

**AMERADA DIVISION
AMERADA HESS CORPORATION**

September 30, 1971

RECEIVED

OCT - 4 1971

DRAWER 817
SEMINOLE, TEXAS 79360
915 - 758 - 5805

OIL CONSERVATION COMM.
SANTA FE

Mr. A. L. Porter, Jr.
Secretary Director
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Surface Commingling of
Production from the
Federal "D" Lease

Dear Sir:

A study has been completed to revise the battery and commingle the production from the Federal "D" Lease, Account "A" and "B". This lease is located in Secs. 26 & 27, T20S, R36E in Lea County, New Mexico. Both accounts produce from the Eumont Zone.

Average gravities, volumes, and values are as follows:

	<u>June</u> <u>Production</u>	<u>Avg.</u> <u>Gravity</u>	<u>Price</u> <u>per bbl.</u>	<u>Total</u> <u>Value</u>
Account "A"	298	35.5	3.29	\$980
Account "B"	<u>914</u>	32.5	3.23	<u>\$2,952</u>
	1,212			<u>\$3,932</u>
	<u>Production</u>	<u>Calc. Grav.</u>	<u>Price</u>	<u>Value</u>
Commingled	1,212	33.2	3.25	\$3,939

Increased income is calculated to be \$7 per month. Without commingling, long storage time between runs and greater surface area in more tanks allow excess evaporation. On the basis of 1/2% volume increase after commingling, the increase in gross income is \$20 per month. Less evaporation of "light ends" will also increase the gravity. By commingling maintenance and operating costs will be lower which lowers the economic limit and extends the producing life of the wells.

Amerada Hess Corporation respectfully requests administrative approval to commingle the production from the Federal "D" lease. Approval has been obtained from the purchaser and transporter, as well as the United States Geological Survey.

Very truly yours,



G. Dewhurst
Region Manager

FAB/jw

Enclosures:

- 1.) Plat of lease and wells
- 2.) Schematic diagram of the proposed battery
- 3.) Letter of approval from Atlantic Richfield
(purchaser)
- 4.) Letter of approval from Texas-New Mexico Pipeline
(transporter)
- 5.) Letter of approval from the United States Geological
Survey

