

PC N/R 931 USDANCE RELIEVENUS USDANCE RELIE

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT **OIL CONSERVATION DIVISION** 2040 South Pacheco Santa Fe, New Mexico 87504

Attention: Mr. William J. LeMay

Application for exception to NMOCD Rule 303-A: Surface Commingle of oil and gas RE: production from multiple pools on the Lydia Rentz lease: sections 19 and 20, T25N-R3W, NMPM, Rio Arriba County, New Mexico

Dear Mr. LeMay:

Four Star Oil and Gas Company respectfully requests administrative approval to surface commingle oil and gas production from the Blanco Pictured Cliff South gas pool, the Blanco Mesaverde gas pool and the West Lindrith Gallup-Dakota oil pool within the Lydia Rentz lease. Approval of this application will require an exception to Rule 303-A. Commingling is within a single lease where ownership is identical throughout, including working interest ownership, royalty ownership and overriding royalty ownership (see attached statement, exhibit I).

Oil production is gathered at two separate tank batteries located on the lease. Gas production feeds El Paso Field Services CDP meter no. 87932, also located on the lease. Exhibit II is a diagram showing the location of the wells, the gathering lines, the two tank batteries and the CDP meter. Exhibit III is a spreadsheet containing information concerning the specific wells tied to the gathering system. Both gas and liquid production is metered at each well location prior to commingling for allocation purposes. None of the wells are capable of producing top allowable in a prorated pool.

Since this is a Federal lease (SF-079601), a sundry has been submitted to the BLM seeking approval for surface commingling (Exhibit IV). Surface commingling improves access for trucking out produced oil and accommodates central compression to enhance production. If you have any questions concerning this request please contact Mr. Mark R. Reinhold at (505) 325-4397, ext. 19. Your attention to this matter is greatly appreciated.

Sincerely,

Jea J

Ted A. Tipton **Operating Unit Manager**

MRR/s **Exhibits Attached** cc: NMOCD-Aztec file

DHC 1114

LIST OF EXHIBITS

<u>Exhibit</u>	Description
Ι	Ownership statement
II	Diagram of surface commingled gathering system
III	Well information sheet
IV	BLM Sundry



Exhibit I

Texaco

- DATE: February 27, 1996
- TO: Mr. T. A. Tipton Farmington, New Mexico
- FROM: Chuck Snure Denver, CO
- SUBJECT: <u>SURFACE COMMINGLING OF WELLS</u> L.L. McConnell Lease - SF-079602 Lydia Rentz Lease - SF-079601 Rio Arriba County, New Mexico

Pursuant to your request for ownership information on the captioned leases, please be advised of the following:

L.L. McConnell Lease (SF-079602)

Wells: #1, #1A, #6, #11, #14, #14A, #15 Working Interest ownership is common (Four Star Oil & Gas Company) Royalty ownership is common (8.5% effective 12-1-93) Overriding Royalty ownership is common (2.5%)

Lydia Rentz Lease (SF-079601)

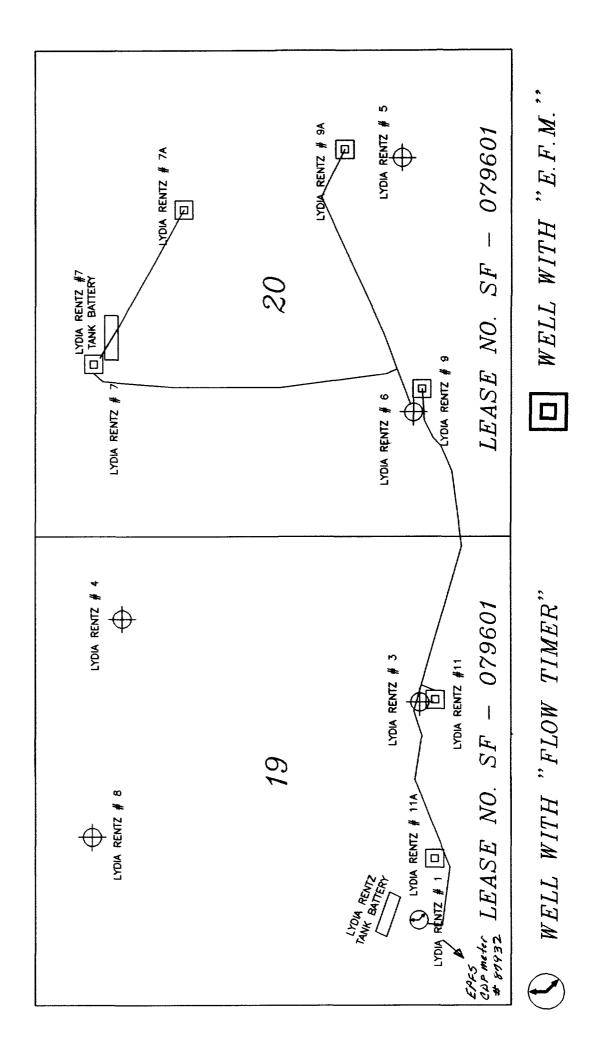
Wells: #1, #7, #7A, #9, #9A, #11, #11A Working Interest ownership is common (Four Star Oil & Gas Company) Royalty ownership is common (3.7% effective 12-1-93) Overriding Royalty ownership is common (2.5%)

Please advise should you need further information regarding these Federal leases.

