

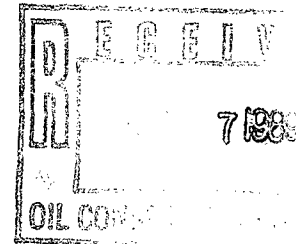
ARCO Oil and Gas Company
Central District
Post Office Box 1610
Midland, Texas 79702
Telephone 915 688 5200



April 13, 1989

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

RE: Application to Downhole Commingle
State 367 #1
Unit Letter M, Sec 36, T21S, R37E
Bliebry / Drinkard Pools
Lea County, New Mexico



Dear Mr. LeMay:

ARCO Oil and Gas Company respectfully requests administrative approval under the provisions of Rule 303-C to downhole commingle production from the Bliebry Oil and Gas Pool and the Drinkard Oil Pool within the State 367 #1. This well is currently completed as a dual well with two strings of 2" tubing in 5-1/2" casing. The small tubulars cause excessive operating costs due to significantly increased mechanical problems. By downhole commingling the two pools, a single string of larger tubing can be run. This will result in fewer mechanical problems, thereby significantly reducing operating costs and prolonging the life of the well. Therefore, additional reserves will be recovered.

A detailed listing of the requirements of Rule 303-C is attached. This is a State of New Mexico lease, and the interest is common in all depths. Furthermore, the Bliebry and Drinkard Pools have been downhole commingled on the lease since 1982, in the State 367 #2, located 1320 feet north of the #1. This commingling was approved by NMOCD Order #R-6783. The pools are also commingled at the surface.

The offset operators have been notified of this application by certified mail. A copy of the notification letter is attached. Copies of the return receipts will be forwarded when they are received.

ARCO Oil and Gas believes approval of this request will be in the interest of conservation, will protect correlative rights, and will allow for a more complete recovery of Bliebry and Drinkard oil and gas reserves from the subject acreage. If you have any questions, please call me at (915) 688-5557. Thank you for your consideration.

Very truly yours,

Jack T. Lowder
Area Engineer

Attachments

XC: New Mexico Oil Conservation Division
P.O. Box 1980
Hobbs, New Mexico 88240

ARCO Oil and Gas Company
Central District
Post Office Box 1610
Midland, Texas 79702
Telephone 915 688 5200



April 13, 1989

Offset Operators
State 367 Lease
Lea County, New Mexico

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Dear Sirs:

In accordance with New Mexico Oil Conservation Division regulations, you are hereby notified of ARCO Oil and Gas Company's application to downhole commingle production from the Blinebry Oil and Gas Pool and the Drinkard Oil Pool within the State 367 #1. This well is located 660 ft FSL and 660 ft FWL of Section 36, T21S, R37E, Lea County, New Mexico.

If you have no objection to this application, we request that you sign the attached waiver form and send it to the NMOCD. We have also enclosed a copy of the waiver to be returned to us and a copy for your own files. Self addressed, stamped envelopes are enclosed for your convenience.

Very truly yours,

Jack T. Lowder
Area Engineer

ARCO Oil and Gas Company
Application to Downhole Commingle
State 367 #1
Unit Letter M, Sec 36, T21S, R37E
Blinebry / Drinkard Pools

Offset Operators -

AMOCO Production Company
P. O. Box 3092
Houston, Texas 77001

Bravo Energy, Inc.
P. O. Box 2160
Hobbs, New Mexico 88240

Chevron U.S.A., Inc.
P. O. Box 670
Hobbs, New Mexico 88240

Conoco, Inc.
P. O. Box 460
Hobbs, New Mexico 88240

EXXON Company, U. S. A.
Attn: Joint Interest Manager
P. O. Box 1700
Midland, Texas 79702

Marathon Oil Company
P. O. Box 552
Midland, Texas 79702

OXY U.S.A., Inc.
Attn: Glen Kellerhals
P. O. Box 50250
Midland, Texas 79710

Texaco Inc.
P. O. Box 728
Hobbs, New Mexico 88240

State 367 #1
Application to Downhole Commingle
Blinebry Oil and Gas Pool/ Drinkard Oil Pool
Conditions for Commingling-Rule 303 C.1

a. For Wells Involving Oil Zones

- 1) Total Combined Oil Production Limit: The lowermost perforation is at 6489'. The limit for this depth is 40 BOPD. The Blinebry produces 7 BOPD and the Drinkard 6 BOPD, for a total combined oil production of 13 BOPD. This is below the required limit.
- 2) Both zones are capable of flowing. However, upon commingling, artificial lift will be installed.
- 3) Total Combined Water Production Limit: The combined water production is 2 BWPD, which is below the limit of 80 BWPD.
- 4) The fluids are compatible with each other.
- 5) The total value of the crude will not be reduced by commingling.
- 6) The ownership of the zones is common, including royalty interest. ARCO owns 100% working interest in the lease.
- 7) The commingling will not jeopardize a secondary recovery project. There are no existing or known proposed secondary recovery projects in this area.

