



Amoco Production Company

P. O. Box 68
Hobbs, NM 88240

August 20, 1986

File: SGH-1210-WF

Re: Administrative Approval for Surface Commingling
State "C" Tract 11 Nos. 3, 4, 8 (Hardy Blinebry)
9 and 11 ((Hardy Drinkard-Hardy Blinebry-Downhole Commingled),
With No. 7 (Oil Center Glorietta)

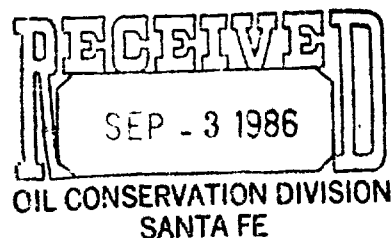
State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501

An exception to NMOCD Rule 303-A is respectfully requested for administrative approval to surface commingle oil from the State "C" Tract 11 Well Nos. 3, 4 and 8 (Hardy Blinebry) and Well Nos. 9 and 11 (Hardy Drinkard-Hardy Blinebry DHC) (reference Commingling Order PC-677) with Well No. 7 (Oil Center Glorietta). Ownership of all pools is common. The production from each zone will be allocated based on individual well tests. Production data is as follows:

	<u>Nos. 3,4,8,9 and 11 Hardy Blinebry/Drinkard</u>	<u>No. 7 Oil Center Glorietta</u>	<u>Commingled</u>
Daily Prod.	88 BOPD	13 BOPD	101 BOPD
Gravity	41.6°	37.5°	39.6°
Value/Bbl.	\$11.75	\$11.75	\$11.75

The commercial value of the commingled production will be the same as the total value of the segregated production.

Attached is an ownership map showing the location and pool from which each well is producing, as well as a schematic diagram of the installation.



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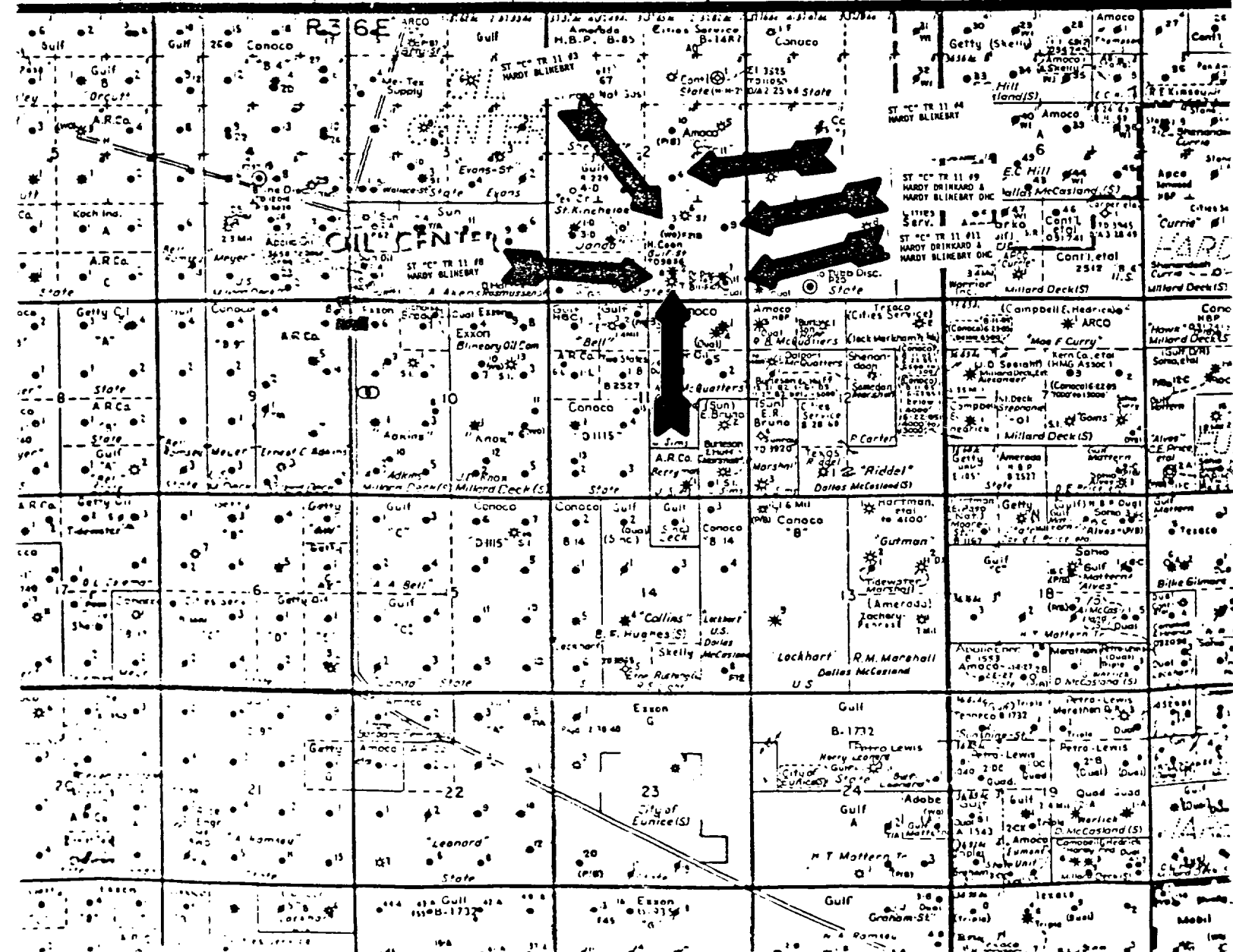
Approval of the proposed commingling has been obtained from the State Commissioner of Public Lands as evidenced by the attached application.