CHULL SNULTZ

CAS:

cc: Land Files - NM741121, NM751205



N Exhibit

Exhibit II

		FOUL OLAL OIL AND GAS COMPANY WEIL M				***		INVERT A POSTERIT OF LIND OUT MELE # 01 344 UITER 13 INVERTUAL UIE REASE AND CENTRE LAIN DAMETERS	ALL RULL WALLALL			
Well	BLM LEASE	FIELD/	Township	Range	Section	Spot	Legal	FSOG	El Paso	Oil Prod.	Gas Prod.	Water Prod.
	DESIGNATION	POOL NAME						Allocation Meter #	CDP Meter #	(12/95) BOPD	(12/95) BOPD (12/95) MCFD (12/95) BOPD	(12/95) BOPD
Lydia Rentz #7	SF-079601	SF-079601 W. Lindrith GP-DK, Blanco MV (DHC-1133)	T25N	RO3W	20	ပ	800' FNL/1820' FWL	191-197	87932	3	41	8
Lydia Rentz #7A	SF-079601	SF-079601 W. Lindrith GP-DK, Blanco MV (DHC-1114)	T25N	RO3W	20	ю	1650' FNL/1650' FEL	191-191	87932	-	74	15
Lydia Rentz #1	SF-079601	SF-079601 Blanco P. C. South	T25N	R03W	19	Σ	990' FSL/990' FWL	191-252	87932	0	11	0
Lydia Rentz #9	SF-079601	SF-079601 W. Lindrith GP-DK	T25N	R03W	20	z	990' FSL/1650' FWL	191-185	87932	9	47	3
Lydia Rentz #9A	SF-079601	SF-079601 W. Lindrith GP-DK	T25N	R03W	20	_	1850' FSL/990' FEL	191-192	87932	33	149	6
Lydia Rentz #11	SF-079601	SF-079601 W. Lindrith GP-DK, Blanco MV (DHC-1001)	T25N	RO3W	19	0	840' FSL/1820' FEL	191-184	87932	10	64	1
Lydia Rentz #11A	SF-079601	SF-079601 W. Lindrith GP-DK	T25N	R03W	19	×	845' FSL/1645' FWL	191-190	87932	21	52	2
Total										74	438	27

(JUNE 1 99 0)	UNITED STATES DEPARTMENT OF THE INTE BUREAU OF LAND MANAGE		<u>II</u>	Budg	M APPROVED et Bureau No. 1004-0135 res: March 31,1993 and Serial No.
	SUNDRY NOTICES AND REPOR	TS ON WELLS		SF 079601	
Do not use	this form for proposals to drill or to deepe Use "APPLICATION FOR PERMIT" for s		ferent reservoir.	6. If Indian, Allottee	or Tribe Name
	USB AFFLICATION FOR FERMIT IN IN	uch proposais			
	SUBMIT IN TRIPLICATE			7. If Unit or CA, Agre	ement Designation
1. Type o	f Well	· · · · · · · · · · · · · · · · · · ·		-	
	Dil Gas Well Well Other			8. Well Name and N	0.
2. Name	of Operator		<u> </u>		TZ LEASE
FOL	R STAR OIL AND GAS CO.			9. API Well No.	
	ess and Telephone No.		· · · · · · · · · · ·	-	
22	O N Butles Fermineten News	Lawiss 07401	(EOE)22E 4207	10. Field and Pool, o	or Exploratory Area
	OO N. Butler, Farmington, New N ion of Well (Footage. Sec., T., R., M., or Sur		(505)325-4397	4	
	-			11. County or Parish	n, State
				RIO ARRIBA	A, NM
12.	CHECK APPROPRIATE BOX(s)				Δ Τ Δ
12.	CHECK APPROPRIATE BOX(S)	TO INDICATE NA	TORE OF NOTICE, REF	DAT, ON OTHER D	
T	PE OF SUBMISSION		TYPE OF AC	TION	
X	Notice of Intent		Abandonment		Change of Plans
	Subsequent Report		Recompletion Plugging Back		New Construction Non-Routine Fracturing
ليسيما			Casing Repair		Water Shut-Off
	Final Abandonment Notice		Altering Casing		Conversion to Injection
			Other	(1)	Dispose Water
					ults of multiple completion on well completion Report and Log form)
	Proposed or Completed Operations(Clearly state all pertinent of subsurface locations and measured and two vertical depths for			nt proposed work. If well is dire	octionally drilled,
Four prod #7A on ti locat the t infor com	Star Oil and Gas Company requests uction from the following wells locat , #9, #9A, #11 and #11A. Oil produ- ne lease. Gas production feeds El Pa- ted on the lease. Attached is a diagr wo tank batteries, and the CDP mete- mation on the wells tied to the gather mingling for allocation purposes. Co ership is identical throughout, includi- ity ownership.	approval to surfa ted on the Lydia F action is gathered so Field Services am showing the er. Also attached aring system. Bo mmingling is with	the commingle both oil a Rentz lease: Lydia Rentz at two separate tank b CDP meter No. 87932, location of the wells, th I is a spreadsheet conta th gas and liquid is meto nin a single lease (SF-07	#1, #7, atteries located also e gathering lines, ining specific ered at each well 9601) where	
14. I here	by certify that the foregoing is true and co	prrect			
Sig	ned Jhavy	Title	Operating Unit Mana	ger D	ate <u>3/8/96</u>
(This space	for Federal or State office use)		·····	·····	·-··
Approved		Title		D	ate
Conditions	of approval, if any:				

