STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

AMENDED COMMINGLING ORDER PLC-38

Graham 5429 LBJ Freeway, Suite 550 Dallas, Texas 75240

Attention: Jason C. Sizemore

The above-named company is hereby authorized to commingle Drinkard and Blinebry Oil & Gas Pool production from the following leases:

LEASE NAME: J.G. Randle Lease

DESCRIPTION: SW/4 NE/4 Section 20, Township 21 South, Range 37 East, NMPM

LEASE NAME: J.G. Randle "A" Lease

DESCRIPTION: SE/4 NW/4 Section 20, Township 21 South, Range 37 East, NMPM

LEASE NAME: Both in Lea County, New Mexico

DESCRIPTION:

Oil production shall be allocated to each lease by separately metering the production from each lease prior to commingling.

Gas production shall be allocated to each lease by separately metering the gas production from the J.G. Randle Lease and determining the J.G. Randle "A" Lease gas production by subtracting said volume from the total sales meter volume.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 309-B of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

REMARKS: <u>Temperature compensated meters with non-reset counters and samplers required.</u>

DONE at Santa Fe, New Mexico, on this 25th day of October, 1991.

WILLIAM J. LEMAY

Division Director

cc: Oil Conservation Division - Hobbs

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OIL CONSERVE ON DIVISION

RECOVED 10 10 OPALLAS DIVISION

September 4, 1991

State of New Mexico
Oil Conservation Division
Attention: Mr. Jerry Sexton
1000 W. Broadway
P. O. Box 1980
Hobbs, NM 88240

RE: Randle No. 1
Randle "A" No. 1

Exceptions to Rules 303-A

and 309-A

Section 20 - T21S - R37E Lea County, New Mexico

Dear Mr. Sexton:

As you requested regarding the subject leases and our desire to commingle gas production from the two leases, I submit the following information.

- 1. Oil production from the two leases is currently commingled at the surface under Order No. PLC-38 (October 1971).
- 2. No reduction in total value from either stream is anticipated due to commingling.
- 3. Production is from the following pools:

Randle No. 1 Blinebry (5,603'-6,038')
Randle "A" No. 1 Drinkard (6,603'-19')

- 4. The commingled gas stream will be sold through the existing sales meter now serving the Randle "A" No. 1. Gas production will be allocated between the two wells based on monthly flow meter tests.
- 5. The necessity for commingling is a loss of gas market for the Randle No. 1 Drinkard gas production. Enron the previous purchaser on the well has declined to continue as purchaser due to the low volumes. Securing a new market and meter installations would result in economic waste due to these low volumes.

Letter to State of New Mexico - Oil Conservation Division Randle No. 1 and Randle "A" No. 1 Exception to Rules 303-A and 309-A September 4, 1991 Page 2

- 6. Sketch of facilities is attached.
- 7. Forms C-116 with most recent production test attached.
- 8. Gas gravities: Randle No. 1 (Blinebry) 0.74
 Randle "A" No. 1 (Drinkard) 0.77
- 9. All parties owning an interest in the leases and the purchaser of the commingled production have been notified by registered mail.

Should you require any additional information please call me at the number below. Thank you.

