

KERN CO.

3005 N. BIG SPRING

MIDLAND, TEXAS 79705

CONSERVATION DIVISION
RECEIVED

'91 JUN 11 AM 8 55

June 05, 1991

Mr. Bill LeMay
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87501

RE: Commingling
Production;
M.L. Goins Lease
Lea Co. NM

Dear Mr. LeMay,

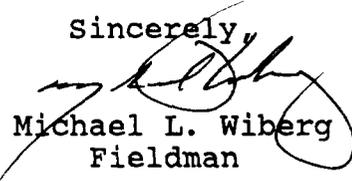
We ask permission to commingle production from the M. L. Goins Lease which Kern Co. operates in Lea County New Mexico. The lease consists of four wells in Sec. 7, T-21S, R-37E, Unit letter designations being J, H, G, and I respectively. Wells 1, 2 and 3 are completed in the Eumont Yates, Seven Rivers, Queen Pool. The No. 4 well originally completed in the Drinkard is now producing from the Penrose Skelly Grayburg pool into its own battery. This is Fee acreage with royalty interests being the same in all four wells. With OCD approval, all wells will be produced to a single facility and production seperated by individual well tests (Current production attached). We have attached a sketch schematic of this facility which now handles production from wells 1, 2 and 3. Also enclosed, you will find a plat of the subject wells.

We write to you as directed by Jerry Sexton in Hobbs. In my conversation with Jerry this morning, I mentioned that combining production into a single facility would eliminate some of the possible failures and reduce maintainence costs significantly thus insuring continued production of these wells. Jerry indicated that he can grant permission for a period of 30 days, however, as some work may be required for one or both batteries in the next week or two, I hope to hear back from you very soon so we may direct any expenditures correctly.

Thank you for your time and consideration given this matter.

Please contact this office at (915) 683-4832 or at the above address if any further information is required.

Sincerely,

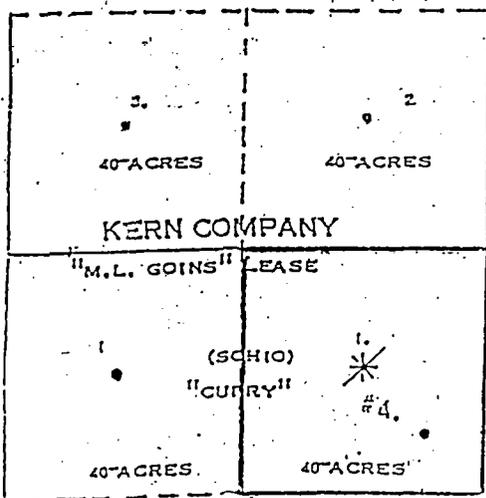
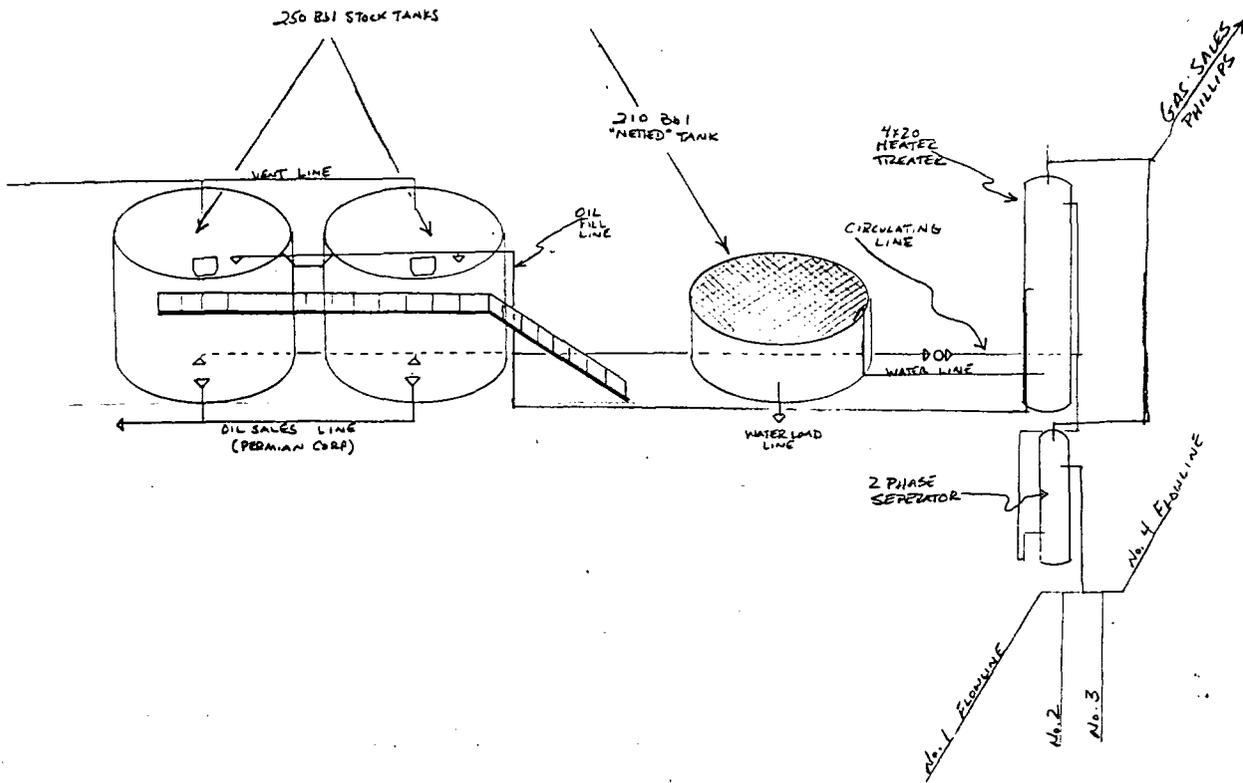