State 367 #1
Application to Downhole Commingle
Blinebry Oil and Gas Pool/ Drinkard Oil Pool
Required Data-Rule 303 C.2

- a) Operator: ARCO Oil and Gas Company
P.O. Box 1610
Midland, TX 79702
- b) Lease, Well, Location, and Pools:
State 367 Well #1
660 ft FSL & 660 ft FWL
Sec 36, T21S, R37E
Lea County, New Mexico
Blinebry Oil and Gas Pool
Drinkard Oil Pool
- c) Acreage Dedication:
40 Acres: SW/4 SW/4 Sec 36.
Form C-102 Attached.
Offset operators are shown on attached 4-section plat.
- d) A C-116 Form for the Blinebry dated 3/12/89 and a C-116 Form for the Drinkard dated 3/18/89 are attached.
- e) Production decline curves are attached. The State 367 #1 was drilled in 1946 as a single Drinkard producer. In 1965, the Blinebry was added, and the well was completed as a dual producer. The well history is attached.
- f) Bottom-hole pressures: The bottom hole pressures were determined from tests which were conducted in February, 1989. A bottom hole pressure guage was set in the tubing strings as close to the perforations as practical. The results of the tests follow:

<u>Pool</u>	<u>Test Depth, Ft</u>	<u>Mid- Perfs Ft</u>	<u>Pressure at Mid-Perfs psia</u>	<u>Common Datum Ft</u>	<u>Pressure at Common Datum psia</u>
Blinebry	5552	5667	444	6400	501
Drinkard	6251	6393	494	6400	495

- g) Fluid Compatibility: The Blinebry and Drinkard produced fluids are compatible. The zones have been downhole commingled on the offsetting State 367 #2 well since 1982 with no adverse effects. In addition, the fluids are surface commingled.
- h) Value of Commingled Fluids: The value of the commingled fluids will not be less than the sum of the individual values. Since the fluids are surface commingled, the individual values are the same whether downhole commingled or isolated.
- i) Proposed Formula for the Allocation of Production:

<u>Pool</u>	<u>Oil</u>	<u>Gas</u>	<u>Water</u>
Blinebry	62%	52%	75%
Drinkard	38%	48%	25%

A sheet is attached which shows the method used to arrive at this allocation.

- j) All offset Operators have been notified of this application by certified mail. Copies of the letter and the return receipts are attached.

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

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

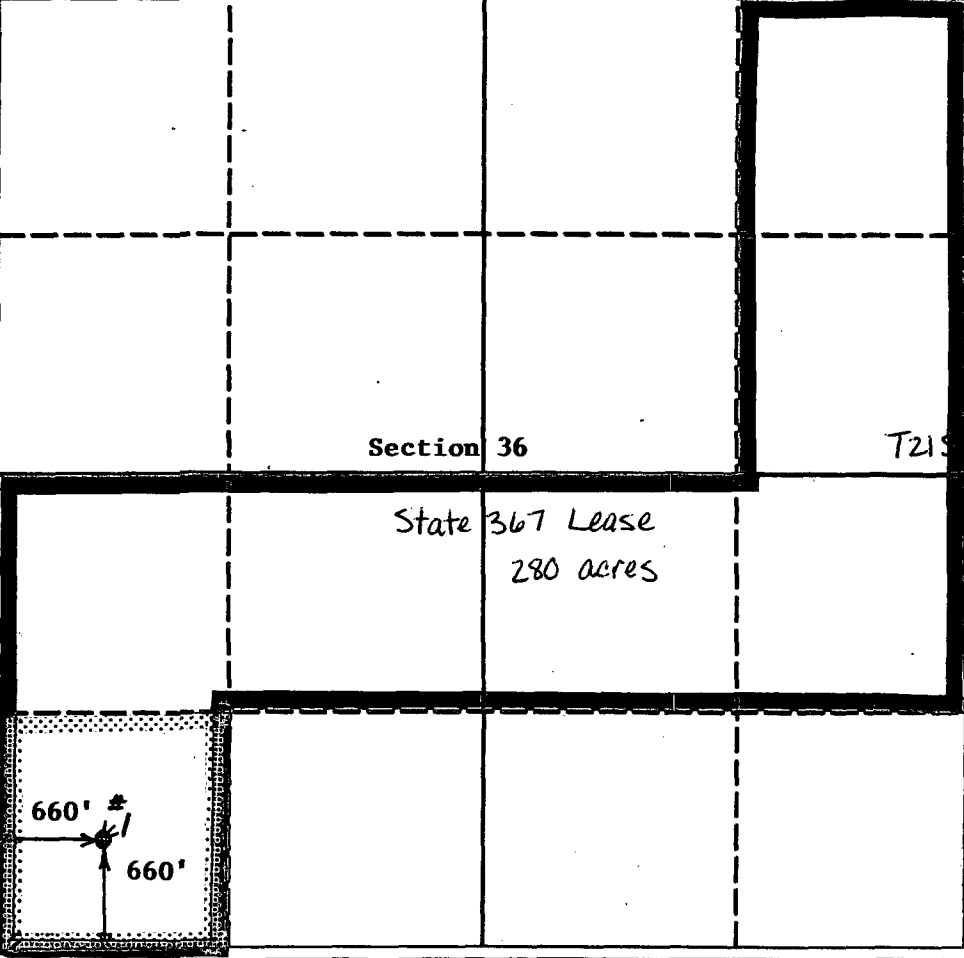
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator ARCO Oil and Gas Co.		Lease State 367		Well No. 1
Unit Letter M	Section 36	Township 21 South	Range 37 East	County NMPM Lea
Actual Footage Location of Well: 660 feet from the south line and 660 feet from the west line				
Ground level Elev. 3361	Producing Formation Blinebry/Drinkard	Pool Blinebry oil & gas/Drinkard	Dedicated Acreage: 40 Acres	
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>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).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.? <input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation _____</p> <p>If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if neccessary. _____)</p> <p>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 interest, has been approved by the Division.</p>				
R37E				
Section 36				
T21S				
State 367 Lease 280 acres				
				
