STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

COMMINGLING ORDER PC-733

Petrus Oil Company, L.P. 12377 Merit Drive Suite 1600 Dallas, TX

Attention: Suzann J. Welch

Lease Name: Petrus State Lease No. B-2516

Description: N/2 SE/4 of Section 10, N/2, SE/4, N/2 SW/4 of Section

11, both in Township 17 South, Range 33 East, NMPM,

Lea County, New Mexico.

The above-named company is hereby authorized to commingle Maljamar Grayburg San Andres and Sanmal Queen Pool production in a common tank battery and to determine the production from each pool by separately metering the production from the Sanmal Queen Pool and determining the Maljamar Grayburg San Andres Pool Production by the subtraction method.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

DONE at Santa Fe, New Mexico, on this 17th day of February, 1988.

ILLIAM J. LEMAY, Director

WJL/DRC/ag

PETRUS OIL COMPANY, L.P.

12377 MERIT DRIVE, SUITE 1600 DALLAS, TEXAS 75251 (214) 788-3300 FACSIMILE (214) 788-3399

February 15, 1988

Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87504-2088

> Re: Surface Commingling Section 11, T17S, R33E Lea County, New Mexico

Gentlemen:

Petrus respectfully requests an exception to Rule 303-A to permit us to commingle in common facilities the production from our three wells in the Maljamar - Grayburg San Andres Field and our new well in the Sanmal - Queen Field. Petrus owns 100% of the working interest and the Commissioner of Public Lands has a 12.5% royalty interest in both fields. Please find the following attachments in support of our request.

- Commissioner of Public Lands consent
- Volume and gravity information
- Plat of wells and zones of produciton
- Facility diagram

Please advise if further information is needed.

Sincerely,

Suzakin J. Welch

Regulatory Coordinator

David
1711 Pools are Petrus has
Separately metered, a fractom/s
Our copy was not on site they
Clear on the tand would like
The continued to step renting
it with Milse and they would
Erwin yesterday, experient an
The new value conta order on
datais in this
opplication. Thanks Dich

PETRUS OIL COMPANY, L.P.

12377 MERIT DRIVE, SUITE 1600 DALLAS, TEXAS 75251 (214) 788-3300 FACSIMILE (214) 788-3399

February 8, 1988

State of New Mexico Commissioner of Public Lands P. O. Box 1148 Santa Fe, NM 87504-1148

> Re: Surface Commingling Section 11, T17S, R33E Lea County, New Mexico

Gentlemen:

Petrus respectfully requests your consent to commingle production from our three wells in the Maljamar-Grayburg San Andres and our new well in the Sanmal (Queen) according to the attached plat. Liquid production will be metered separately and gas production will be split based on monthly testing. Public Lands has a 12.5% royalty in all the wells and Petrus is the 100% working interest owner.

Please indicate your consent below and return in the attached envelope.

Should you require further information, please contact Mike Erwin at 214/788-3364.

Sincerely,

Suzann J. Welch

Regulatory Coordinator

The Commissioner of Public Lands, State of New Mexico, consents to the surface commingling of production from the Petrus Oil Company, L. P. wells in the Maljamar Grayburg San Andres and Sanmal (Queen) Fields.

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State of New Mexico





Commissioner of Public Lands

P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148

February 16, 1988

Petrus Oil Company, L.P. ATTN: Ms. Suzann J. Welch 12377 Merit Drive, Suite 1600 Dallas, Texas 75251

Re: Surface Commingling
Sections 10 and 11-17S-33E
Lease No. B-2516
Lea County, New Mexico

Gentlemen:

Reference is made to your application dated February 8, 1988, wherein you have requested our approval to surface commingle production from the State D, Well Nos. 1, 2 and 3 with production from the Petrus 11 State Well No. 1 lease. It is our understanding that the State D wells are producing from the Maljamar-Grayburg San Andres field and the Petrus 11 State lease is producing from the Sanmal - Queen Field. All wells are located on State Lease No. B-2516.

Since ownership is common throughout and it appears that there will be no loss of revenue to the State of New Mexico from your proposed operation, the Commissioner of Public Lands has this date approved your request. This approval is given with the understanding that the Commissioner reserves the right to amend or withdraw his approval should this operation prove to be unprofitable to the State at any time in the future.

