



RECEIVED  
OCT 14 1980

SECTION DIVISION  
SANTA FE

**L. P. Thompson**  
Division Manager

**John R. Kemp**  
Assistant Division Manager

Production Department  
Hobbs Division  
North American Production

**Conoco Inc.**  
P. O. Box 460  
1001 North Turner  
Hobbs, NM 88240  
(505) 393-4141

October 7, 1980

New Mexico Oil Conservation Division  
Department of Energy and Minerals  
State of New Mexico  
P.O. Box 2088  
Santa Fe, New Mexico 87501

Gentlemen:

Application for Permission to Surface Commingle Production from Wells B-1  
No. 5, Unit I, Section 1, T-25S, R-36E, Lea County, New Mexico

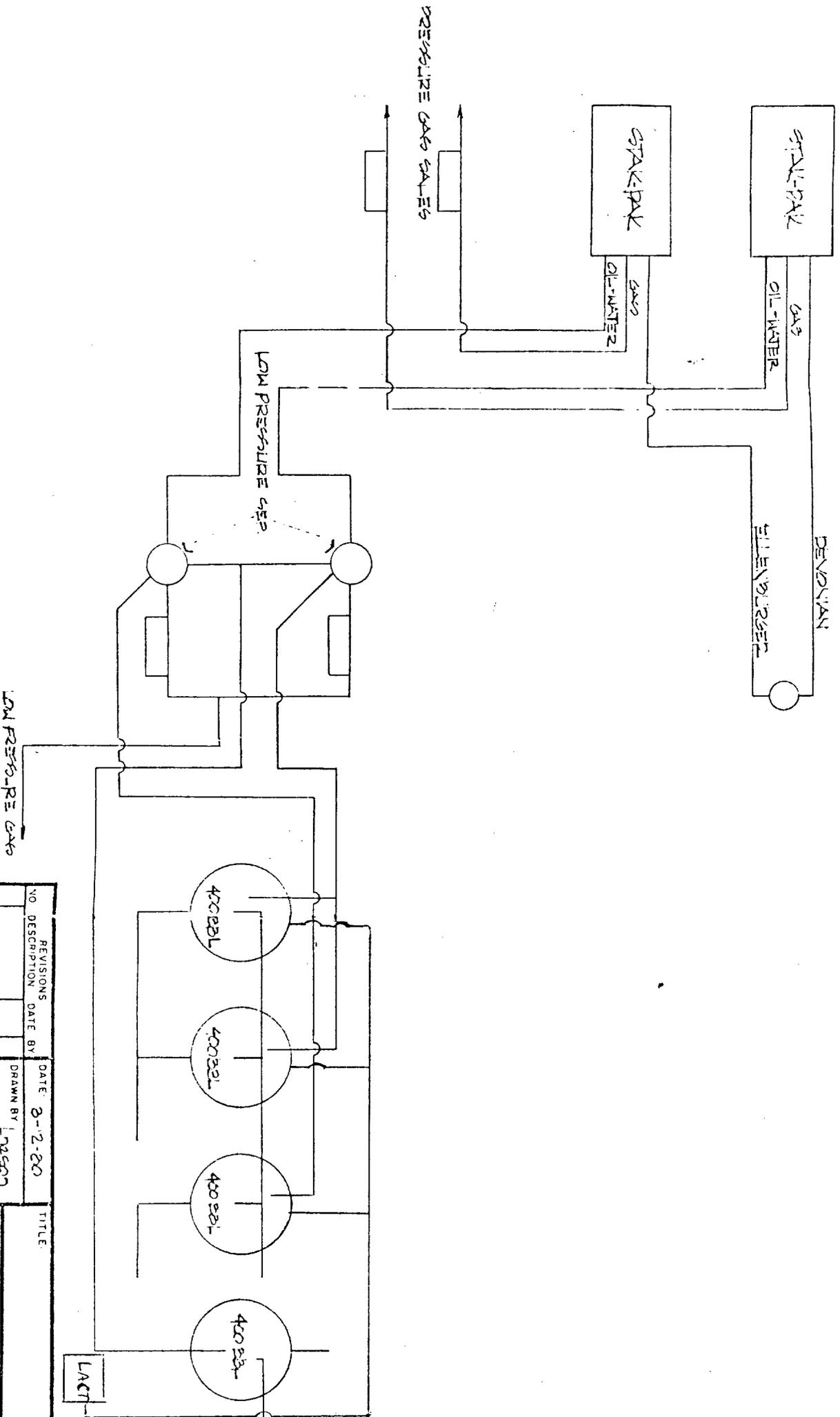
Conoco requests administrative approval under the provisions of Rule 303-B, to surface commingle production from the Custer Devonian and Custer Ellenburger Pools into a common tank battery. The working interest and royalty interest in both zones are common. The quality of the Ellenburger crude is only slightly higher, so the reduction in value caused by the commingling will not offset the cost of trucking Ellenburger crude to a different sales line.