OPERATOR CERTIFICATION I hereby certify that the information contained herein in true and complete to the best of my knowledge and belief.				
Signature <i>Cindy W. Ellis</i>				
Printed Name Cindy W. Ellis				
Position Senior Engineer				
Company ARCO Oil and Gas Co.				
Date March 10, 1988				
SURVEYOR CERTIFICATION 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				
Signature & Seal of Professional Surveyor				
Certificate No.				

ARCO Oil and Gas Company
 Application for Downhole Commingling
 State 367 #1
 Blinebry and Drinkard Pools
 Unit Letter M, Sec 36, T21S, R37E

Range 37 East

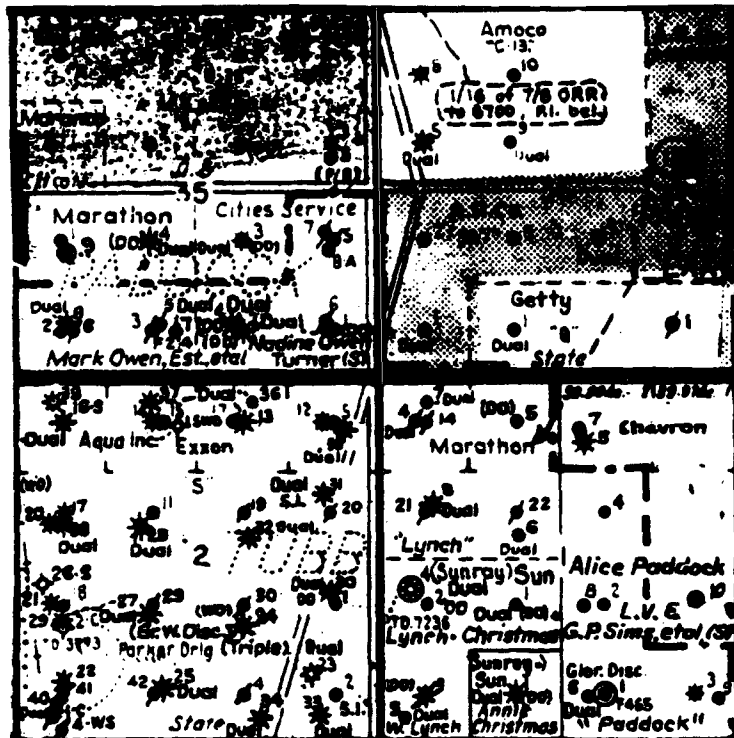
Conoco
 Lockhart
 A-35 & B-35

Bravo
 EM Elliott

Marathon
 Mark Owen

OXY
 Owen

EXXON
 New Mexico 'S'



AMOCO
 State 'C'

ARCO
 State '367'

Texaco
 State 'Q'

Township
 21 South

Township
 22 South

Chevron
 Alice
 Paddock

Marathon
 Walter
 Lynch

OFFSET OPERATORS

AMOCO
 Bravo Energy
 Chevron
 Conoco
 EXXON
 Marathon
 OXY
 Texaco

Submit 2 copies to Appropriate District Office.

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-116
Revised 1/1/89

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

OIL CONSERVATION DIVISION

GAS - OIL RATIO TEST

Operator ARCO OIL AND GAS COMPANY		Pool BLINEBRY OIL & GAS		County LEA COUNTY, NM											
Address BOX 1710, HOBBS, NEW MEXICO 88240		TYPE OF TEST - (X)		Completion <input type="checkbox"/> Special <input checked="" type="checkbox"/>											
LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	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.	GRAY. OIL		OIL BBL.S.	GAS MCF.
STATE 367	1	M	36	21	37	3-12-89	F		M	24	1	38.3	7	324	46285

Instructions:

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 well can be assigned increased allowables when authorized by the Division.

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.

(See Rule 301, Rule 1116 & appropriate pool rules.)

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

Signature

James D. Cogburn, Services Supervisor

Printed name and title

3-28-89

Date

392-3551

Telephone No.

Submit 2 copies to Appropriate
District Office.
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

Form C-116
Revised 1/1/89

GAS - OIL RATIO TEST

Operator ARCO OIL AND GAS COMPANY		Pool DRINKARD		County LEA COUNTY, NM										
Address BOX 1710, HOBBS, NEW MEXICO 88240		TYPE OF TEST - (X)		Completion <input type="checkbox"/> Special <input checked="" type="checkbox"/>										
LEASE NAME STATE 367	WELL NO. 1	LOCATION			DATE OF TEST 3-18-89	CHOKE SIZE F	TBG. PRESS. 	DAILY ALLOW-ABLE M	LENGTH OF TEST HOURS 24	PROD. DURING TEST		GAS - OIL RATIO CU.FT/BBL.		
		U	S	T						R	WATER BBLs.		GRAV. OIL	OIL BBLs.
		M	36	21	37					1	38.3	6	130	21666

Instructions:

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 well can be assigned increased allowables when authorized by the Division.