Sincerely,

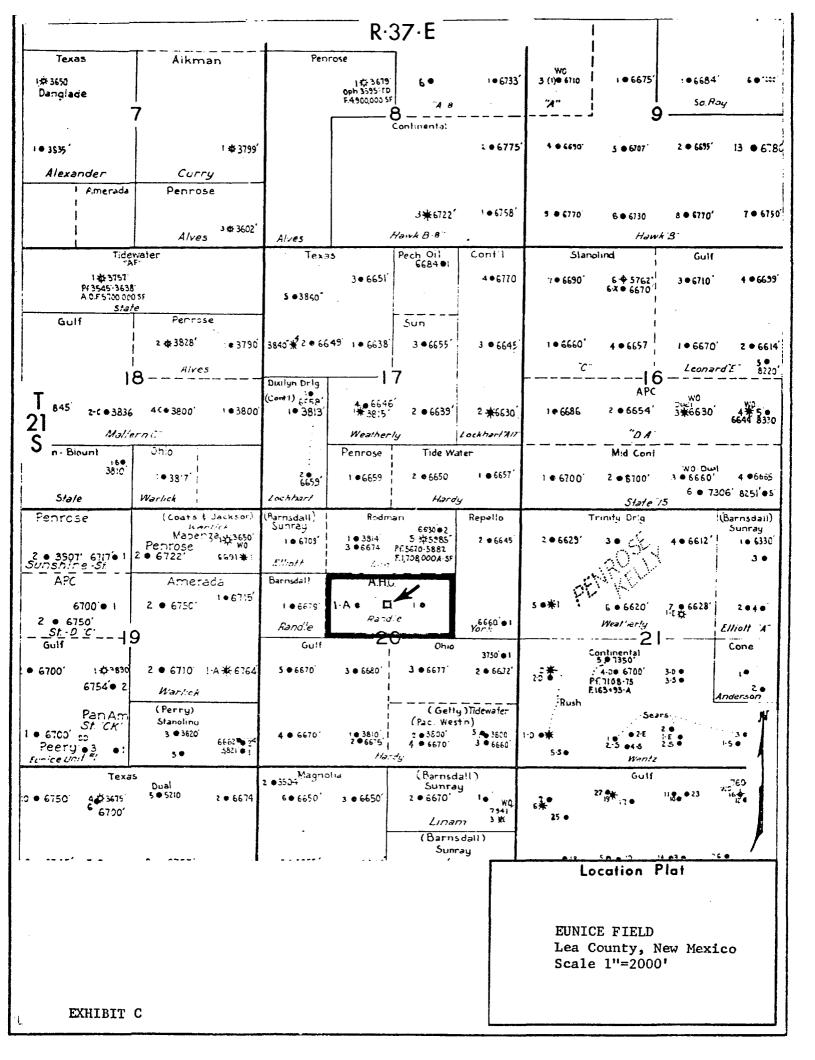
GRAHAM ROYALTY, LTD.

Ja/son C/ Sizemore

Senior Petroleum Engineer

JCS:ca
a:randel1a.snm

Attachments



O. Box 1980, I ISTRICT II O. Drawer DD, Brazos Rd, Aztec, NM 87410 Hobbs, NM 88240 Artesia, NM 88210

State of New Mexico Energy, Minerals and Natural Resources Department

OPERATOR'S MONTHLY REPORT Form C-115 - Revised 1/1/89 See Distribution and Code

Information Bottom of Page

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

TOOL ompany or Operator SUDO MORROW EA WOLFCAMP in which lease is located
One Copy to Transporter(s) DISTRIBUTION
Original OCD Santa Fe
One Copy OCD Dist. Office RIMARC TELL UNIT SEC TMP RNG LEASE NAME next succeeding month. To be postmarked by 24th date of 넉 NAME 25 25 N 55 20 *Lease **21**S 20S 20S 20S 20S WEST (GAS) , SOUTHEAST LEA SE (GAS) Include State Land Lease BATTERY TOTAL GRAHAM ROYALTY (Underline) LEASE LEASE LEASE Name აა 55 EE 35E 37E SOUTHEAST LEA TOTAL 6 TOTAL TOTAL RANDLE STATUS CODE F....FLOWING G....GAS LIFT P....PUMPING I....INJECTIONSHUT IN UNIT UNIT ..DISCOUNTINED **VOLUME** NJECTION Federal Lease ,68951A 604370 ,689510 PRESS. U....USED ON LEASE R....EXPLANTATION ATTACHED R....REPRESSURING OR G....GAS LIFT X....USED OFF LEASE
D....USED FOR DRILLING V....VENTED L....LOST (MCF ESTIMATED) "OTHER" GAS DISPOSITION CODE Number BARRELS OIL/COND. PRODUCED Address PRESSURE MAINTENANCE 253 193 193 193 ¥8 590 59 BARRELS OF WATER PRODUCED RODUCTION 5429 LBJ FREEWAY 150 150 150 7 70 **4**0 GAS PRODUCED (MCF) S....SEDIMENTATION (BS&W)
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DISTRICT I
P.O. Box 1980, H
DISTRICT II
P.O. Drawer DD,
DISTRICT III [980, Hobbs, NM 88240 Artesia, NM 88210