Michael L. Wiberg
Fieldman

MLW/it
enclos

CC: Jerry Sexton
OCD Hobbs

CURRENT WELL TESTS

<u>WELL NO.</u>	<u>WATER</u>	<u>OIL</u>	<u>GRAV</u>	<u>GAS (MCF)</u>
1	0	2	37.6	35
2	0	2	36.1	18
3	0	2	37.2	27
4	6	3	32.3	16



NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-4-65

All distances must be from the outer boundaries of the Section.

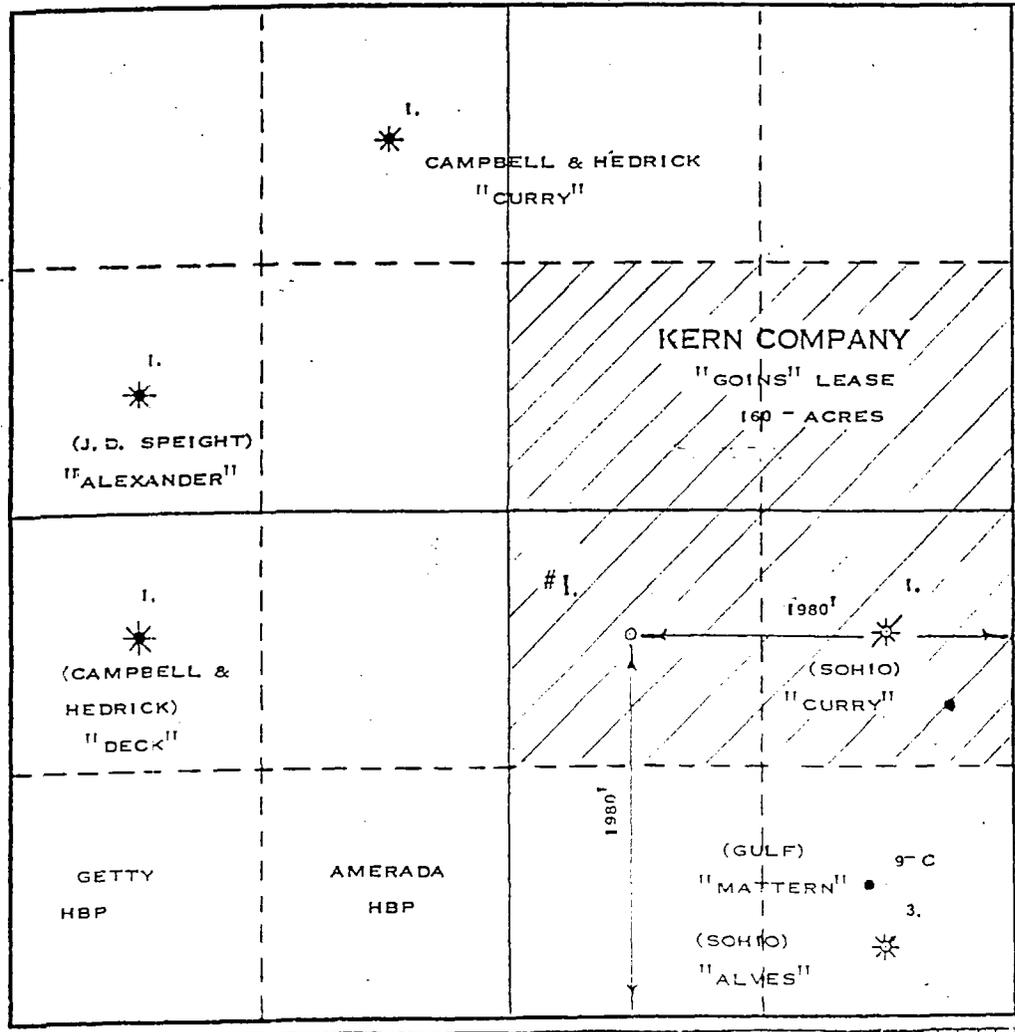
Operator KERN COMPANY		Lease GOINS		Well No. 1
Unit Letter "J"	Section 7	Township 21 - S	Range 37 - E	County LEA
Actual Footage Location of Well: 1980 feet from the SOUTH line and 1980 feet from the EAST line				
Ground Level Elev. 3485	Producing Formation QUEEN	Pool EUMONT YATES 7-RIVERS QUEEN (GAS)	Dedicated Acreage: 160 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No. If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



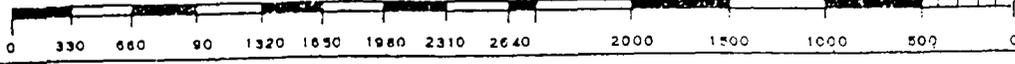
CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name William G. Kern
Position Engineer
Company Kern Co.
Date January 27, 1978

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed JANUARY 27, 1978
Registered Professional Engineer and/or Land Surveyor <i>Max A. Schumann Jr.</i> MAX A. SCHUMANN JR.
Certificate No. 1510



NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

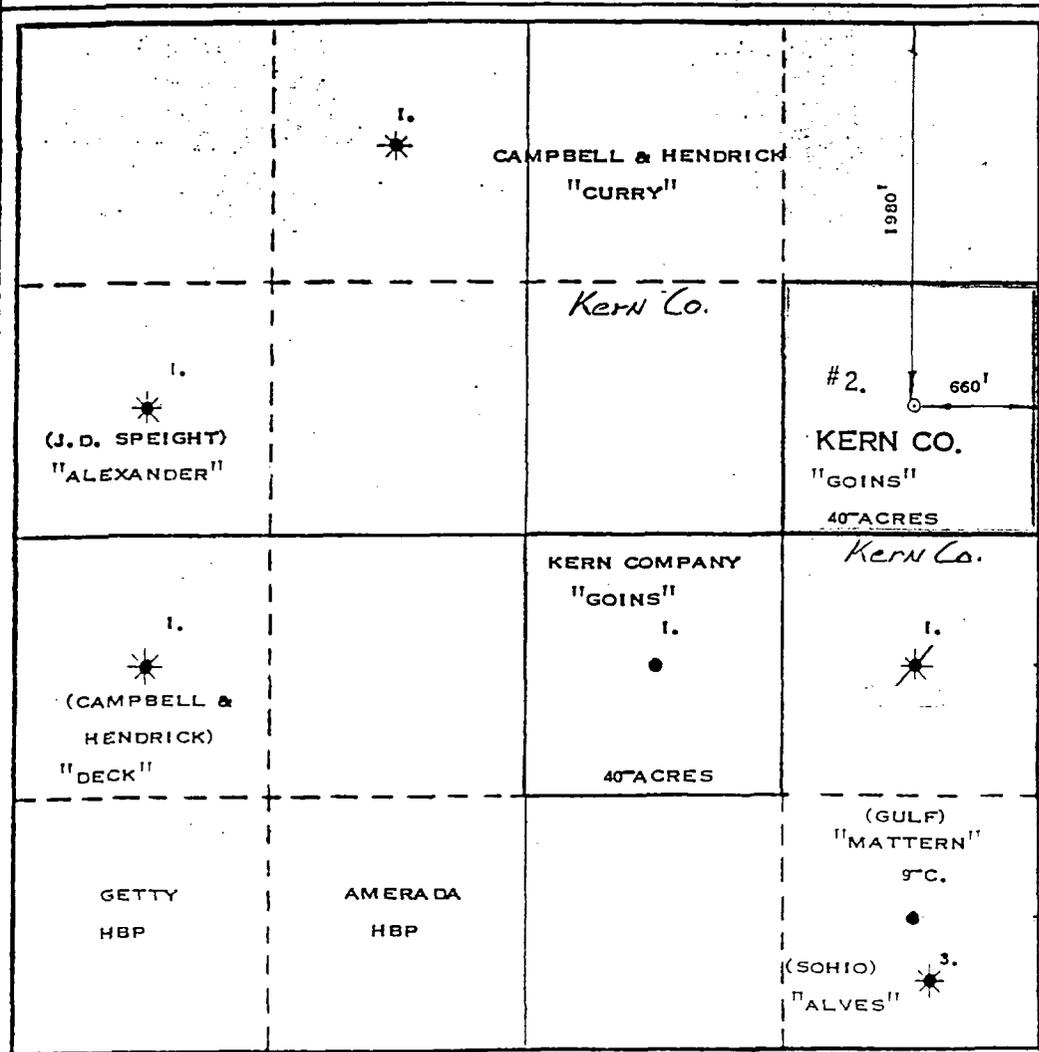
Operator KERN COMPANY		Lease GOINS		Well No. 2
Unit Letter "H"	Section 7	Township -21-S	Range -37-E	County LEA
Actual Footage Location of Well: 1980 feet from the NORTH line and 660 feet from the EAST line				
Ground Level Elev. 3498	Producing Formation QUEEN	Pool EUMONT	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable well will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

William G. Kern
Name **William G. Kern**

Position
Engineer

Company
Kern Co.

Date
October 19, 1979

Date

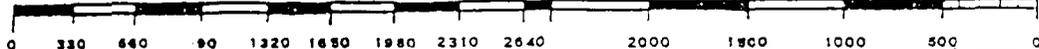
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
OCTOBER 18, 1979

Registered Professional Engineer and/or Land Surveyor
Max A. Schumann
MAX A. SCHUMANN

Certificate No.