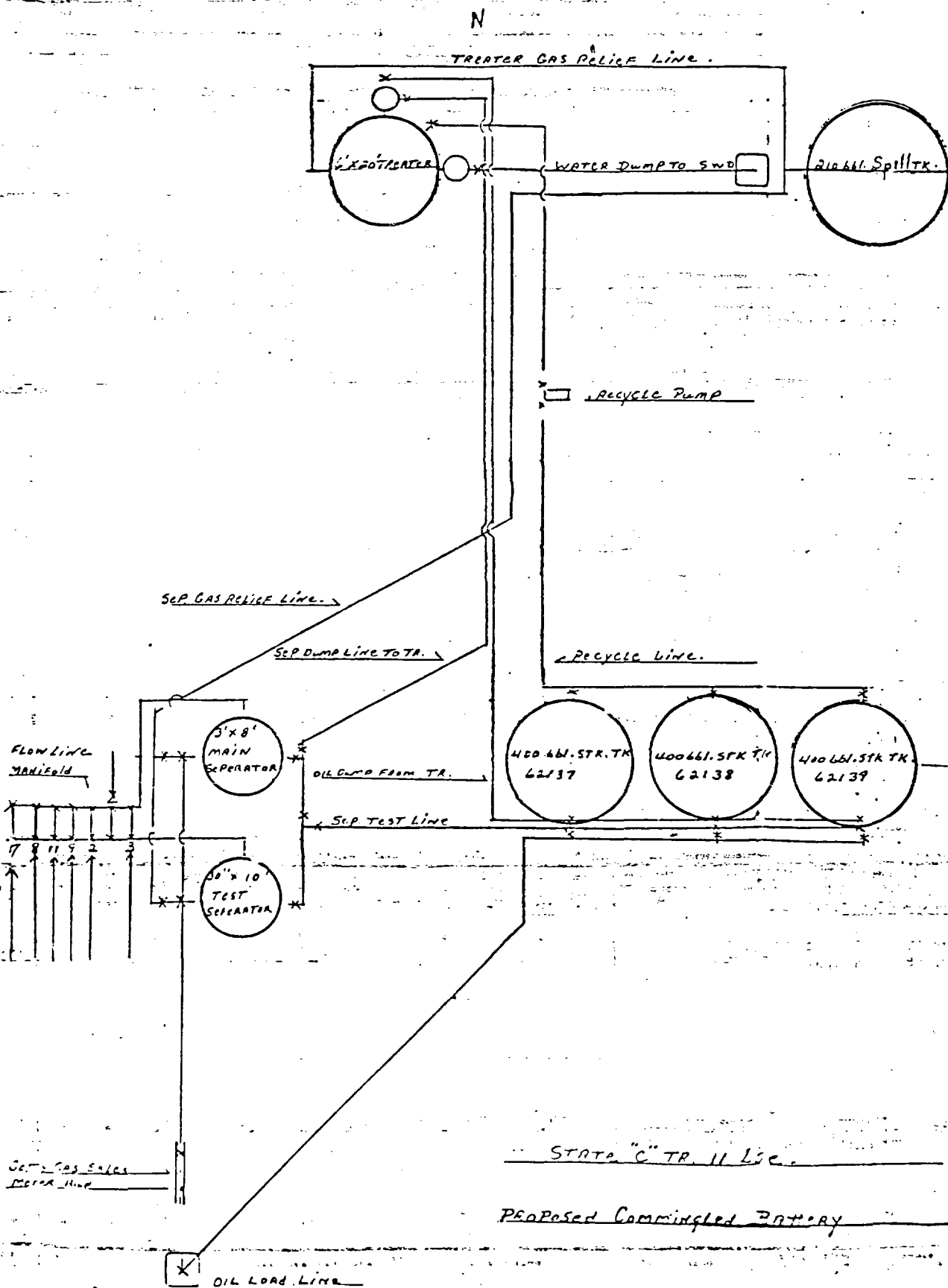
A handwritten signature in cursive script, appearing to read "J. L. Krupka".