cc: Mr. J. D. Ramey
Mr. L. A. Stricklin

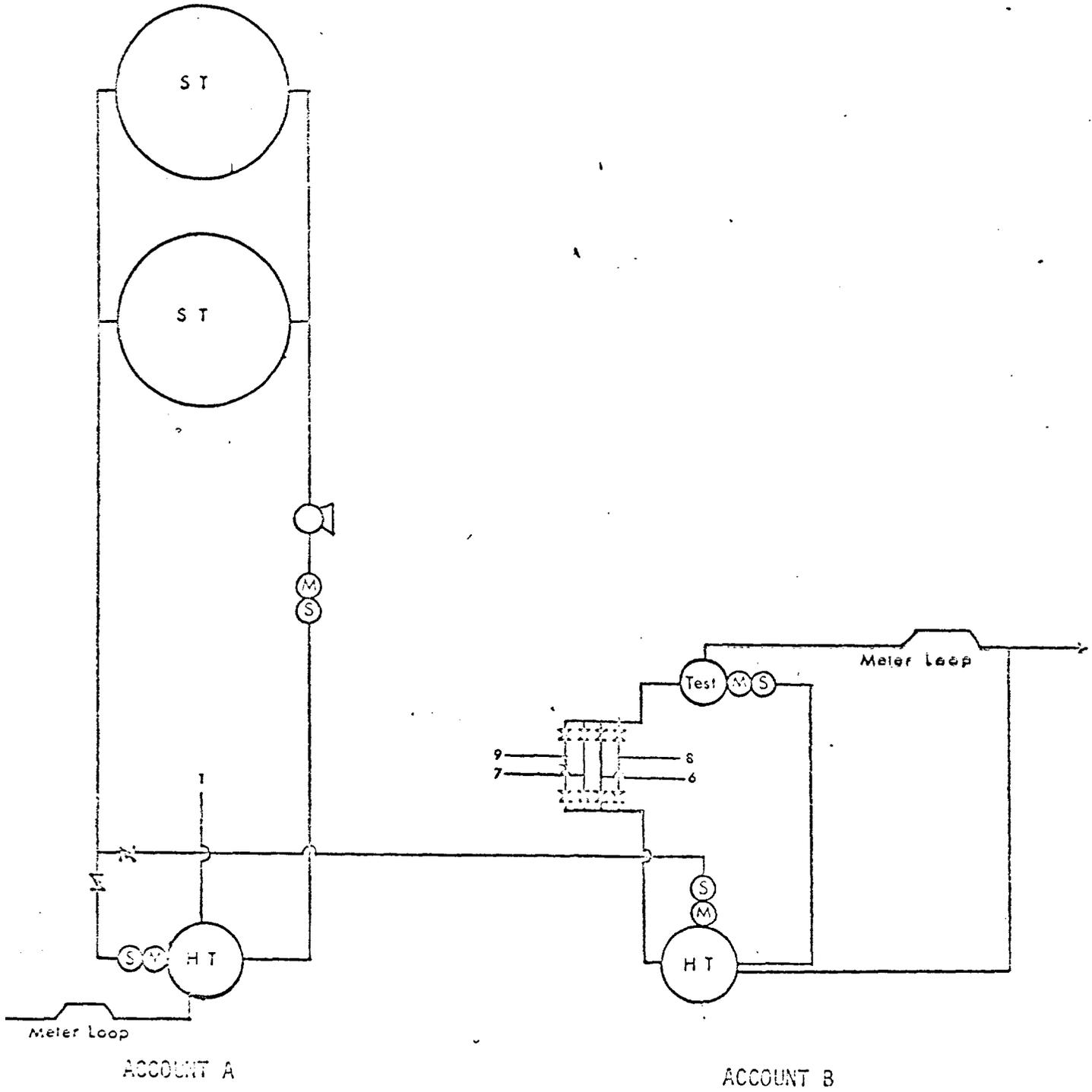
R36E

<p>A.P.C. 2♠</p> <p>22 Continental Reed 1♠ 4420 35♠</p> <p>M O N U</p>	<p>A.P.C. Amerada 12♠ 7♠</p> <p>10♠ 11♠</p> <p>13♠</p> <p>8♠ 10♠</p> <p>M Fed Andrews</p>	<p>Cont'l "B" 1♠</p> <p>4♠</p> <p>6♠ 2♠</p> <p>7♠ 5♠</p> <p>6♠ 3♠</p> <p>Reed</p>	<p>Standlind A</p> <p>12♠ 9♠ 4♠ 2♠</p> <p>14♠ 13♠ 11♠</p> <p>10♠</p> <p>24 Cont'l "B" 4♠ 2♠</p> <p>8♠</p> <p>3♠ 1♠ 7♠</p> <p>Reed Gilluly White</p> <p>(Repollo) 2♠ Sinclair</p>
<p>AHC acc. A</p> <p>3♠ ✓</p> <p>Fed "D" 27</p> <p>Harris, et al 1♠</p> <p>Aztec A.P.C. 1♠</p> <p>WE "D" Rodge, et al 1♠</p> <p>State "E" 27 1♠</p>	<p>AHC acc. B</p> <p>4♠ ✓ 3♠ ✓</p> <p>2♠ ✓ 8♠ ✓</p> <p>1♠ ✓ 7♠ ✓</p> <p>5♠ ✓ 6♠ ✓</p> <p>Federal "D" 26</p>	<p>Schafer "F" 1♠</p> <p>State Elliott "A"</p> <p>New-State 2♠</p> <p>Schaffer 2♠ 1♠</p> <p>Elliott Humble 5♠ 4♠</p> <p>Fopeano</p>	<p>Phillips 1♠</p> <p>Skelly "H" 2♠</p> <p>Atlantic "P" 2♠</p> <p>Standlind "A" 3♠</p> <p>Standlind "B" 1♠</p> <p>Standlind "A" 6♠</p> <p>Gilluly Humble 3♠ 1♠</p> <p>Fopeano White 4♠ 1♠</p> <p>25</p>
<p>Cactus 1♠</p> <p>2♠ Catron-State Gulf</p> <p>3♠ 2♠</p> <p>Bell "A" Atlantic 1♠ 2♠</p> <p>3♠ Seale Fed.</p> <p>L.E. Elliott 1♠</p> <p>E.M. Elliott APC</p> <p>WE "G" A.P.C. 1♠</p> <p>LW White 1♠</p>	<p>Bay 3♠ 1♠</p> <p>4♠ 2♠</p> <p>Fed-Fee A.P.C. 2♠ 1♠</p> <p>I. White 5♠ 4♠</p> <p>Gulf "B" White 3♠</p>	<p>Humble 6♠</p> <p>7♠ 2♠</p> <p>Fopeano (Repollo) Sinclair White 2♠ 1♠</p> <p>Gulf White 3♠ 1♠</p>	<p>Gulf "F" 3♠ 4♠</p> <p>7♠ 3♠</p> <p>6♠ 2♠</p> <p>5♠ 1♠</p> <p>Seil-State</p> <p>Shell "X" 4♠ 1♠</p> <p>3♠ 10♠ 2♠</p> <p>36 Atlantic "M" 2♠ 1♠</p> <p>State Gulf "C" 7♠ 5♠</p> <p>Orcott</p>