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.

(See Rule 301, Rule 1116 & appropriate pool rules.)

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

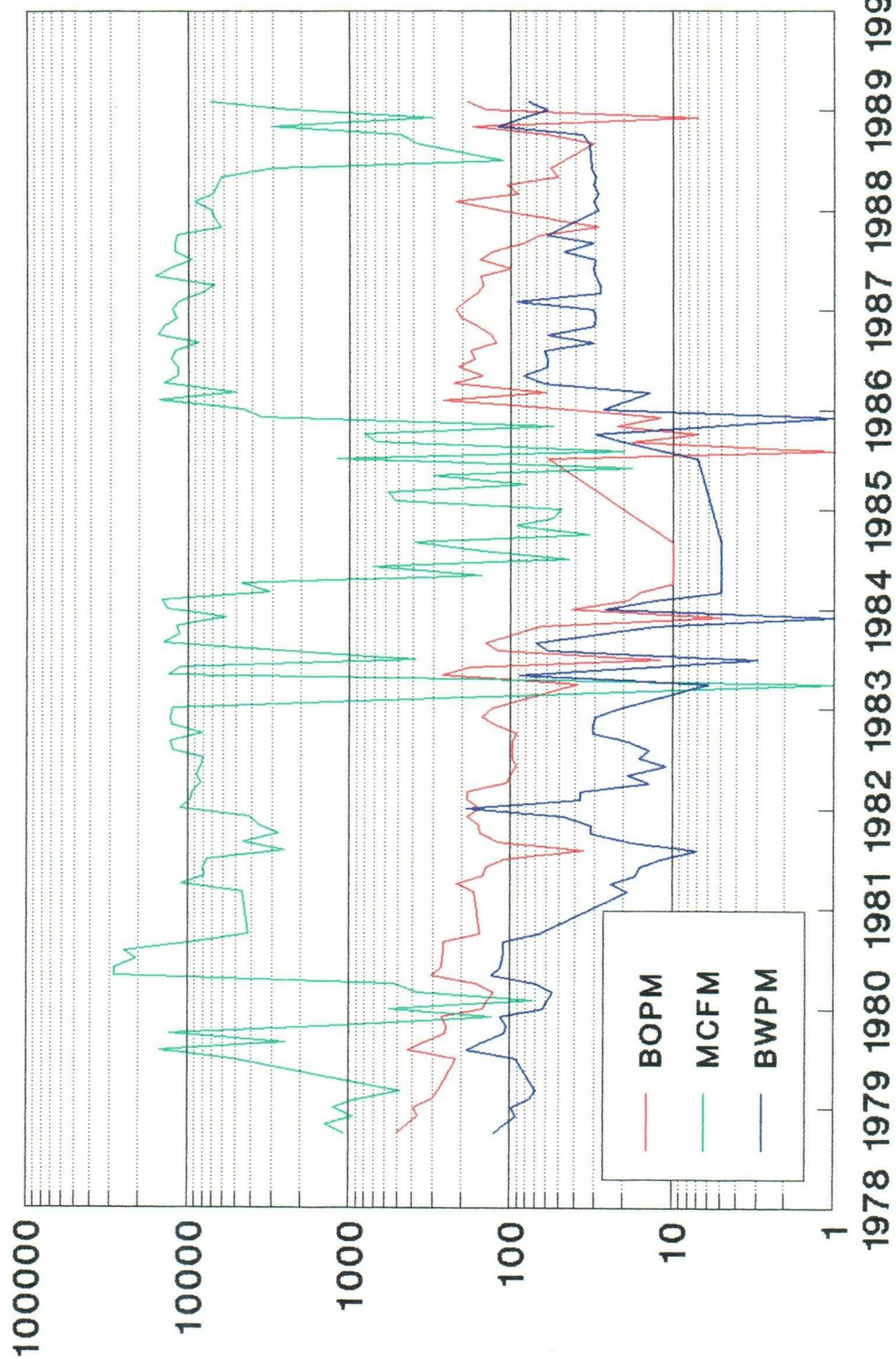
Signature
James D. Cogburn

Printed name and title