Enclosed is an approved copy for your files.

Very truly yours,

WILLIAM R. HUMPHRIES COMMISSIONER OF PUBLIC LANDS

FLOYD O. PRANDO, Director Oil and Gas Division (505) 827-5744

onle 140

WRH/FOP/pm encls.

cc: R. L. Staments

OCD-Santa Fe, New Mexico B-2516-41 and B-2516-44

SUPPLEMENTAL INFORMATION

SURFACE COMMINGLING REQUEST EXCEPTION TO RULE 303-A SECTION 11, T17S, R33E LEA COUNTY, NEW MEXICO

Field:

Maljamar - Grayburg San Andres

Oil Gravity: 35 degrees API

Monthly Volume: 786 barrels oil

Value:

Posted West Texas Intermediate Price

\$16.50 as of 2-15-88

Field:

Sanmal - Queen

Oil Gravity: 36 degrees API

Monthly Volume: 3600 barrels oil

Value:

Posted West Texas Intermediate Price

\$16.50 as of 2-15-88

Expected Commingled Oil Gravity: 36 degrees API

Expected Commingled Value:

\$16.50 as of 02-15-88

Posted West Texas Intermediate Price

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STATE D 3 PETRUS 11 STATE 1 0 TEST PRODUCTION HE ADER Hotel For Quit TEST PRODUCTION 0<u>1</u>L HEATER TREATER SEP SEP - TER METER ME TER OIL GUN BARREL METER OIL SALES GAS SALES PHILLIPS WATER WATER DISPOSAL

PETRUS OIL COMPANY, L. P.

MALJAMAR CENTRAL TANK BATTERY

STATE D & PETRUS 11 STATE LEASES

SECTION 11, TOWNSHIP 17S, RANGE 33E

LEA COUNTY, NEW MEXICO

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

40. 00 100-110 0111-110				
DISTRIBUTI	DISTRIBUTION			
SANTA FE	SANTA FE			
PILE				
U.S.G.4.	U.8.G.A.			
LAND OFFICE				
TRANSPORTER	OIL			
	DAB			
OPERATOR				
PROBATION OFF	ICE			

OIL CONSERVATION DIVISION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

Form C-104 Revised 10-01-78 Format 06-01-83 Page 1

Separate Forms C-104 must be filed for each pool in multiply

REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

AUTHORIZATION TO TRANS	PORT OIL AND NATURAL GAS
I. Operator	
Petrus Oil Company, L. P.	
	, Texas 75251
Reason(s) for filing (Check proper box)	Other (Please explain)
New Well Change in Transporter of:	
	ry Gas
Change in Ownership Casinghead Gas C	ondensate
If change of ownership give name and address of previous owner	
II. DESCRIPTION OF WELL AND LEASE	
Lease Name Well No. Pool Name, including F	
Petrus 11 State 1 Sanmal - Quee	n State, Federal or Fee State
Unit Letter H : 1650 Feet From The North Lin	e and 990 Feet From The East
Line of Section 11 Township 17S Range	33E , NMPM, Lea County
III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL Name of Authorized Transporter of Cit or Condensate Pride Pipeline Co. Name of Authorized Transporter of Castaghead Gas X or Dry Gas	P. O. Box 3237 Abilene TX 79604 Address (Give address to which approved copy of this form is to be sent)
	4001 Penbrook, Odessa, TX 79762
Phillips 66 Natural Gas Co. If well produces oil or liquids, Unit Sec. Twp. Rgs.	Is gas actually connected? When
give location of tanks. Pending 0 11 175 33E	No Pending notice of connect
If this production is commingled with that from any other lease or pool,	
NOTE: Complete Parts IV and V on reverse side if necessary.	
VI. CERTIFICATE OF COMPLIANCE	OIL CONSERVATION DIVISION
I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given is true and complete to the best of my knowledge and belief.	APPROVED, 19
my giowicage and other.	TITLE
$\int \int \int \int d^{3}x dx$	This form is to be filed in compliance with RULE 1104.
Suzann J. Welch Suzann J. Welch (Signature)	If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with AUE 111.
Regulatory Coordinator (Title)	All sections of this form must be filled out completely for allowable on new and recompleted wells.
February 15, 1988	Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter or other such change of condition.

Soparate completed wells.

