

DATE: 1/17/01	SUSPENSE: N/R	ENGINEER	LOGGED IN: KW	TYPE: PC	APP NO.: 101952/50
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



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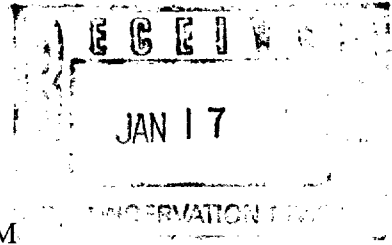
ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [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 - Simultaneous Dedication
 NSL NSP SD
 Check One Only for [B] or [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** - Certification

I hereby certify that I, or personnel under my supervision, have reviewed the 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 (including API numbers, pool codes, etc.), pertinent information and any required notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Loren W. Fothergill	<i>Loren W Fothergill</i>	Production Engineer	1/11/01
Print or Type Name	Signature	Title	Date
		Loren.Fothergill@Crosstimbers.com	
		e-mail Address	



Cross Timbers Operating Company

Mrs. Lori Wrotenbery
New Mexico Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, New Mexico 87504

RE: Administrative Approval to Surface Commingle
E.H. Pipkin #5E & E.H. Pipkin #36-2
Sec 36, T 28N, R 11 W
San Juan County, New Mexico

Dear Ms. Wrotenbery,

Cross Timbers Operating Company (CTOC) request administrative approval to surface commingle the gas from the E.H. Pipkin # 5E and #36-2 wells. CTOC plans to utilize gas from the E.H. Pipkin 36-2 to assist in the production of the E.H. Pipkin #5E.

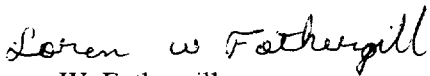
The #5E is exhibiting liquid loading characteristics and because of the low reservoir pressure, is easily loaded up by small volumes of water. The #36-2 produces with the aid of a compressor. It is proposed to divert part of this production through a 2" meter run to the casing of the #5E. The increased rate and pressure from the #36-2 will help unload the #5E. The #5E production will be increased without the aid of a pumping unit or venting of the well.

The following are enclosed for your review of the proposed surface commingling.

1. Well information table,
2. Gas production allocation sheet,
3. Battery schematic of proposed installation,
4. Well location plat.

If you need additional information or have any questions, please call me at (505) 324 1090.

Sincerely,


Loren W. Fothergill

XC: Gary Markestad
L.W. Fothergill
Well File

E.H. Pipkin #5E and E.H. Pipkin #36-2

Well Information

	E.H Pipkin # 5E	E.H Pipkin #36-2
Location	Sec 36 J, T 28 N R 11 W	Sec 36 B, T 28 N R 11 W
API#	30 045 24376	30 045 27552
Lease Number	SF 078019	SF 078019
Pool Name	Basin Dakota	Basin Fruitland Coal
Pool Code	71599	71629
Gas Gravity	0.7294	0.626
Gas Rate (MCFPD)	64	202

Gas Allocation Formula

The Williams Field Service (WFS) meters and meter runs will remain in place. An additional 2" meter run with a dry flow meter will be utilized to measure the gas delivered to the E.H. Pipkin #5E.

E.H. Pipkin #5E Production = Meter # 35701 (E.H. Pipkin # 5E) – Meter #3 (Dry flow meter from E.H. Pipkin 36-2 to E.H. Pipkin #5E).

E.H. Pipkin #36-2 Production = Meter # 29013 (E.H. Pipkin 36-2) + Meter #3 (Dry flow meter from E.H. Pipkin 36-2 to E.H. Pipkin #5E).