James D. Cogburn, Services Supervisor

Date
3-28-89

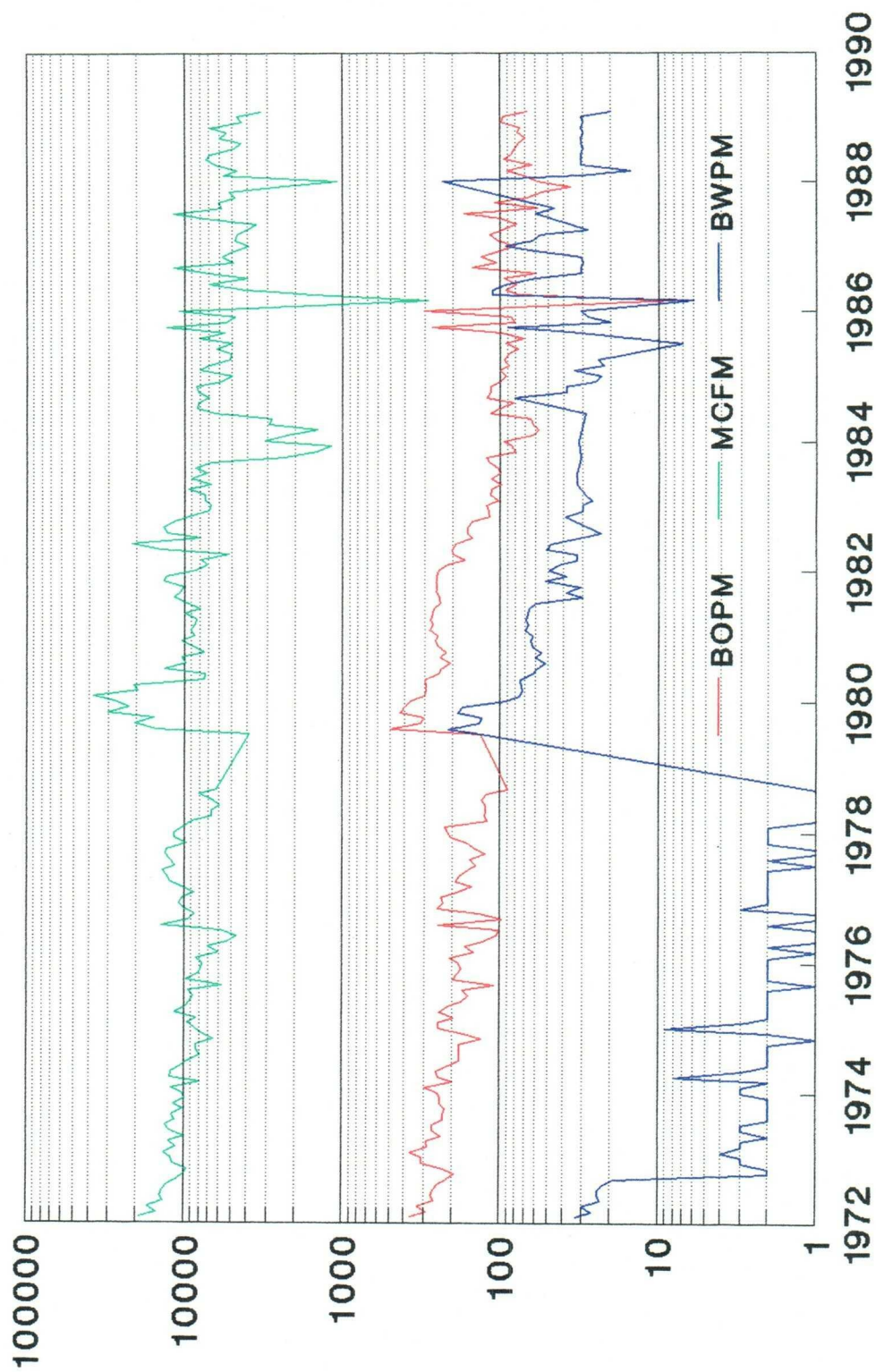
Telephone No.
392-3551

STATE 367 #1 BLINEBRY FIELD



03/08/89

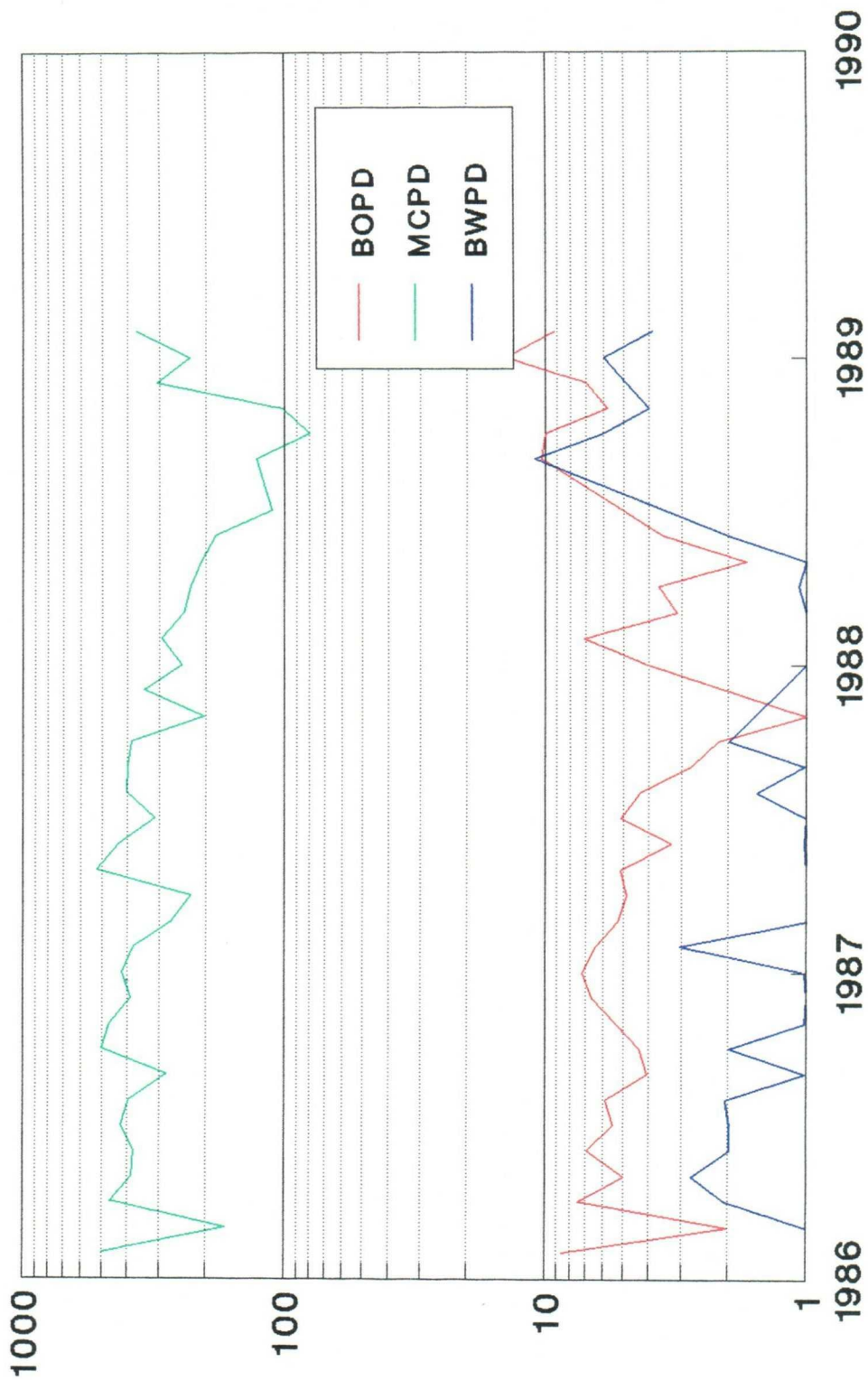
STATE 367 #1 DRINKARD FIELD



03/08/89

STATE 367 #1

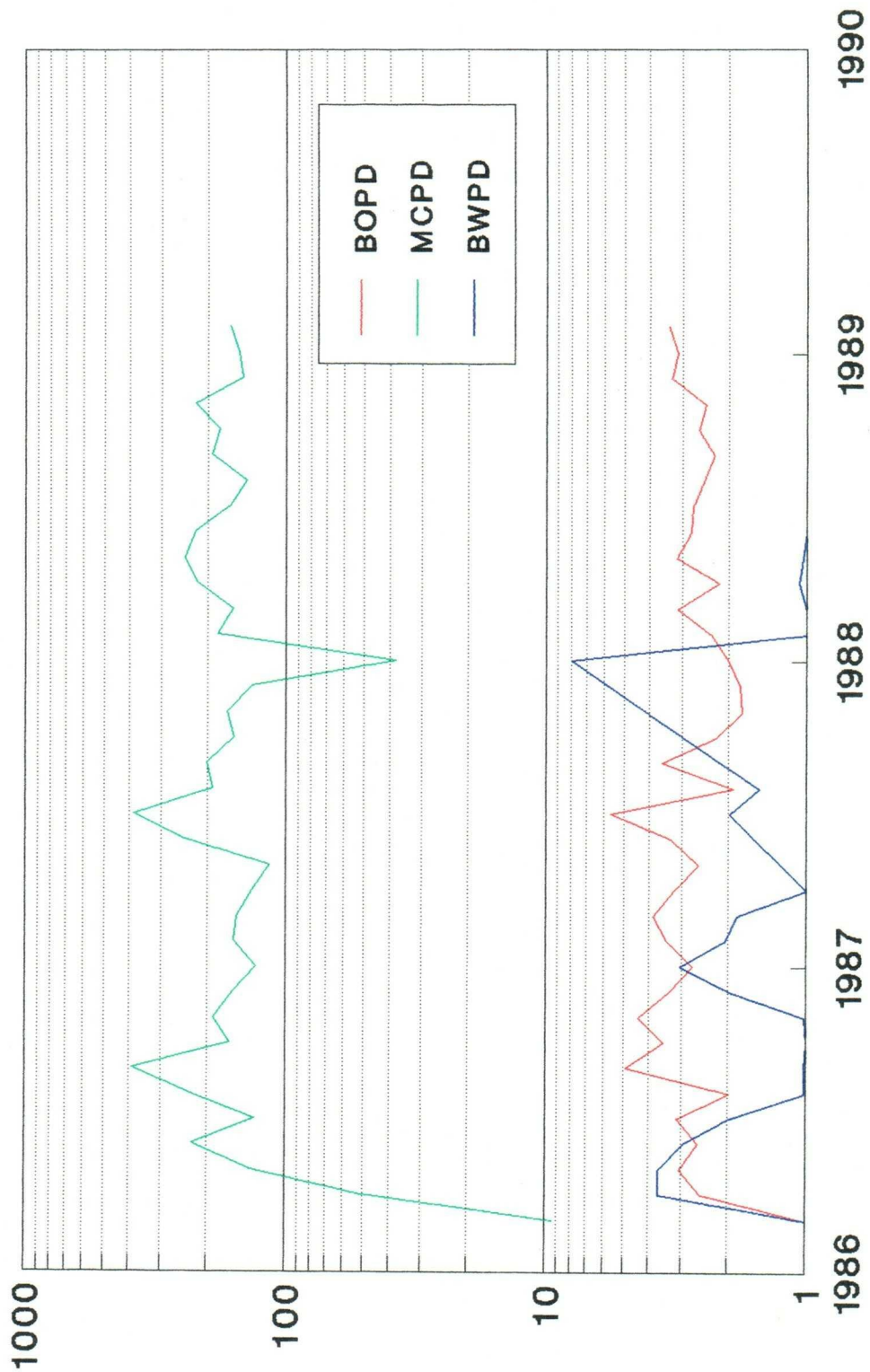
BLINEBRY FIELD



03/08/89

STATE 367 #1

DRINKARD FIELD



03/08/89

State 367 #1

Surface Location:

660 FSL & 660 FWL Sec 36 T21S R37E

Elevation:

3361' GL 3372' RKB

TD: 6542'

PBD: 6508

Spud Date: 5/20/46

Casing:

13 3/8" 48# H-40 @ 297' w/300 sx. Circ cmt.