Designate Type of Comple	tion - (X) Oil Well Gas Well	New Weil Workover Deep	Plug Back Same Res'v. Diff. Re:
Date Spudded	Date Compl. Ready to Prod.	Total Depth	P.B.T.D.
01-17-88	02-08-88	4700	4550
Elevations (DF, RKB, RT, GR, etc.	Name of Producing Formation	Top Oil/Gas Pay	Tubing Depth
4155.5' GR	Oueen	3760	3680
Perforations			Depth Casing Shoe
3760-3780'			4700
	TUBING, CASING, AN	ND CEMENTING RECORD	
HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT
12-1/4	8-5/8	1496	600 Lite + 200 Class C
7-7/8	5-1/2	4700	675 Lite + 450 Class C
	2-3/8	3680	

V. TEST DATA AND REQUEST FOR ALLOWABLE (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

Date First New Oil Hun To Tanks							
02-08-88 Tempora		Pumping 2 x 1-1/2 x 12' RHBC					
Length of Test	Tubing Pressure	Casing Pressure	Choke Size				
24 hrs	30	30					
Actual Pred, During Test	Oil-Bble.	Water - Bble.	Gas-MCF				
120	. 120	5	200				

GAS WELL

Actual Prod. Test-MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pitol, back pr.)	Tubing Pressure (Shut-is)	Casing Pressure (Shut-in)	Choke Size
4	f		

Form C-105 Revised 10-1-78

ENERGY AND MINERAL	N WEXICO						KEYI	ised 10-1-78
	S DEPARTMEN	7	CONCEDIA	TIONE	UVISION			
NO. OF COPIES RECEI		OIL	CONSERVA		NIVISION		_	Type of Lease
DISTRIBUTION							State X	Fee
SANTA FE		SA	NTA FE, NEW	MEXICO	8/501	Γ	5. State Oil	& Gas Lease No.
U.S.G.S.								
LAND OFFICE		WELL COMPLE	TION OR REC	OMPLETIC	N REPORT	AND LOG	THIII	
OPERATOR						4		
ld. TYPE OF WELL							7. Unit Agre	ement Name
	016	CAS WELL	DRY			ŀ		
b. TYPE OF COMPLE	TION	LL WELL	L DRY L	OTHER			8. Farm or L	ease Name
HEW X WO	RK 🗍	PLUG	DIFF.				Petrus	: 11 State
2. Name of Operator	IN L DEEP	EN BACK	RESVR.	OTHER			9. Well No.	
Petrus Oil C	omnany T	Þ				1	1	
3. Address of Operator	Ompany, D.	1.	·····	<u>.</u>		-	10. Field one	i Pool, or Wildcat
•	Dadero Cud	+ 1600 · Da	lles Tores	75251		İ		(Queen)
12377 Merit	Drive, Sui	te 1000; Da	ilas, lexas	17271			TTTTTT	· (Wassii)
4. Location of wen								
u	1	650	N		990			
UNIT LETTER H	LOCATED	OJO FEET P	ROM THE	LINE AND	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ 	FEET FROM		<i>11111111111111</i>
77	11	1770	225				12. County Lea	
THE E LINE OF	SEC.	TWP. 1/D AG	E. 33E NMPM		IIIXIII	1111111		_ /////////////////////////////////////
	I .	i	Compl. (Ready to I					
1–17–88	1-25-88		02-08-88		155.5 GR	4163.5		not recorded
20. Total Depth	i	ig Back T.D.	22. If Multip	le Compl., Ho	w 23. Interv	als Rotary	Tools	Cable Tools
4700	45	550				0-47		<u>i</u>
24. Producing Interval(s	s), of this comple	tion - Top, Botton	, Nam e				25	5. Was Directional Survey Made
3760-3780								No
26. Type Electric and C	ther Logs Run					_	1	s Well Cored
LDT/CNL/GR	DLL/RXC	/GR Cyber	look				No	
28.			ING RECORD (Rep	ort all string	s set in well)			
CASING SIZE	WEIGHT LB	/FT. DEPTH		E SIZE		NTING RECO	RD	AMOUNT PULLED
8-5/8	24	1496	17	-1/4	-600sx Ha	l Lite +	+ 200sx ClC 0	
5-1/2	17	470C	7	- 7/8	765sx li	te + 450	sx C	0
29.		INER RECORD		-	30.	TU	BING RECO	RD
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEP	TH SET	PACKER SET
					2-3/	8 36	80	3680
31. Perforation Record	Interval, size an	d number)	<u>'</u>	32.	ACID, SHOT, F	RACTURE, C	EMENT SQU	EEZE, ETC.
3760-3780 3-	-1/8" HSC.	2 spf. 180°	' phase	DEPTH	INTERVAL	7		D MATERIAL USED
;	-170 mbo,	~ 5p1, 100	piidbo	4592				EFE; CIBP @ 4550
					-3780	2000 gal		
								30,000# 12/20sd
					 			gel + 15% CO2
33.		·····	PROD	UCTION		1+)	, , , , , ,	
Date First Production	Prodi	iction Method (Flou	ving, gas lift, pump		id type pump)		Well Status	(Prod. or Shut-in)
2-8 - 88	l PM		2 x 12 RHBC	_			PROD	
Date of Test	Hours Tested	Choke Size	Prod'n. For	Oil - Bbl.	Gas - MC	F Water	- Bbl.	Gas - Oil Ratio
02-14-88	24		Test Period	120	200	۔ ا		1667
	Casing Pressu	e Calculated 24	- Oil - Bbl.	120 Gas — 1		ater - Bbl.	011 0	1667 Gravity – API (Corr.)
Flow Tubing Press.	30	Hour Rate	120	20	1	5		36
Flow Tubing Press.	, ,,,	el. vented. etc.)	1 22		- 1		Witnessed By	
	Sold, used for fu					1	,	
30 34. Disposition of Gas (Sold, used for fu	.,,				ļ	Henny	Whitman
30 34. Disposition of Gas (Sold, used for fu						Henry V	Vhitman
30 34. Disposition of Gas (Vented 35. List of Attachments			DII/DYO/CD	loge			Henry V	Vhitman
30 34. Disposition of Gas (Vented 35. List of Attachments Deviation St	ırvey, LDT	/CNL/GR and			te to the best of	my knowledge		Vhitman
30 34. Disposition of Gas (Vented 35. List of Attachments Deviation St 36. I hereby certify that	irvey, LDT,	/CNL/GR and		e and comple		_		Vhitman

