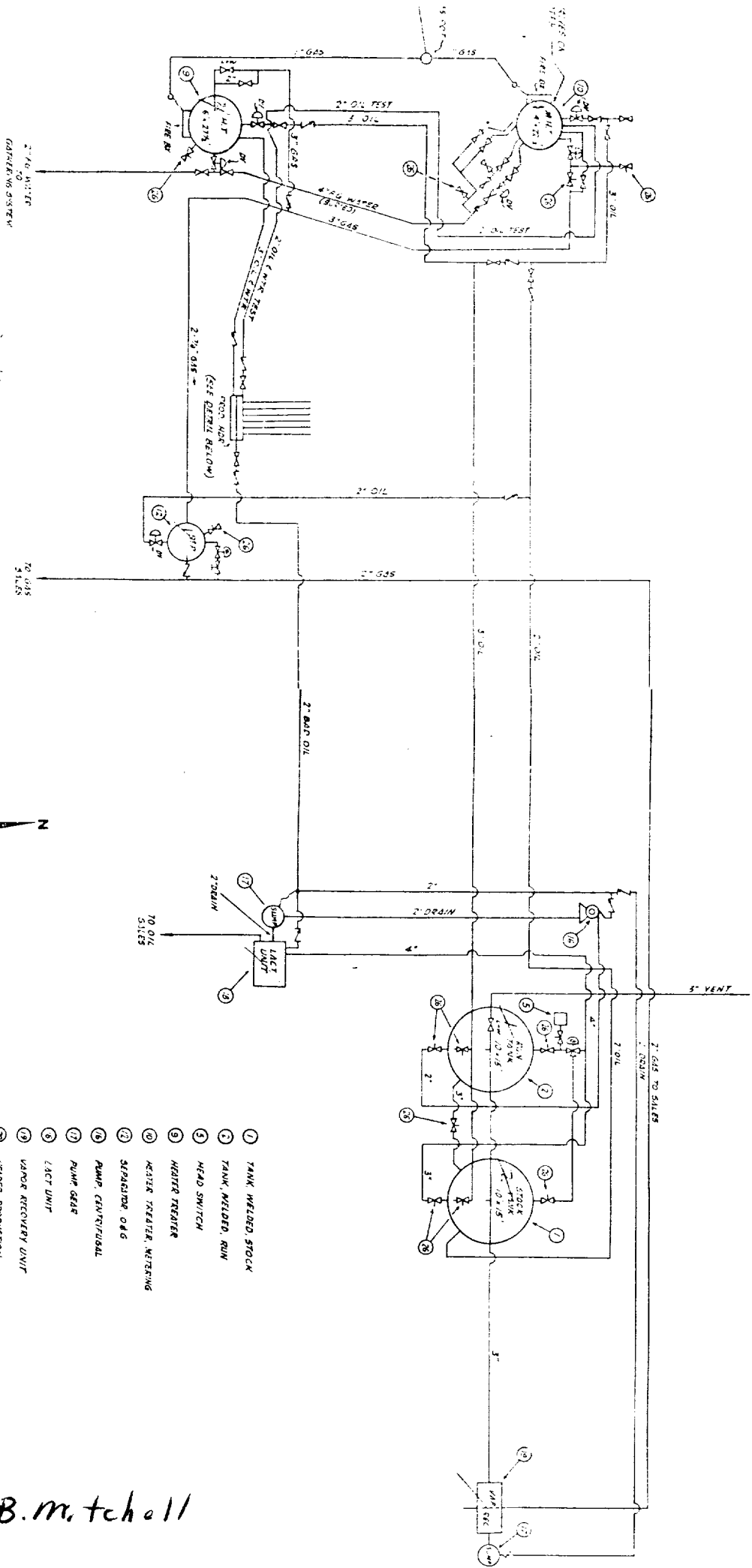


REVISIONS		DATE	TITLE
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CONOCO
HOBBS DIVISION
DRAWING NO. 78-6



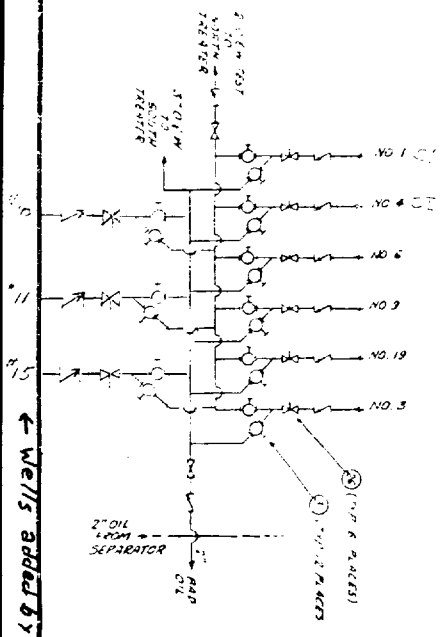
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- 1 TANK WELDED STOCK
- 2 TANK WELDED, RUN
- 3 HEAD SWITCH
- 4 HEATER TREATER
- 5 HEATER TREATER, WETTING
- 6 SEPARATOR OIL
- 7 PUMP, CENTRIFUGAL
- 8 PUMP, GEAR
- 9 LACT UNIT
- 10 VAPOR RECOVERY UNIT
- 11 HEATER, PRODUCTION
- 12 VALVE, LUBRICATED PLUG
- 13 VALVE, BALL, IN PRESSURE

Wm. B. Mitchell

Production header, detail



← Wells added by this Application

NO.	DESCRIPTION	DATE	DATE	TITLE
1	REVISIONS	DATE	DATE	TANK BATTERY SCHEMATIC
2	DESIGN BY	DATE	DATE	CONOCO
3	CHECKED BY	DATE	DATE	HOBBS DIVISION
4	APPROVED BY	DATE	DATE	PRODUCTION DEPT.
5	SCALE	DATE	DATE	MITCHELL W. L. LAM
6	SCALE	DATE	DATE	78-6