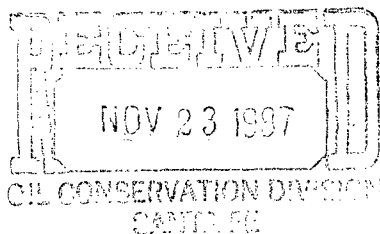




R. E. Irelan
Division Manager
Production Department
Hobbs Division
North American Production



Conoco Inc.
P.O. Box 460
726 East Michigan
Hobbs, NM 88240
(505) 393-4141

November 16, 1987

Mr. Bill LeMay, Director
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

Dear Mr. LeMay:

Application to Downhole Commingle Lockhart A-35 No. 1, Unit D, Section 35, T-21S, R-37E, Lea County, New Mexico

Conoco Inc. respectfully requests approval to downhole commingle the Blinebry Oil and Gas pool with the Drinkard pool in the Lockhart A-35 No. 1.

Additional data relative to this commingling is listed below:

1. A lease plat is attached showing the location of this well.
2. C-116's are included providing a test for each zone.
3. Decline curves for each horizon are attached.
4. Estimated shut-in bottomhole pressures are 268 psia for the Drinkard and 1200 psia for the Blinebry (estimated from static fluid level). Both zones require artificial lift to remove liquids.
5. Ownership of interest in both formations is the same.
6. The quality of crude is identical and commingling will not reduce the commercial value. All production is sweet Tier II oil. The value of the crude is as follows:

<u>Zone</u>	<u>Gravity</u>	<u>Value Per Barrel</u>
Blinebry Oil & Gas	36.9	\$18.92
Drinkard	36.9	\$18.92

Mr. Bill LeMay
Page 2
November 16, 1987

7. The following allocation percentages are suggested based upon the ratio of production from each zone:

	<u>Oil</u>	<u>Gas</u>
Blinebry Oil & Gas	0%	90%
Drinkard	100%	10%

8. By copy of this letter, we are notifying the Bureau of Land Management and the offset operators of this proposed commingling.

Yours very truly,



R. E. Ireland
Division Manager

COY:ajh

Enclosure

cc: BLM - Carlsbad
Bravo Energy - Hobbs
Exxon - Houston
ARCO - Midland

[illegible]

**NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS**

C-116
Revised 1-1-65

Operator CONOCO, INC.		Pool BLINERY OIL & GAS		County LEA												
Address P. O. BOX 460, HOBBS, NEW MEXICO 88240				Type of Test - (X) ☒ TEST - (X)												
Scheduldy				Completion ☐												
Special ☐																
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	STATUS	CHOKE SIZE	TBG. PRESS	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST				GAS-OIL RATIO CU.FT./BBL.
		U	S	T	R							WATER BBL.S.	GRAV. OIL	OIL BBL.S.	GAS M.C.F.	
LOCKHART A-27	1	C	27	21S	37E	09-04-87	P				24	0	39.8	4	56	14000
LOCKHART A-27	5	A	27	21S	37E	08-27-87	F	OPEN	100		24	0	0.0	0	1151	0
LOCKHART A-27	11	H	27	21S	37E	09-03-87	F	OPEN	30		24	0	39.8	4	156	39000
LOCKHART A-35	17	D	35	21S	37E	08-27-87	F	OPEN	100		24	0	0.0	0	44	0
LOCKHART A-35	2	F	35	21S	37E	09-16-87	P				24	5	36.8	14	67	4786
DHC 46 DHC 46		WANTZ ABC BLINERY OIL & GAS														
						100.0% OIL										
						100.0% GAS										
						100.0% OIL										
						100.0% GAS										

No well will be assigned an allowable greater than the amount of oil produced on the official test.
During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that the well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60°F. Specific gravity base will be 0.60.
Report casing pressure in lieu of tubing pressure for any well producing through casing.
Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

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


D.F. FINNEY
(Signature)
ADMINISTRATIVE SUPERVISOR
(Title)
07-OCT-87
(Date)

C-116
Revised 1-1-65

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During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that the well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60°F. Specific gravity base will be 0.60. Report casing pressure in lieu of tubing pressure for any well producing through casing. Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

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

ADMINISTRATIVE SUPERVISOR

05-MAY-87
(Date)

