

CTB

7/16/97

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PHILLIPS PETROLEUM COMPANY

JUN 26 1997

June 24, 1997

Re: James A (K3271)
James E (NM 0479142)
Livingston Ridge (NM 70335)
Peakview (NM 70333)

State of New Mexico
Energy, Minerals & Natural Resources Dept.
Oil Conservation Division
2040 S. Pacheco
Santa Fe, NM 87504

Attn: David Catacach

Phillips respectfully requests New Mexico Oil Conservation approval for surface commingling authority and off lease measurement for the gas production from subject leases. Bureau of Land Management approval has been obtained and a copy of the BLM filing is attached for your reference.

Direct any questions to me at (915) 368-1488 or Joy Maples at (915) 368-1667.

Yours very truly,

A handwritten signature in cursive script, appearing to read "L. M. Sanders".

L. M. Sanders
Senior Regulatory Analyst

jlm

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OF OPERATOR'S COPY

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERM T -" for such proposals.

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Phillips Petroleum Company

3. Address and Telephone No.

4001 Penbrook Street, Odessa, TX 79762 (915) 368-1488

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

5. Lease Designation and Serial No.

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

9. API Well No.

10. Field and Pool, or exploratory Area

11. County or Parish, State

EDDY NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other **COMMINGLE**
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

PLEASE FIND ATTACHED A DIAGRAM OF THE SURFACE COMMINGLING OF THE GAS PRODUCTION FROM THE **JAMES A.** (LEASE #K3271), **JAMES E.** (LEASE #NM0479142), **LIVINGSTON RIDGE**, (LEASE #NM70335) AND **PEAKVIEW**, (LEASE #NM70333). PHILLIPS PETROLEUM REQUESTS APPROVAL OF THE SURFACE COMMINGLING AND OFF LEASE GAS MEASUREMENT OF THE GAS PRODUCTION FROM THESE LEASES.

SUBJECT TO
LINE APPROVAL
BY STATE

Approval for commingling For GAS only.
All liquids gathered from SCRUB TANK ~~must~~ must be
Allocated back to leases (S/ or O/L)

- Reserve right to rescind this approval.

Gary Smith RDD 08-01-96

14. I hereby certify that the foregoing is true and correct

Signed

Senior Regulation Analyst

Date 07-24-96

(This space for Federal or State office use)

PBR Regulatory Section

Approved by

Title

Date

Conditions of approval, if any:

AUG 06 1996

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

* See Instruction on Reverse Side

**APPLICATION FOR SURFACE COMMINGLING,
OFF LEASE MEASUREMENT APPROVAL**

TO: Bureau of Land Management:
P. O. Box 1778
Carlsbad, NM 88221-1778

Phillips Petroleum Company (Operator) is requesting approval for surface commingling and off-lease measurement of casinghead gas production from the following formations and wells on Federal & State Leases Nos. K-3271, NM-0479142, NM-70335, & NM-70333; Lease Names James A, James E, Livingston Ridge, & Peakview.

<u>Well No.</u>	<u>Location</u>	<u>Sec.</u>	<u>Twp.</u>	<u>Rng.</u>	<u>Formation</u>	<u>BOPD</u>	<u>Gravity</u>	<u>MCFD</u>
James A # 2	1652' FSL & 1980' FEL	2	22S	30E	Delaware	167	38.1	72
" " # 4	1980' FNL & 1980' FEL	2	22S	30E	Delaware	11	38.1	18
" " # 5	660' FSL & 1800' FEL	2	22S	30E	Delaware	33	38.1	27
" " # 6	1980' FSL & 660' FEL	2	22S	30E	Delaware	32	38.1	28
" " # 7	500' FSL & 660' FEL	2	22S	30E	Delaware	99	38.1	41
" " # 8	1650' FNL & 660' FEL	2	22S	30E	Delaware	31	38.1	30
" " # 9	660' FNL & 500' FEL	2	22S	30E	Delaware	47	38.1	47
James E # 3	660' FNL & 1980' FEL	11	22S	30E	Delaware	34	36.6	42
" " # 4	760' FNL & 330' FEL	11	22S	30E	Delaware	62	36.6	57
" " # 5	1810' FNL & 330' FEL	11	22S	30E	Delaware	94	36.6	166
" " # 6	1980' FSL & 1980' FEL	11	22S	30E	Delaware	20	36.6	23
" " # 8	1795' FSL & 635' FEL	11	22S	30E	Delaware	45	36.6	71
" " # 9	1060' FSL & 10' FEL	11	22S	30E	Delaware	12	36.6	24
" " #11	660' FNL & 660' FV/L	11	22S	30E	Delaware	51	36.6	171
" " #12	660' FNL & 1980' FV/L	11	22S	30E	Delaware	16	36.6	36
" " #13	1980' FNL & 660' FV/L	11	22S	30E	Delaware	54	36.6	220
" " #15	1980' FSL & 995' FV/L	11	22S	30E	Delaware	104	36.6	210
Livingston								
Ridge # 1	660' FSL & 600' FV/L	1	22S	30E	Delaware	156	36.9	221
" " # 2	1200' FV/L & 2240' FSL	1	22S	30E	Delaware	32	36.9	40
" " # 3	1450' FNL & 660' FV/L	1	22S	30E	Delaware	21	36.9	33
" " # 4	660' FNL & 760' FV/L	1	22S	30E	Delaware	15	36.9	25
" " # 9	990' FSL & 1980' FV/L	1	22S	30E	Delaware	16	36.9	42
Peakview# 1	660' FSL & 660' FEL	35	21S	30E	Delaware	22	37.6	47

The proposed operation is described in detail on the attached diagrams.

A map is enclosed showing the lease numbers and location of all leases and wells that will contribute production to the proposed gas commingling facility. All unitized/communitized areas, producing zones/pools are also clearly illustrated.

A schematic diagram is also attached which clearly identifies all equipment that will be utilized.

The storage and measuring facility is located at SE -1/4, Sec. 2, T 22 S, R 30 E, on Lease No. K-3271, Eddy County, New Mexico. BLM will be notified if there is any future change in the facility location.

Details of the proposed method for allocating production to contributing sources is as follows:

Allocate casinghead gas to leases based on EFM meter runs at each Lease

Phillips Petroleum Company owns 100% of the working interest in these wells.

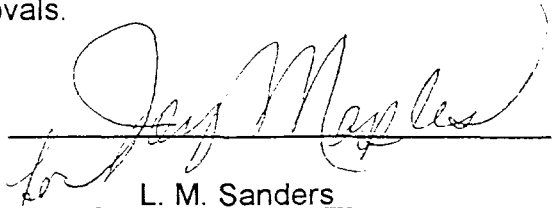
The proposed commingling of production is in the interest of conservation and will not result in reduced royalty or improper measurement of production.

The proposed commingling is necessary for continued operation of the above referenced Federal leases.

We understand that the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument. And, we will submit within 30 days an application for right-of-way approval to the BLM's Realty Section in your office if we have not already done so.

Additional wells require additional commingling approvals.

SIGNATURE:



NAME:

L. M. Sanders

TITLE:

Senior Regulatory Analyst

DATE:

7-24-96