The Wells B-1 No. 5 Custer Devonian produces approximately 150 barrels of 64 gravity condensate per day at \$36.00 per barrel. The Custer Ellenburger side produces only 5 barrels per day of 55 gravity condensate at \$36.30 per barrel.

A lease and battery plot are attached for your review and file. The production will be allocated on the basis of well tests. We propose to measure production for well tests by producing into separate tanks and gauging the tanks.

Yours very truly,

MJJ:d11  
Enclosures



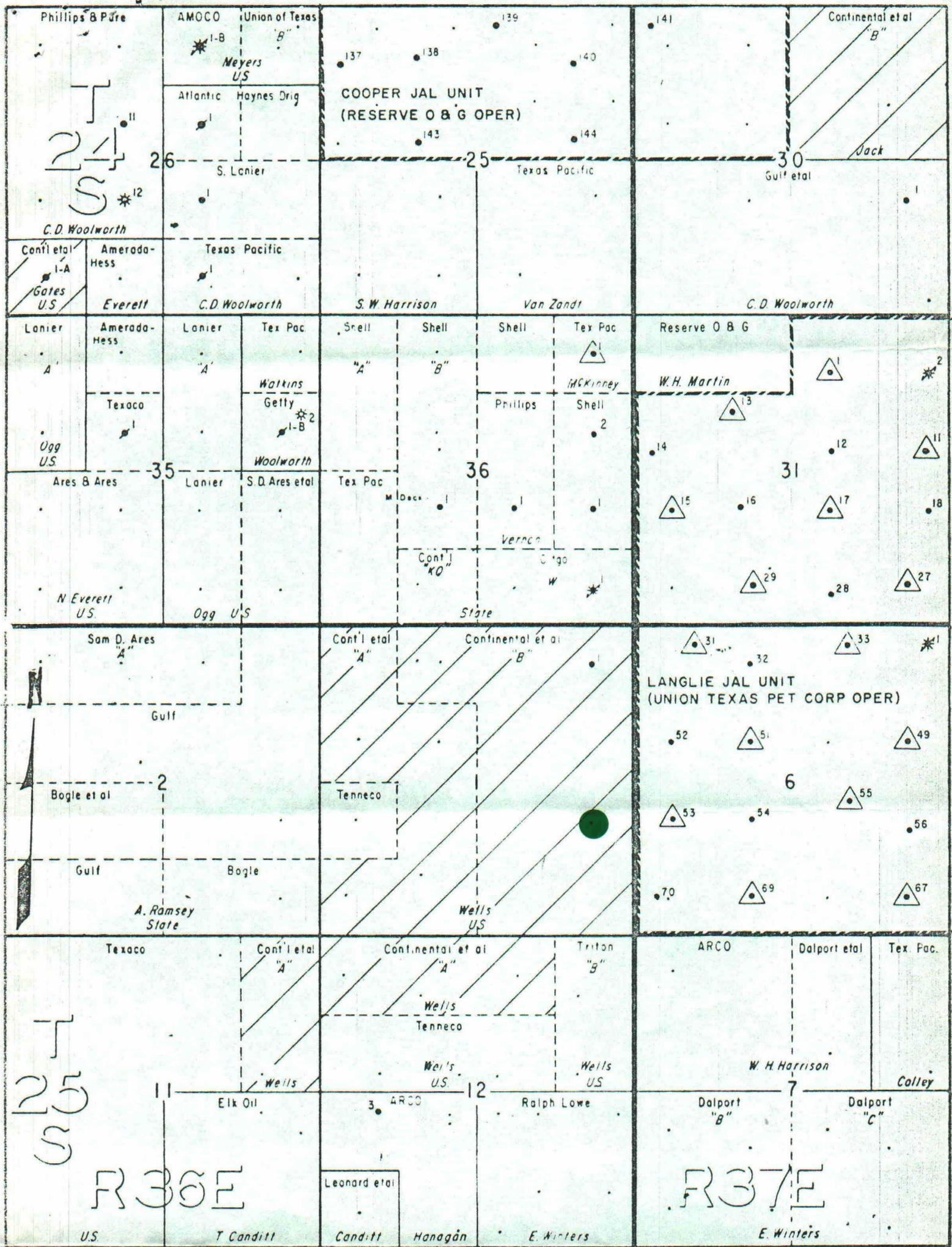
NO.	DESCRIPTION	DATE	BY

DATE	2-2-80
DRAWN BY	L. JOHNSON
DESIGN BY	
CHECKED BY	
APPROVED BY	
SCALE	2/1

TITLE	WELLS B-1
PRODUCTION DEPT	CONOCO
JOB	
DRAWING NO	



PRODUCTION DEPARTMENT

HOBBS DIVISION

LEA COUNTY, NEW MEXICO

