

STEVENS OPERATING CORPORATION

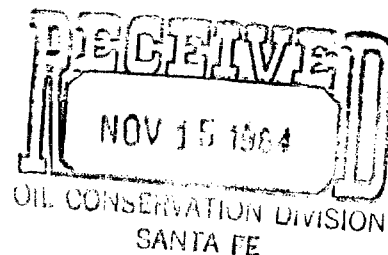
FIRST NATIONAL TOWER - SUITE 1250

P. O. BOX 2203

ROSWELL, NEW MEXICO 88201

505 622-7273

November 13, 1984



Mr. Richard L Stamets, Director
State of New Mexico
Energy and Minerals Department
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Commingling of Fluid Between Lynx #1
1815 FNL, 1980 FEL
Sec. 19, T-8-S, R-29-E
Chaves County, New Mexico
Wildcat - Montoya

O'Brien "R" #1
660 FSL, 1980 FEL
Sec. 21, T-8-S, R-29-E
Chaves County, New Mexico
Red Lake Ridge - San Andres

Gentlemen:

Stevens Operating Corporation is hereby applying for administrative approval to commingle the production from the two wells referenced above.

The condensate from the Lynx #1 has a gravity of 54° and the gravity of the sour crude produced from the O'Brien "R" #1 is approximately 25.5°. The value of the condensate of the Lynx #1 is approximately \$26.82 per barrel according to the new Crude Oil Price Bulletin 84-3 dated November 1, 1984. The value of the O'Brien "R" #1 sour crude is approximately \$26.82. The result of commingling the production from these two leases on a 50/50 basis would be to increase the gravity of the sour crude to approximately 37° gravity for a value of \$28.55 per barrel. The volume expected per month from this commingling would be 2000 barrels per month. The additional value per barrel would average \$1.69 more per barrel for each lease.

The production from the Lynx #1 and the O'Brien "R" #1 will be run through provable meters with non-resettable counters. These meters will be proved once a month for accuracy. The fluid will be moved to a 500 barrel tank, located on the west edge of the

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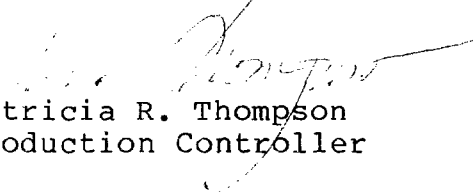
O'Brien "R" #1 wellpad. It will be mixed thoroughly and trucked from the tank to Navajo Refining Company. A schematic diagram of the proposed installation is enclosed for your information.

A copy of this application has been sent certified mail to all interested parties, per the attached list. It is understood that the Division Director may approve this application after a period of 20 days following receipt, provided no party has made an objection to this application.

If you have any further questions or need additional information, please do not hesitate to contact us.

Yours very truly,

STEVENS OPERATING CORPORATION



Patricia R. Thompson
Production Controller

PRT/ml
enclosures

cc: All Interested Parties

LYNX # 1

1. Moon Company. Trustee
Post Office Box 9598
Amarillo, Texas 79105
2. James T. Wyman, Trustee
Post Office Box 9598
Amarillo, Texas 79105
3. James T. Wyamn and
Frederick Winston, Trustees
1105 Foshay Tower
Minneapolis, Minn. 55402
4. Frederick Winston and
James T. Wyman, Trustees
2108 Foshay Tower
Minneapolis, Minn. 55402
5. Charles A. Kelly
C/O Chapman & Cutter
111 West Monroe
Chicago, Ill. 60603
6. Pauline W. Parker and
Henry W. Parker, Trustees
1105 Foshay Tower
Minneapolis, Minn. 55402
7. Marshall & Winston, Inc.
310 West Tower
#10 Desta Drive
Midland, Texas 79705
8. Murray C. McKinnon, Trustee
2600 Republic Bank Center
700 Louisiana Street
Houston, Texas 77002
9. Tenneco Oil Company
7990 IH 10 West
San Antonio, Texas 78230
10. Rio Petrol, Inc.
300 Harbor Building
100 Second Avenue South
Edmonds, Washington 98020
11. John D. Cadigan
(Same as Rio Petrol, Inc.)
12. Robert R. Walker
(Same as Rio Petrol, Inc.)
13. Curtis Stevens
2525 Wallingwood
Suite 1101
Austin, Texas 78746
Attn: Cody Stevens
14. John T. Rowlett
P. O. Box 1389
Fairbanks, Alaska 99701