J. L. KRUPKA
District Manager

SBB/sh
APRD03-LL

cc: State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 1980
Hobbs, NM 88240





N

TREATER GAS RELIEF LINE.

WATER DUMP TO SWD

210000 L. Spill TK.

RECYLE PUMP

RECYLE LINE.

SEP. GAS RELIEF LINE.

SEP. DUMP LINE TO TR.

FLOW LINE
MANIFOLD

3'x8'
MAIN
SEPARATOR

OIL DUMP FROM TR.

400000 L. STR. TK.
62137

400000 L. STR. TK.
62138

400000 L. STR. TK.
62139

30'x10'
TEST
SEPARATOR

SEP. TEST LINE

SEP. GAS RELIEF
LINE

STATO "C" TR. 11 LSC.

PROPOSED COMMINGLED BATTERY

OIL LOAD LINE

State of New Mexico

LBG



JIM BACA
COMMISSIONER



Commissioner of Public Lands

August 25, 1986

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

Amoco Production Company
Attn: Mr. J. L. Krupka
P. O. Box 68
Hobbs, New Mexico 88240

Re: REQUEST FOR APPROVAL FOR SURFACE
COMMINGLING STATE "C" TRACT 11
NOS. 3, 4, 8, (HARDY BLINEBRY) 9
AND 11 (HARDY DRINKARD-HARDY
BLINEBRY-DOWNHOLE COMMINGLED),
AND STATE "C" TRACT 11 NO. 7 (OIL
CENTER GLORIETTA)

Gentlemen:

Reference is made to your application dated August 20, 1986, wherein you have requested our approval to surface commingle oil from the State "C" Tract 11 Well Nos. 3, 4 and 8 (Hardy Blinebry) and Well Nos. 9 and 11 (Hardy Drinkard-Hardy Blinebry DHC) with the State "C" Tract 11 Well No. 7 (Oil Center Glorietta), located in Section 2, Township 21 South Range 36 East, State of New Mexico Lease No. B-1557.

It is our understanding that the commingled production will be allocated based on individual well tests and the commercial value of the commingled production will not be decreased because of the commingled production.

You are hereby given approval to the above request. This approval is subject to being withdrawn at the discretion of the Commissioner of Public Lands, if in his opinion, the operation proves to be unsound or otherwise against the best interest of the State of New Mexico. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Please submit a filing fee in the amount of Thirty Dollars.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY:

Floyd O. Prando
FLOYD O. PRANDO, Director
Oil and Gas Division
(505) 827-5744

JB/FOP/pm