8 5/8 32# SS @ 2799' w/1000 sx. TOC @ 440'

5 1/2" 17# N-80 & J-55 @6541' w/400 sx.

Completion:

Drinkard: Perf 6449-6489' w/240 1/2" holes. A/2000.

IP: 240 BOPD Flowing.

Workovers:

4/48 Drk: A/5000. Incr 70 to 100 BOPD.

12/57 Drk: Perf 6424-6449 w/100js. A/1000. SOF/30/20 all perfs.
151 BOPD.

9/65 Set Mod D @6380'. Perf 5950-51' & sqz w/125 sx. Perf
5590-91' & sqz w/150 sx.
Perf Blinebry 5636, 48, 54, 61, 76, 86, 89, 95, 5707, 13,
23, 26, 42, 53, 64, 83, 86, 93, 5817, 27, & 5838' w/2spf.
A/2000. SOF/20/20. IP 80 BOPD & 30 BWP. Dual
completion.

3/71 Blby SI- pump stuck & uneconomical to repair.

8/78 Set RBP @ 5923' to TA Drk. Blby single.

4/79 Pushed Mod D to 6498'. Perfd Drk 6297, 6304, 06, 16, 20,
23, 27, 30, 38, 40, 48, 70, 80, 87. Perfd Blby 5496,
5504, 10, 20, 25, 29, 33, 40, 45, 49, 55, 64, 68, 71, 86,
89, 93, 5597. A/Blby/4000. Acid Frac/Blby/18k gal
gel/18k gal 20% acid. Dual completion: 2-1/16" tbgs par.
anchor @5452'. Mod D pkr @ 6250'.

STATE 367 #1
 BLINEBRY-DRINKARD DOWNHOLE COMMINGLING
 FORMULA FOR PRODUCTION ALLOCATION
 =====

Average production from Jan 1987 through Dec 1988:

	BOPD	MCFPD	BWPD
-----	-----	-----	-----
Blinebry	5	196	3
Drinkard	3	178	1
	=====	=====	=====
TOTAL	8	374	4

Percentage of Production from each zone:

	OIL	GAS	WATER
-----	-----	-----	-----
Blinebry	62.50%	52.41%	75.00%
Drinkard	37.50%	47.59%	25.00%
	=====	=====	=====
TOTAL	100.00%	100.00%	100.00%

ARCO Oil and Gas Company
Central District
Post Office Box 1610
Midland, Texas 79702
Telephone 915 688 5200



April 25, 1989

RECEIVED

APR 28 1989

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

OIL CONSERVATION DIV.
SANTA FE

RE: Application to Downhole Commingle
State 367 #1
Unit Letter M, Sec 36, T21S, R37E
Blinbry / Drinkard Pools
Lea County, New Mexico

Dear Mr. LeMay:

Attached are copies of the return receipts from the operators which offset ARCO's State 367 lease. They were notified of the above captioned application. If you should need additional information, please call me at (915) 688-5557.

Thank you for your consideration.

Very truly yours,

Jack T. Lowder

Jack T. Lowder
Area Engineer

Attachments

XC: New Mexico Oil Conservation Division
P.O. Box 1980
Hobbs, NM 88240

ARCO OIL AND GAS COMPANY
Application to Downhole Commingle
State 367 #1
Blinebry / Drinkard Pools
Lea County, New Mexico

Page 1 of 4

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.	
1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. (Extra charge) 2. <input type="checkbox"/> Restricted Delivery (Extra charge)	
3. Article Addressed to: AMOCO Production Company PO Box 3092 Houston, Texas 77001	4. Article Number P 699 088 371 Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise Always obtain signature of addressee or agent and DATE DELIVERED .
5. Signature - Address X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X <i>K. Waldh</i>	
7. Date of Delivery	

PS Form 3811, Mar. 1988

U.S.G.P.O. 1988-212-865

DOMESTIC RETURN RECEIPT

APR 17 1988

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.	
1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. (Extra charge) 2. <input type="checkbox"/> Restricted Delivery (Extra charge)	
3. Article Addressed to: Bravo Energy Co P.O. Box 2160 Hobbs, NM 88240	4. Article Number P 963 203 525 Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise Always obtain signature of addressee or agent and DATE DELIVERED .
5. Signature - Address X <i>Charles C. Coogan</i>	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X	
7. Date of Delivery 4-14-88	

PS Form 3811, Mar. 1988

U.S.G.P.O. 1988-212-865

DOMESTIC RETURN RECEIPT

ARCO OIL AND GAS COMPANY
Application to Downhole Commingle
State 367 #1
Blinebry / Drinkard Pools
Lea County, New Mexico