O'BRIEN R # 1

1. Moon Company, Trustee
Post Office Box 9598
Amarillo, Texas 79105
2. Frates Seeligson
1604 Nat'l Bank of Commerce
Building
San Antonio, Texas 78205
3. Nancy Ellen Carlock
St. Paul's Manor #630
2635 2nd Ave.
San Diego, Calif. 92103
4. Victor Emanuel Carlock
2230 - P Via Puerta
Laguna Hills, Calif. 92653
5. Frederick Winston and
James T. Wyman, Trustees
2108 Foshay Tower
Minneapolis, Minn. 55402
6. James T. Wyman and
Frederick Winston, Trustees
1105 Foshay Tower
Minneapolis, Minn. 55402
7. Charles A. Kelly
C/O Chapman & Cutter
111 West Monroe
Chicago, Ill. 60603
8. Pauline or Henry Parker
1105 Foshay Tower
Minneapolis, Minn. 55402
9. James T. Wyamn, Trustee
1105 Foshay Tower
Minneapolis, Minn. 55402
10. Marshall & Winston
310 W. Tower
#10 Desta Drive
Midland, Texas 79705
11. Murray C. McKinnon, Trustee
2600 Republic Bank Center
700 Louisiana Street
Houston, Texas 77002
12. Grover Stone
51 Eagle Street
San Francisco, Calif. 94114
13. Steven Stone
Post Office Box 1
Brookdale, Calif. 95007
14. Sandra Stone
2162 Marlowe Road
Santa Rosa, Calif. 94501
15. Dianne E. Daniels
14305 Eastridge Drive
Whittier, Calif. 90602
16. June Daniels Grothe
23317 Stirrup Drive
Diamond Bar, Calif. 91765
17. Charles W. Daniels
410 North Ogden Street
Los Angeles, Calif. 90036
18. Margaret B. Daniels
14305 Eastridge Drive
Whittier, Calif. 90602
19. Beatrice B. Daniels
5200 Montgomery Drive
Santa Rosa, Calif. 95405
20. John & Mary Briscoe
118 Briscoe Road
St. Leonard, MD. 20685
21. Curtis Stevens
2525 Wallingwood - Suite 1101
Austin, Texas 78746
Attention: Cody
22. John T. Rowlett
Post Office Box 1389
Fairbanks, Alaska 99701
23. Rio Petrol
300 Harbor Building
100 Second Ave. S.
Edmonds, Washington 98020
24. Robert R. Walker
300 Harbor Building
100 Second Ave. S.
Edmonds, Washington 98202
25. John D. Cadigan
300 Harbor Building
Edmonds, Washington 98202
26. W.G. Stroecker
Post Office Box 1389
Fairbanks, Alaska 99701
27. Tanana Management
Post Office Box 1389
Fairbanks, Alaska 99701

O'BRIEN R # 1
(continued)

28. Brenda and Rick Winther
Post Office Box 1389
Fairbanks, Alaska 99701
29. John and Vava Winther
Post Office Box 1389
Fairbanks, Alaska 99701
30. Walter and Delores Sczudlo
Post Office Box 1389
Fairbanks, Alaska 99701
31. Glorine Neimeyer
Post Office Box 1389
Fairbanks, Alaska 99701
32. Richard A. Wien
Post Office Box 1389
Fairbanks, Alaska 99701
33. Billy and Frances Pryor
Post Office Box 1389
Fairbanks, Alaska 99701
34. Douglas Millard
Post Office Box 1389
Fairbanks, Alaska 99701
35. Marion Weeks
Post Office Box 1389
Fairbanks, Alaska 99701

Stevens Operating Corporation

T-8-S

R-29-E

MONTOYA
LYNX #1
1815 FNL
1980 FEL ☼

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SAN ANDRES
O'BRIEN "R" #1
660 FSL
1980 FEL



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