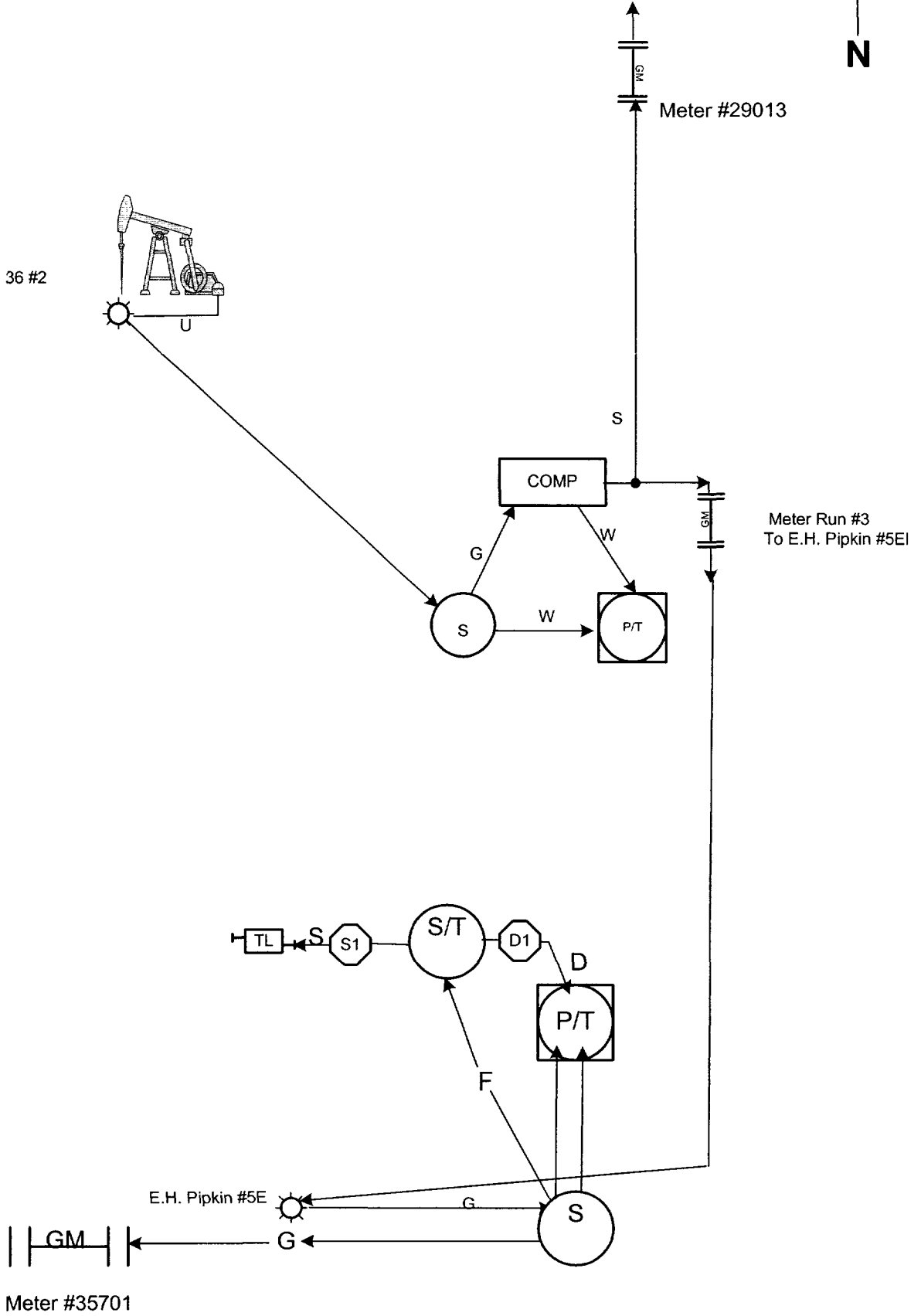
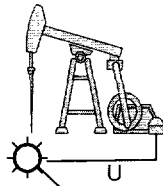
No commingle of oil or gas will occur. Production and sales will be based on actual measured volumes from each well.