Page 2 of 4

<p>● SENDER: Complete Items 1 and 2 when additional services are desired, and complete Items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. <u>The return receipt fee will provide you the name of the person delivered to and the date of delivery.</u> For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.</p> <p>1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. <input type="checkbox"/> Restricted Delivery ↑(Extra charge)↑</p>	
3. Article Addressed to: Chevron U.S.A. Inc. P O Box 670 Hobbs, NM 88240	4. Article Number P 963 203 524 Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail Always obtain signature of addressee or agent and DATE DELIVERED.
5. Signature - Addressee X <i>[Signature]</i>	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X	APR 14 1989
7. Date of Delivery	

PS Form 3811, Mar. 1987 * U.S.G.P.O. 1987-178-268 DOMESTIC RETURN RECEIPT

<p>● SENDER: Complete Items 1 and 2 when additional services are desired, and complete Items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. <u>The return receipt fee will provide you the name of the person delivered to and the date of delivery.</u> For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.</p> <p>1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. <input type="checkbox"/> Restricted Delivery ↑(Extra charge)↑</p>	
3. Article Addressed to: Conoco, Inc. P.O. Box 460 Hobbs, NM 88240	4. Article Number P 699 088 364 Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail Always obtain signature of addressee or agent and DATE DELIVERED.
5. Signature - Addressee X <i>[Signature]</i>	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X	
7. Date of Delivery 4-14-89	

PS Form 3811, Mar. 1987 * U.S.G.P.O. 1987-178-268 DOMESTIC RETURN RECEIPT

Page 3 of 4

Form 3811, Mar. 1987 ★ U.S.G.P.O. 1987-178-268 DOMESTIC RETURN RECEIPT

PS Form 3811, Mar. 1987 * U.S.G.P.O. 1987-178-268 DOMESTIC RETURN RECEIPT

ARCO OIL AND GAS COMPANY
Application to Downhole Commingle
State 367 #1
Blinebry / Drinkard Pools
Lea County, New Mexico

Page 4 of 4

<p>● SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.</p> <p>1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. (Extra charge) 2. <input type="checkbox"/> Restricted Delivery (Extra charge)</p>	
<p>3. Article Addressed to: OXY, U.S.A. Inc. PO Box 50250 Midland, Texas 79710</p>	<p>4. Article Number P 699 088 367</p> <p>Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise </p> <p>Always obtain signature of addressee or agent and DATE DELIVERED.</p>
<p>5. Signature - Address X </p>	<p>8. Addressee's Address (ONLY if requested and fee paid)</p>
<p>6. Signature - Agent X </p>	
<p>7. Date of Delivery APR 18 1988</p>	

PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

<p>● SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.</p> <p>1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. (Extra charge) 2. <input type="checkbox"/> Restricted Delivery (Extra charge)</p>	
<p>3. Article Addressed to: Texaco, Inc. PO Box 728 Hobbs, NM 88240</p>	<p>4. Article Number P 699 088 368</p> <p>Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise </p> <p>Always obtain signature of addressee or agent and DATE DELIVERED.</p>
<p>5. Signature - Address X </p>	<p>8. Addressee's Address (ONLY if requested and fee paid)</p>
<p>6. Signature - Agent X</p>	
<p>7. Date of Delivery 4-14-89</p>	

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OIL CONSERVATION DIV.
SANTA FE

Downhole Commingling Application
ARCO Oil and Gas Co. - State 367 #1
Blinebry / Drinkard Oil and Gas Pools
Unit Letter M Sec 36, T21S, R37E
Lea County, New Mexico

I/We do hereby waive any objection to ARCO Oil and Gas Company's request for NMOCDD approval to downhole commingle the Blinebry and Drinkard pools within the State 367 #1.

Signed: Alan W. Bohling - Division Protraction Engineer
Company: Chevron U.S.A. Inc.
Date: April 26, 1989



Amoco Production Company

Houston Region
501 WestLake Park Boulevard
Post Office Box 3092
Houston, Texas 77253

James F. Trickett
Regional Environmental, Safety &
Regulatory Affairs Manager

May 16, 1989

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: William J. LeMay

File: WGW-4473-986.51NM

Gentlemen:

Downhole Commingling Application
State 367 Well No. 1
Blinebry and Drinkard Oil and Gas Pools
Unit M, Sec. 36, T21S, R37E Lea County, New Mexico

Amoco Production Company has been given due notice and has no objections to ARCO Oil and Gas Company's request to commingle the Blinebry and Drinkard Oil and Gas production downhole in their State 367 Well No. 1, Lea County, New Mexico.

Yours very truly,

MLC

ARCO Oil & Gas Co.
Midland, Texas 79702
P.O. Box 1610

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OIL CONSERVATION DIV.
SANTA FE

*DATE
FILE NO 726*



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

4-17-89

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

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OIL CONSERVATION DIV.
SANTA FE

RE: Proposed:

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

Gentlemen:

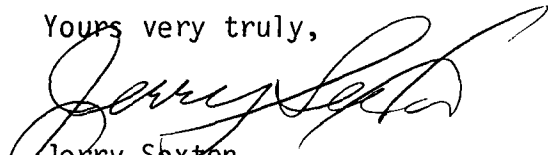
I have examined the application for the:

Arco oil & Gas Co. State 367 #1-M 36-21-37
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

another well with lots of GAS prod

Yours very truly,


Jerry Sexton
Supervisor, District 1

/ed