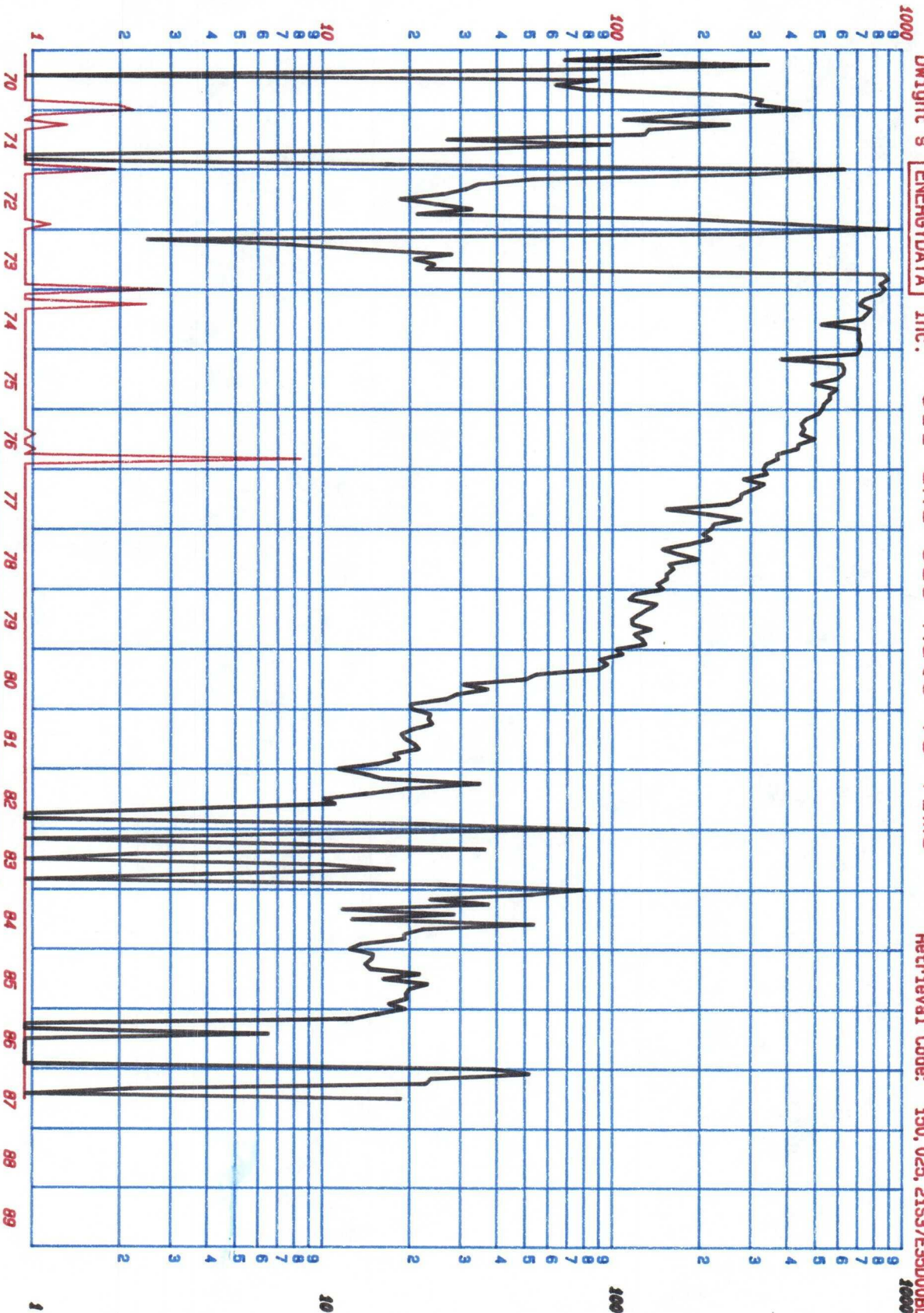
DAILY OIL PRODUCTION

(BBL/DAY)

Dwight's ENERGYDATA Inc.

Oil and Gas Rate vs Time

Retrieval Code: 150, 025, 21S37E35D00BL



DAILY GAS PRODUCTION

(MCF/DAY)

LEGEND

OIL —
GAS —

Lease: LOCKHART A 35
Well #: 000001
Operator: CONOCO INC
Field: BLINBRY OIL AND GAS
Reservoir: LEA
County: NM
Location: 35 21S 37E