P510



WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

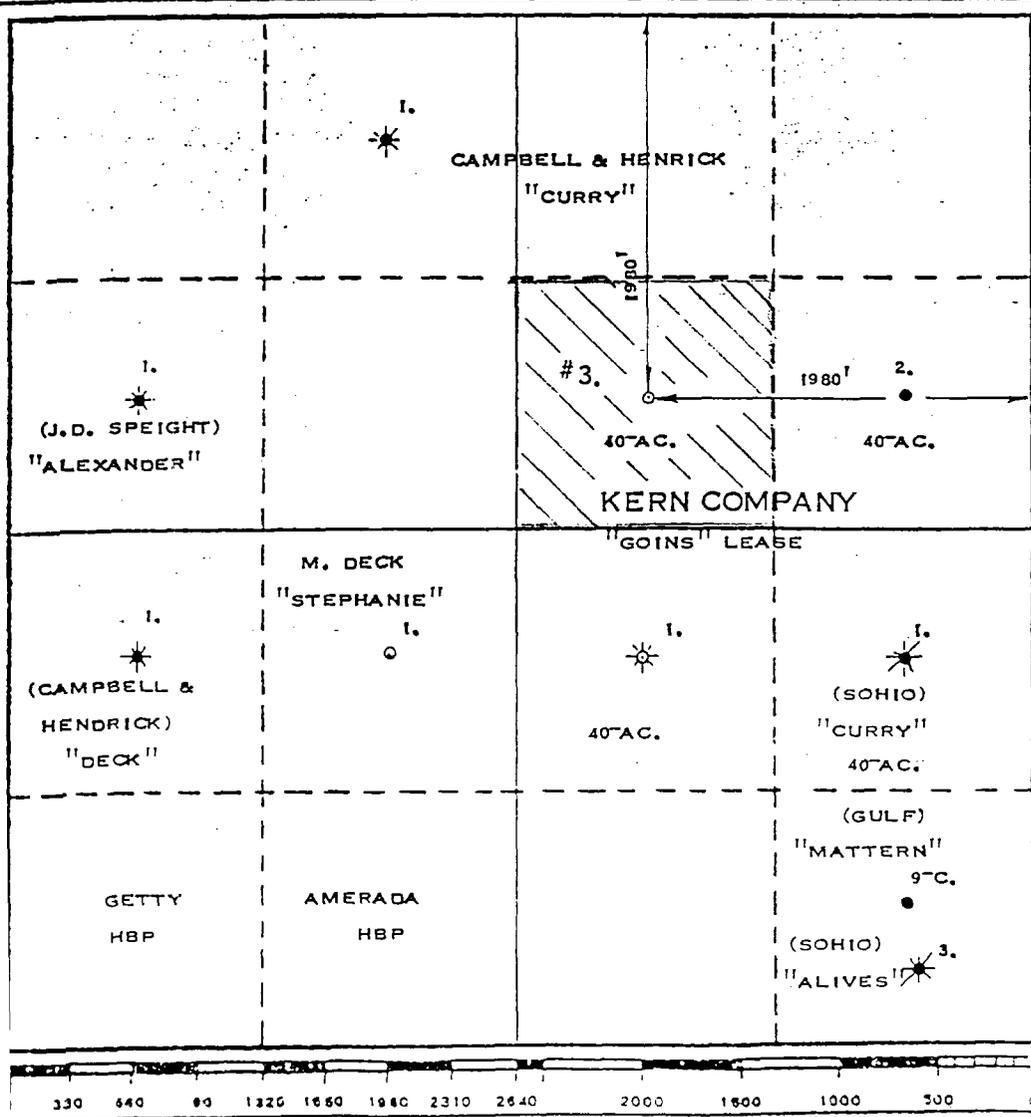
Operator KERN COMPANY		Lease GOINS		Well No. 3
Unit Letter "G"	Section 7	Township -21-S	Range 37-E	County LEA
Actual Footage Location of Wells: 1980 feet from the NORTH line and 1980 feet from the EAST line				
Ground Level Elev. 3495	Producing Formation QUEEN		Pool EUMONT	Dedicated Acreage: 40 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No . If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

William G. Kern
Name

William G. Kern

Position
Engineer

Company
Kern Co.

Date
9-5-80

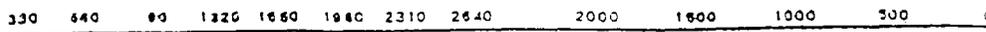
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
AUGUST 27, 1980

Registered Professional Engineer,
and a Land Surveyor

Max A. Schumann Jr.
MAX A. SCHUMANN JR.

