

DATE IN 1/25/99	SUSPENSE N/R	ENGINEER BS	LOGGED BY MV	TYPE PC
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

991

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
 [DD-Directional Drilling] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Directional Drilling

☐ NSL ☐ NSP ☐ DD ☐ SD

Check One Only for [B] and [C]

[B] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☒ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☒ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO

U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Ann E. Ritchie
 Print or Type Name

Ann E. Ritchie
 Signature

Regulatory Agent
 Title

1-13-99
 Date

December 29, 1998

New Mexico Oil Conservation Division
Department of Energy and Minerals
State of New Mexico
P.O. Box 2088
Santa Fe, NM 87501

Att: David Catanach

RE: Application for Permission to Surface Commingle production from the **Conoco, Inc.**
Britt B #24, Unit Letter L, Section 11, T20S, R37E, Lea County, New Mexico

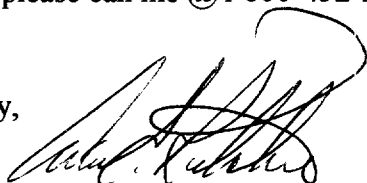
Dear Mr. Catanach:

The Britt B, Well #24 has been moved from the Weir Blinebry pool to the East Weir Blinebry pool. We are requesting administrative approval under the provisions of Rule 303-B to continue the surface commingling operations, adding the East Weir Blinebry pool. As designated on the enclosed battery diagram, the Britt B tank battery is located in Unit Letter E, Section 15, T20S, R37E.

Ownership and working interest for all zones is common, the gravity of the crude oil from Well # 24 is 37.3 degrees, sour crude. Commingling of the production will not reduce the commercial value. Please see attached the justification summary pertaining to this battery.

The lease and battery plats are attached for your review and file. If you have any questions, please call me @ 1-800-432-2967. Thank you for your assistance.

Yours truly,



Ann E. Ritchie, Regulatory Agent
Conoco, Inc.
10 Desta Dr., Suite 100W
Midland, TX 79705-4500

attachments

cc: Karie Bundy-Conoco/Midland

BRITT B #24 SURFACE COMMINGLE JUSTIFICATION

Conoco seeks permission to surface commingle the BRITT B #24 East Weir Blinebry/Tubb well into the Britt B Battery. Currently, the BRITT B #24 is produced to the BRITT B BATTERY with a pool designation of Weir Blinebry. Conoco has just received approval to change the pool designation of this well to East Weir Blinebry. With the grant of this pool change, the surface commingle for the BRITT B #24 at the BRITT B BATTERY would be the most economical solution since the well is currently produced there.

Currently, the BRITT B #24 is producing at an average rate of 16 BOPD / 18 BWPD / 175 MCFD. Oil produced from the BRITT B #24 will be sent to a common storage tank, and the gas will be sent to the current gas sales line. The water will be stored at a common storage tank and hauled away. Conoco would request permission that the individual well production be allocated based on a monthly well test.

The production at the BRITT B BATTERY is ~~sweet~~ / sour, and is deemed 37.5 ° API gravity. The BRITT B #24 oil gravity is 37 ° API, and the SEMCO #120 oil gravity is API. Since the battery is deemed 34 API, payment will be made based on 34 API, and therefore the addition of the BRITT B #24 will not affect the price per barrel.

We further suggest that this work will increase production while keeping the operating costs and equipment needed at the same levels that they are currently at. Once this work is accomplished, the financial performance will improve and the economic life will be extended.