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 30 through 34 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

	Southeas	tern	New Mexico		Northwe	estem No	ew Mexico
т.	Anhy 15151	T.	Canyon	Т.	Ojo Alamo	Т.	Penn. "B"
T.	Salt	. T.	Strawn	T.	Kirtland-Fruitland	T.	Penn. "C"
В.							Penn. "D"
T.	Yates 28101	_ T.	Miss	т.	Cliff House	T.	Leadville
T.							Madison
T.							Elbert
T.	Grayburg 44201	. T.	Montoya	. T.	Mancos	Т.	McCracken
T.	San Andres 45471	т.	Simpson	т.	Gallup	Т.	Ignacio Qtzte
T.	Glorieta	_ T.	McKee	. Ba	se Greenhorn	Т.	Granite
T.	Paddock	_ Т.	Ellenburger	т.	Dakota	т.	
T.	Blinebry	_ Т.	Gr. Wash	т.	Morrison	Т.	
T.	Tubb	_ Т.	Granite	. T.	Todilto	Т.	
T.							
T	Cisco (Bough C)	Т.		т.	Penn. "A"	— Т.	
			OIL OR GAS	S	ANDS OR ZONES		
No.	1, from 3760		to 3780'	No	o. 4, from		to
							to
No.	3, from		.to	No	. 6, from		
			IMPORTAN	T V	NATER SANDS		
Incl	ude data on rate of water inflo	w ar	d elevation to which water rose	in l	hole.		
No.	1, from		to	•••••	leet.	***********	
No.	2, from		to		leet	************	
No.	3, from		toto		fcet.	************	***************************************
No.	4, from	*	to		feet		
	-		FORMATION RECORD (Attach				
	Thickness			1	1	T	

	Thickness Thickness Thickness									
From	To	in Feet	Formation	From	То	in Feet	Formstion			
1515 2620 2810 3110 3750 4420 4550	2620 2810 3110 3750 3790 4550 4700	1105 190 300 640 40 130 150	Rustler Anhydrite Tansil Yates Seven Rivers Queen Grayburg San Andres							