BL

Date: 10-20-87

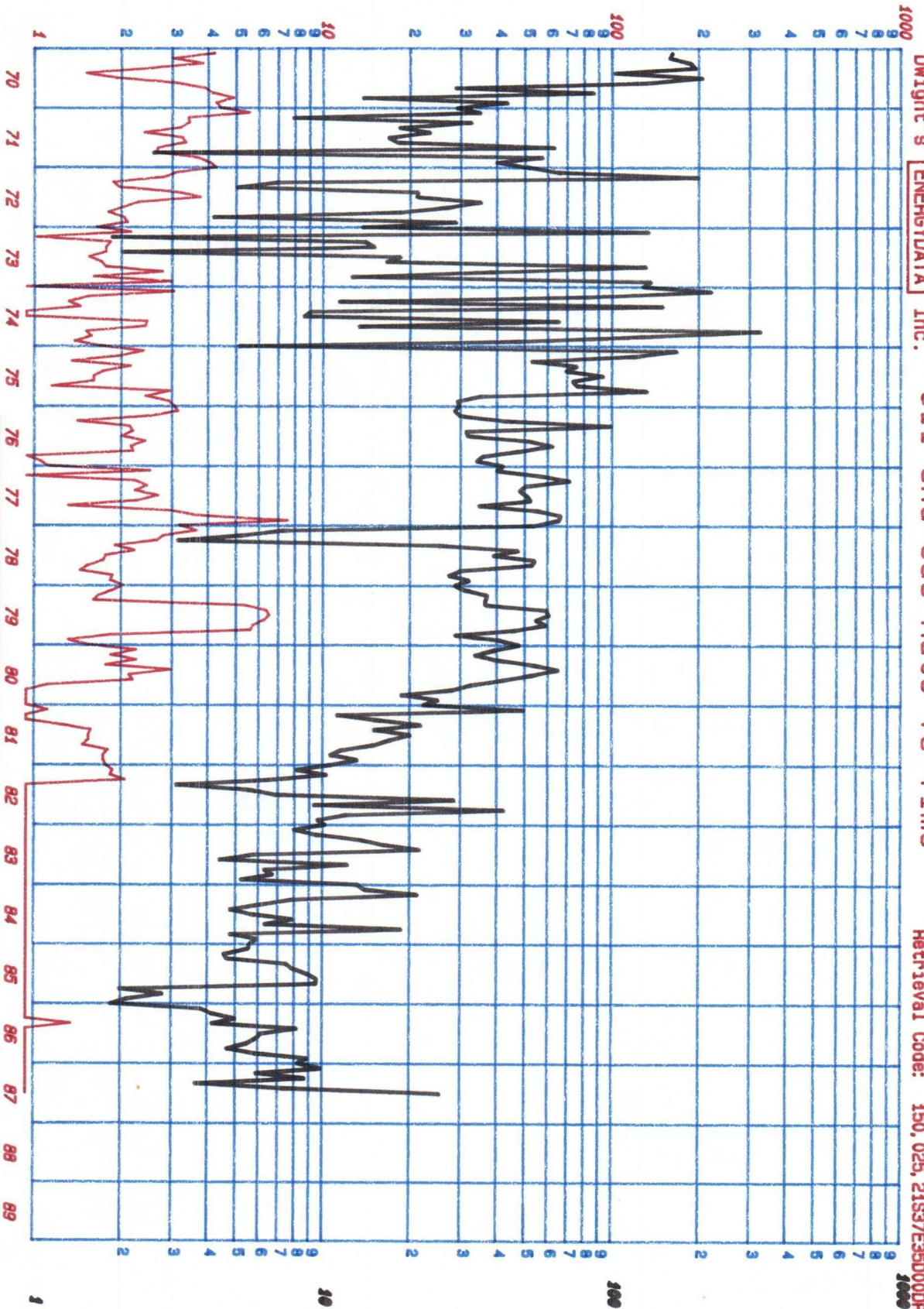
DAILY OIL PRODUCTION

(BBL/DAY)

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Oil and Gas Rate vs Time

Retrieval Code: 150, 025, 21S37E35D00DR



DAILY GAS PRODUCTION

(MCF/DAY)

LEGEND

OIL —

GAS —

Lease: LOCKHART A 35

Well #: 000001

Operator: CONOCO INC

Field: DRINKARD

Reservoir:

County:

Location: 35 21S 37E

LEA

NW

DR

Date: 10-20-87



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

11-20-87

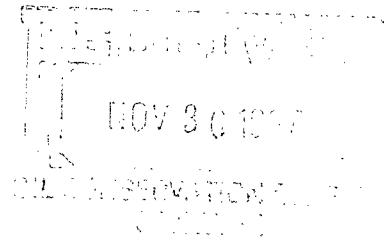
GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC _____
DHC X _____
NSL _____
NSP _____
SWD _____
WFX _____
PMX _____



Gentlemen:

I have examined the application for the:

Conoco Inc. Lockhart A-35 #1-D 35-21-37
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,

Jerry Sexton
Supervisor, District 1

/ed