Certificate No.
1510



WELL LOCATION AND ACREAGE DEDICATION

Form C-102
Supersedes C-129
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

KERN COMPANY		Lease: M. L. GOINS			Well No. 4
Letter M	Section 7	Township -21-S	Range -37-E	County LEA	
Footage Location of Well: 1650 feet from the SOUTH line and 330 feet from the EAST line					
Level Elev. 3495'	Producing Formation Grayburg		Pool Penrose Kelly Grayburg	Dedicated Acreage 40 Acres	

Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below:

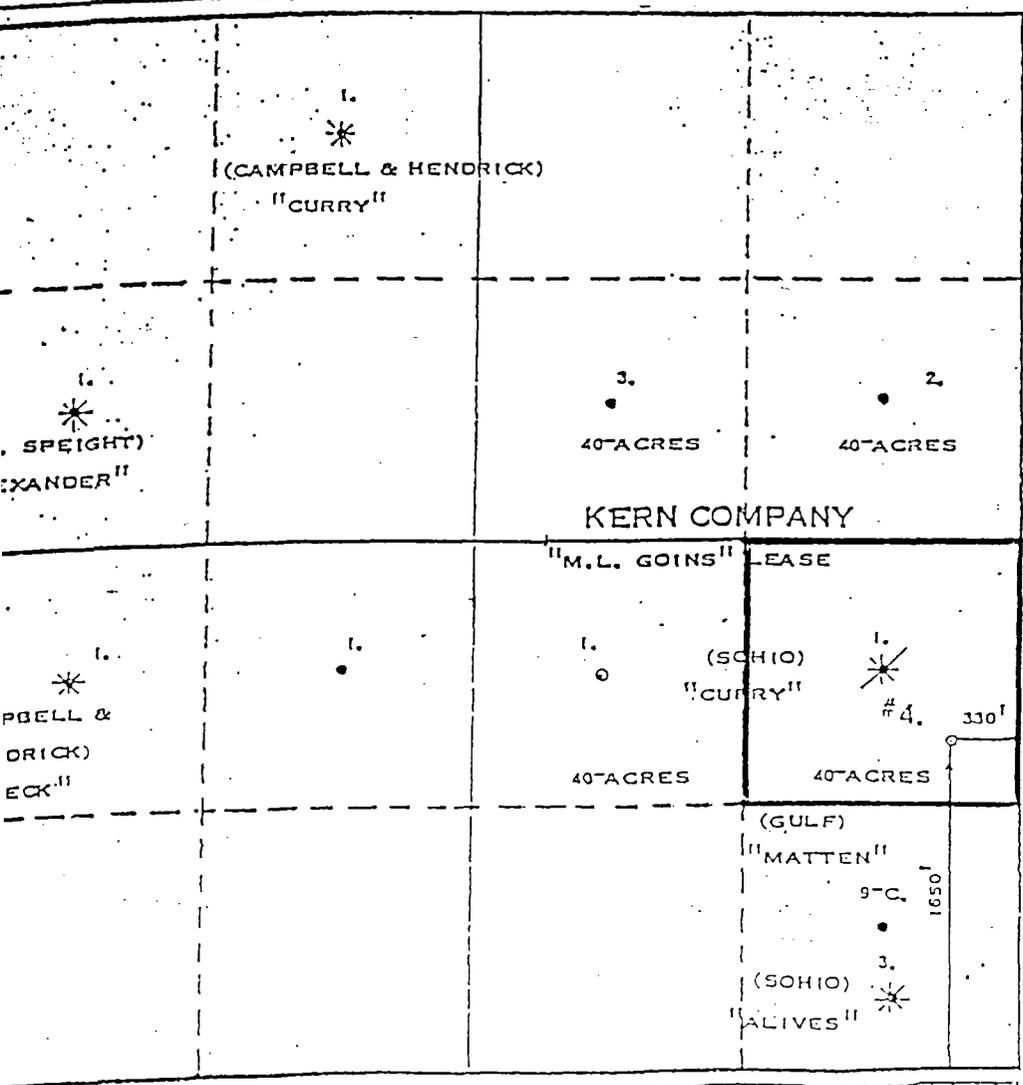
If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, force-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name: *Michael L. Wiberg*

Position: Michael L. Wiberg Fieldman

Company: Kern Co.

Date: 3-26-90

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: MARCH 27, 1981

Registered Professional Engineer and/or Land Surveyor: *Max A. Schuchman*

MAX A. SCHUCHMAN JR.

Certificate No. 1510