X10

Brazos Rd, Aztec, NM 87410

State of New Mexico Energy, Minerals and Natural Resources Department

OPERATOR'S MONTHLY Form C-115 - Revised See Distribution as Revised

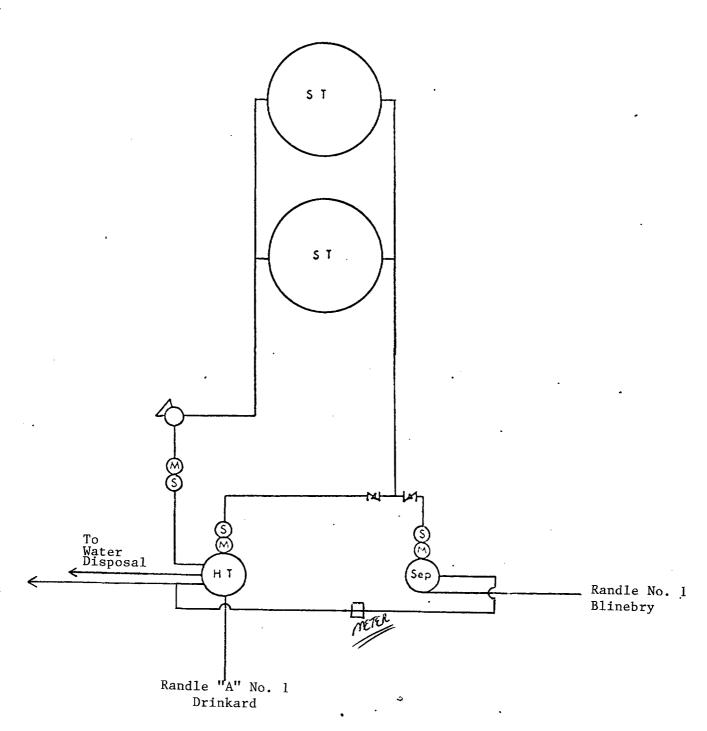
Information Bottom of Page

TIO CONSERVATION DIVISION P.O. Box 2088 P.O. Box 2088 New Mexico 87504-2088

For Month, Year _

18 10 121 121 121 WELL UNIT SEC TMP RNG | *LEASE NAME | Include State Land Lease COMMINGLED SECTION | Company or Operator POOL NAME Original OCD Santa Fe One Copy OCD Dist. Office One Copy to Transporter(s) next succeeding month. To be postmarked by 24th date of G U in which lease is located 20 *Lease BLINEBRY 21S 20S 2022 2028 2028 2028 BATTERY TOTAL (G-SA) GRAHAM ROYALTY (Underline LEASE LEASE LEASE 37E 37E COOPER B COOPER B 6 TOTAL TOTAL TOTAL G....GAS LIFT
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T....THEFT C....CIRCULATING OIL "OTHER" OIL DISPOSITION CODE L....LOST 9215 9215 2758 2306 90 8 PROD 80880 SOLD 3518 7811 7811 2338 ISPOSITION OF GAS 8 190 POR-TER Zip WAR TEX WAR. WAR R M M TEX 75240 OTHER 1404 1404 633 420 351 NAME I HEREBY CERTIFY THAT THE INFORMATON GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE c _ \subset **–** m 00 c SHARI H. AVE HAND AT TO TRANS-BEG. OF TRANS-POR-MONTH PORTER TER NO JIO 203 203 8 8 20820 REGULATORY ACCT BBLS. JUN-91 331 0 331 128 102 0 57 57 DISPOSITION OF O NO 1150 뫒 RC Ř 동동동동 Page PHONE NUMBER 214)991-3344 mood of HAND AT 85 길 87 67 67 87 022033 0

GRAHAM ROYALTY, LTD. RANDLE AND RANDLE "A" LEASES PROPOSED BATTERY



Cexaco s Sales Geter