



Midland Division
Exploration and Production

OIL CONSERVATION DIVISION
RECEIVED

Conoco Inc.
100 Desta Drive, Suite 100W
Midland, TX 79705-4500
(915) 686-5400

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March 24, 1993

Mr. Ben Stone
State of New Mexico
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Dear Mr. Stone:

**Application to Downhole Commingle Justis Blinebry
and Justis Tubb-Drinkard Production in the
State A-2 No. 4, 2310' FSL & 1980' FEL, Sec. 2,
T-25S, R-37E, Lea County, New Mexico**

The above referenced application to downhole commingle Conoco's State A-2 No. 4 was filed with the NMOCD in January. As we discussed on the phone, I neglected to copy the Commissioner of Public Lands on this application.

The attached letter and a copy of the application filed with your office were sent by express mail to Mr. Pete Martinez today. I have talked with Pete and he will review it as soon as he receives it and attempt to take action on it promptly.

Thanks for your help in clearing up the problem created by my oversight. I will appreciate your cooperation with Mr. Martinez in expediting approval of this application.

Very truly yours,

Jerry W. Hoover
Senior Conservation Coordinator



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March 24, 1993

Mr. Jim Baca
Commissioner of Public Lands
State of New Mexico
P.O. Box 1148
Santa Fe, New Mexico 87504-1148

Dear Mr. Baca:

**Application to Downhole Commingle Justis Blinebry
and Justis Tubb-Drinkard Production in the
State A-2 No. 4, 2310' FSL & 1980' FEL, Sec. 2,
T-25S, R-37E, Lea County, New Mexico**

The above referenced application to downhole commingle Conoco's State A-2 No. 4 has been filed with the NMOCD, Santa Fe. A copy of this application as filed with the NMOCD is attached for your review. Conoco also requests the approval of this application by the Commissioner of Public Lands. A check in the amount of \$30 as required for the filing fee is also enclosed.

May I point out several facts concerning this application that I believe will answer your primary questions concerning potential revenue loss from the proposed commingling.

1. The oil gravities are almost identical for the two zones, 35.7° for the Tubb-Drinkard and 36.8° for the Blinebry, as indicated on the C-116's included with the application.
2. These two pools are already surface commingled at the battery and therefore will receive the same oil price.
3. Production from the lower zone (Tubb-Drinkard) is low enough that it is uneconomical to dually produce this well and this zone will be abandoned unless it can be commingled with the Blinebry production. This would result in a loss of revenue from the Tubb-Drinkard zone.

I will appreciate your prompt consideration of this application. If you have any other questions, please call me at (915) 686-6548.

May I request an additional favor concerning this application. When you have determined that your office can approve this request, would you please contact Ben Stone at the NMOCD so he can issue the NMOCD's approval as soon as possible. Thank you for your assistance in expediting this application.

Very truly yours,

Jerry W. Hoover
Senior Conservation Coordinator