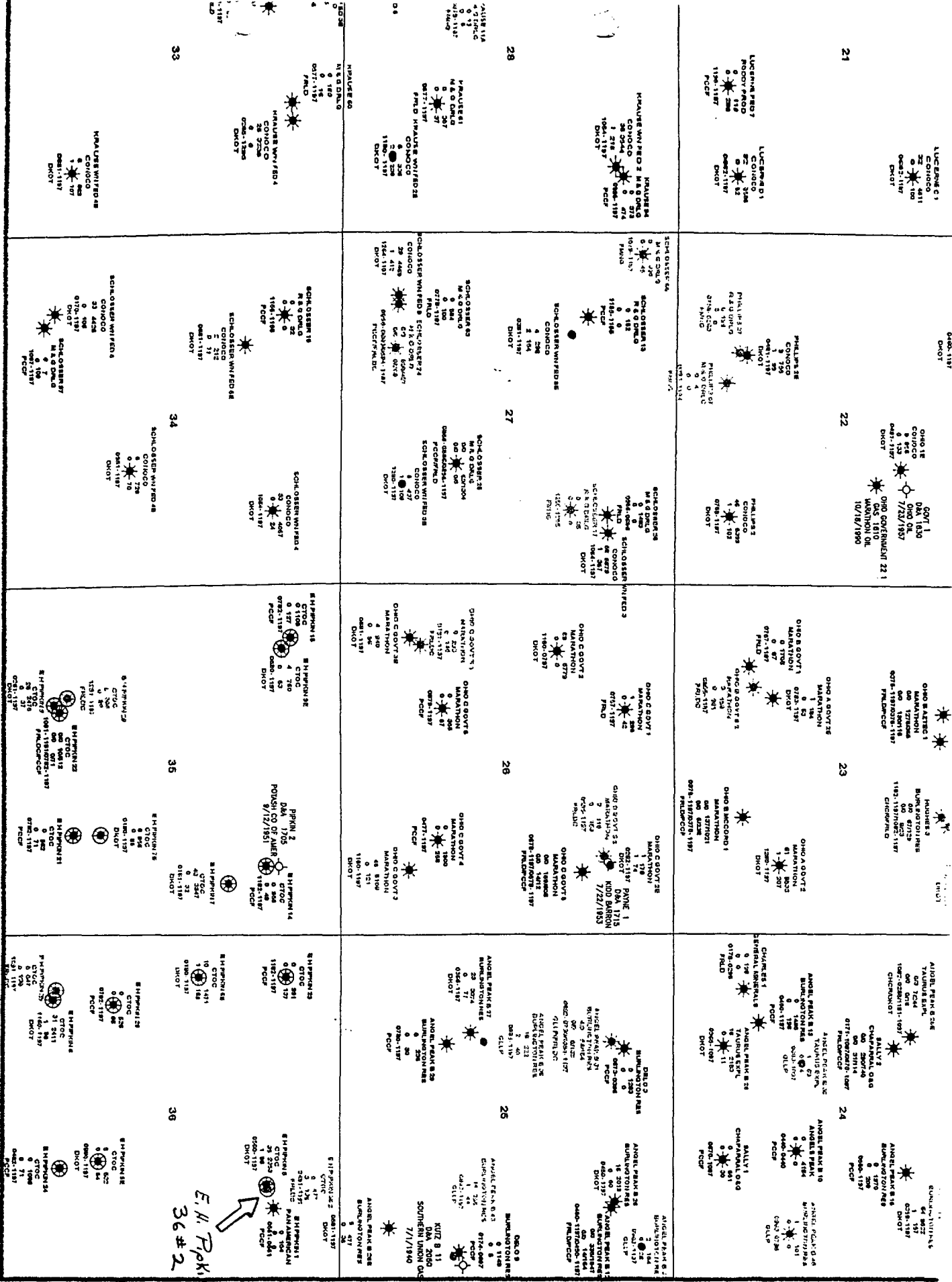
CTOC owns 100% working interest in both wells.

CROSS TIMBERS OPERATING COMPANY
Lease: PIPKIN E.H. #5E
Location: NW/4 SE/4 SEC. 36, T28N, R11W
Federal Agreement #: NM-078019



E.H Pipkin 36 #2





T 28N - R 11W

E.H. Parkin
36#2