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

or representations as to any matter within its jurisdiction. dist. - BLM (5), MRR, Well File

(JUNE 1990)	UNITED STATES DEPARTMENT OF THE INTER BUREAU OF LAND MANAGE SUNDRY NOTICES AND REPOR	TS ON WELLS	Budget (Expires 5. Lease Designation an SF 079601	-
	his form for proposals to drill or to deepe Use "APPLICATION FOR PERMIT" for s	n or reentry to a unterent reservoir.	6. If Indian, Allottee or 1	∫nbe Name
·····	SUBMIT IN TRIPLICATE	200 mp · 25 - 60 8	2. If Unit or CA, Agreen	ent Designation
1. Type of V	Gas		8. Well Name and No.	
2. Name o	f Operator		9, API Well No.	LEASE
	STAR OIL AND GAS CO.			
3. Address	s and Telephone No.		10. Field and Pool, or E	Exploratory Area
) N. Butler, Farmington, New N n of Well (Footage. Sec., T., R., M., or Sur	Nexico 87401 (505)325-4397		See Attack
4. LUCANO			11. County or Parish, S	State S-T-12
			RIO ARRIBA,	NM
12.	CHECK APPROPRIATE BOX(s)	TO INDICATE NATURE OF NOTICE, REPO	RT, OR OTHER DAT	ſA
TYP	PE OF SUBMISSION	TYPE OF ACT	ION	
X	lotice of Intent	Abandonment		Change of Plans
□ s	Subsequent Report	Recompletion Plugging Back		New Construction Non-Routine Fracturing
		Casing Repair		Water Shut-Off
L F	inal Abandonment Notice	Altering Casing		Conversion to Injection Dispose Water
				s of multiple completion on well mpletion Report and Log form)
	roposed or Completed Operations(Clearly state all pertinent of ubsurface locations and measured and true vertical depths for	Least and give pertinent dates, including estimated date of starting and		
produc #7A, # on the located the tw inform owner	ction from the following wells locat #9, #9A, #11 and #11A. Oil produ lease. Gas production feeds El Pa d on the lease. Attached is a diagr to tank batteries, and the CDP met ation on the wells tied to the gather ingling for allocation purposes. Co	approval to surface commingle both oil ar red on the Lydia Rentz lease: Lydia Rentz a action is gathered at two separate tank ba so Field Services CDP meter No. 87932, a am showing the location of the wells, the er. Also attached is a spreadsheet contain aring system. Both gas and liquid is meter mmingling is within a single lease (SF-079 ng working interest, royalty interest and c	#1, #7, tteries located also gathering lines, ning specific red at each well 0601) where overriding	DECENVED MAR 2 0 1996 DEL CONL DEV.
13 hereby	y certify that the foregoing is true and co	prrect		
Signe		Title Operating Unit Manag	er Date	e <u>3/8/96</u>
(This space f	or Federal or State office use)	Chief, Lands and Mineral	Resources	
Approved by Conditions of	f approval, if any:		Dat	
	n 1001, makeš it a crime for any person knowingly and will to any matter within its surisdiction.	ully to make to any department of agency of the United States any fais	e, fictitious or fraudulent stateme	ints