T 20 S

EUMONT FIELD
LEA COUNTY, N. M.

AMERADA HESS CORP.
MONUMENT FIELD
FEDERAL D LEASE
PROPOSED BATTERY





United States Department of the Interior

GEOLOGICAL SURVEY
Drawer 1857
Roswell, New Mexico 88201

September 27, 1971

Amerada Division, Amerada Hess Corporation
Drawer 817
Seminole, Texas 79360

Attention: Mr. G. F. Dewhurst

Gentlemen:

Your application of September 17 requests approval to commingle Eumont pool production from your Federal "D" lease Accounts "A" and "B" in secs. 26 and 27, T. 20 S., R. 36 E., Lea County, New Mexico, lease Las Cruces 046164(b).

The system for commingling described in your application is hereby approved. Your Lessee's Monthly Report of Sales and Royalty, form 9-361, should show all calculations used to allocate production to each account.

Please notify our Hobbs office when the installation is completed so that a field inspection of the system can be made.

Sincerely yours,

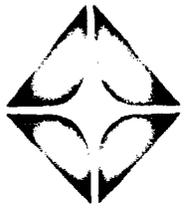
A handwritten signature in cursive script, appearing to read "N. G. Frederick".

N. G. FREDERICK
Regional Oil and Gas Supervisor

SEMINOLE/HOBBS REGION
1971 SEP 29 AM 10:12

Atlantic Richfield Company

Supply & Transportation Division
Midcontinent Area, Crude Oil Supply
Post Office Box 1610
Midland, Texas 79701
Telephone 915 682-8631



September 13, 1971

Mr. B. W. Andrus
Amerada Division
Amerada Hess Corporation
P. O. Box 52
Galena Park, Texas 77547

Re: Commingling Production: Federal "D" Lease
Account "A" and "B"

Commingling Production: W. P. Byrd, W. P. Byrd
"A", and H. W. Andrews
Leases

Dear Mr. Andrus:

This letter is written in answer to Mr. Moore's letter of August 4, 1971, concerning commingling the crude oil production of the captioned leases.

Let this letter be used as Atlantic Richfield's written approval to commingle these leases.

Very truly yours,

A handwritten signature in cursive script that reads "Dwayne Glover".

Dwayne Glover
Representative,
Crude Purchases

DG:nb

TEXAS-NEW MEXICO PIPE LINE COMPANY

P. A. LYONS
DIVISION MANAGER

P. O. BOX 1510
MIDLAND, TEXAS 79701

August 11, 1971

COMMINGLED PRODUCTION
EUMONT ZONE
FEDERAL "D" LEASE
ACCOUNT "A" AND "B"
MONUMENT FIELD
LEA COUNTY, NEW MEXICO

Amerada Division
Amerada Hess Corporation
P. O. Box 52
Galena Park, Texas 77547

Attention: Mr. B. W. Andrus

Gentlemen:

In response to your letter of August 4, 1971, we have no objection to your commingling production from the above lease.

Yours very truly,

P. A. Lyons

AER

JDS