dist. - BLM (5), MRR, Well File

UNITED STATES UNITED STATES DEPARTMENT OF THE INTER BUREAU OF LAND MANAGE		FORM APPROVED AC-931 Budget Bureau No. 1004-0135 Expires: March 31.1993
SUNDRY NOTICES AND REPOR Do not use this form for proposals to drill or to deepe Use "APPLICATION FOR PERMIT" for s	n or reentry to a different reservoir.	 6. Lease Designation and Serial No. SF-079601 6. If Indian, Allottee or Tribe Name
SUBMIT IN TRIPLICATE		7. If Unit or CA, Agreement Designation
1. Type of Well Oil Gas Well Well Other		8. Well Name and No.
2. Name of Operator FOUR STAR OIL AND GAS CO.		9. API Well No.
3. Address and Telephone No. 3300 N. Butler, Farmington, New N		10. Field and Pool, or Exploratory Area
4. Location of Well (Footage. Sec., T., R., M., or Sur	vey Description)	11. County or Parish, State RIO ARRIBA COUNTY, NM
12. CHECK APPROPRIATE BOX(s)	TO INDICATE NATURE OF NOTICE, REPOR	RT, OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACTI	ION
Notice of Intent	Abandonment Recompletion	Change of Plans New Construction
Subsequent Report	Plugging Back Casing Repair Altering Casing	Non-Routine Fracturing Water Shut-Off Conversion to Injection
	X Other CDP M	
13. Describe Proposed or Completed Operations(Clearly state all pertinent give subsurface locations and measured and true vertical depths for	details, and give pertinent dates, including estimated date of starting ant or all markers and zones pertinent to this work.}*	
LOCATED ON THE LYDIA RENTZ LEASE: RENT SHOWS THE FIELD, LEGAL LOCATIONS, METE COMPLETIONS ARE METERED INDIVIDUALLY F CDP METER #87932.	TS PERMISSION TO SURFACE COMMINGLE PRO Z #1, #9, #9A, #11, #11A, #7, AND #7A. THE R NUMBERS AND PRODUCTION FOR THE WELL FOR ALLOCATION PURPOSES. THE WELL COMP D TRANSPORTER FOR ALL GAS FED TO THE CD	ATTACHED INFORMATION SHEET COMPLETIONS. THESE WELL PLETIONS FEED THE EL PASO
ACCEPTED FOR RECORD		DECEIVED SEP - 10 1996
pm 11 4/96		OHL CON. DIV. DIST. 3
14. Thereby certify that the foregoing is true and construction of the signed	Title Operating Unit Manag	er Date12/21/95
(This space for Federal or State office_use) Approved by Conditions of approval, if any:	Chief, Lands and Mineral Resol	urces SEP 2 9 1996
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and will or representations as to any matter within its jurisdiction itist. = BLM 51, DBS, Well File	fully to make to any department of agency of the United States any fals	e, fictitious or fraudulent statements
Fred Coulon	0)	

		Four Star Oil and Gas Company Well		Upstream	of EPNG C	DP Meter	Meters Upstream of EPNG CDP Meter # 87932 (meter is located on the lease)	ed on the lease)			
Well	BLM LEASE	FIELD/	Township	Range	Section	Spot	Legal	FSOG	El Paso	<u>Gas Prod.</u>	Oil Prod.
And a second	DESIGNATION	POOL NAME						Allocation Meter #	CDP Meter #	(9/95) MCFD	(9/95) BOPD
			_								
Lydia Rentz #1	SF-079601	SF-079601 Blanco P. C. South	T25N	R03W	19	Z	990' FSL/990' FWL	(EPNG #87932)	87932	15	0
Lydia Rentz #9	SF-079601	SF-079601 W. Lindrith GP-DK	T25N	R03W	20	z	990' FSL/1650' FWL	191-185	87932	115	17
Lydia Rentz #9A	SF-079601	SF-079601 W. Lindrith GP-DK	T25N	R03W	20	_	1850' FSL/990' FEL	191-192	87932	177	35
Lydia Rentz #11	SF-079601	SF-079601 W. Lindrith GP-DK, Blanco MV	T25N	R03W	19	0	840' FSL/1820' FEL	191-184	87932	83	50
Lydia Rentz #11A		SF-079601 W. Lindrith GP-DK	T25N	R03W	19	×	845' FSL/1645' FWL	191-190	87932	65	33
Lydia Rentz #7	SF-079601	SF-079601 W. Lindrith GP-DK, Blanco MV	T25N	R03W	20	ပ	800' FNL/1820' FWL	191-197	87932	82	12
Lydia Rentz #7A	SF-079601	SF-079601 W. Lindrith GP-DK, Blanco MV	T25N	R03W	20	υ	1650' FNL/1650' FEL	191-191	87932	155	7
Total										677	154

Prepared by Mark R. Reinhold 12/21/95

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