



REC 8/25/97
949 N/R

Mid-Continent Region
Exploration/Production

Conoco Inc.
10 Desta Drive, Suite 100W
Midland, TX 79705-4500
(915) 686-5400

August 1, 1997

AUG - 4 1997

Mr. William LeMay
Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87504

Re: Application to Surface Commingle Glorieta, Tubb, and Drinkard
Production all from the State A-2A Lease in a common Battery
Located in Unit P, Section 2, Township 20S, Range 37E

Dear Mr. LeMay:

Conoco Inc. request administrative approval to surface commingle Glorieta, Tubb, and Drinkard production, all from the State A-2A Lease in a common Battery located near the State A-2A Well No. 5. EXHIBIT 1 shows the State A-2A lease the producing wells and the battery location. Currently operations on this lease consists of dualled Tubb and Drinkard production from Well No. 5 and single Drinkard production from Well No. 7.

An application was filed June 3, 1997 to downhole commingle the Tubb and Drinkard completions in Well No. 7. An application was approved May 21, 1997 to recomple Well No. 6 to the Glorieta. Therefore, it is now being requested to surface commingle all of these marginal zones in the State A-2A battery and to allocation the production from these pools by periodic well tests.

Conoco owns 100 % of the working interest in this state lease No. B-2656, and the State of New Mexico is the only Royalty Interest Owner. The locations of the wells are as follows:

State A-2A #5	Unit P, Sec. 2, T-20S, R-37E
State A-2A #6	Unit O, Sec. 2, T-20S, R-37E
State A-2A #7	Unit I, Sec. 2, T-20S, R-37E

EXHIBIT 2 shows revenue calculations for each well separately and for all three combined. Blending of production from the three pools actually increases revenue slightly by upgrading the lower gravity Glorieta production.

EXHIBIT 3 is a battery schematic showing how production from these three wells will be handled on a commingled basis. If there are any further questions, please contact me at (915) 686-6548.

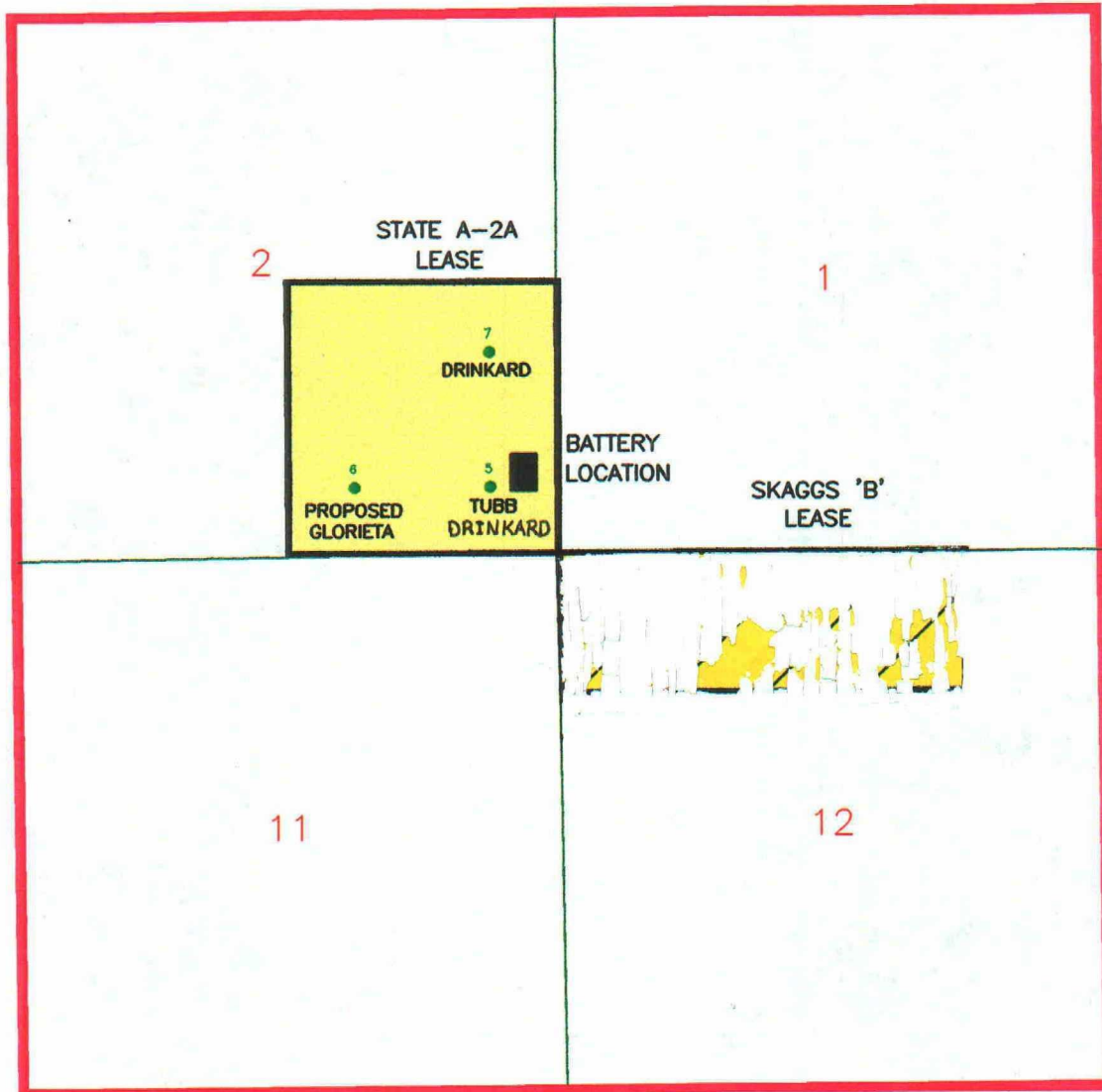
Very truly yours,

Jerry W. Hoover
Sr. Conservation Coordinator

57190
STATES
47090
MONUMENT

57000
SKNRS













T20S R37E



COLOR LEGEND

 CONOCO
160 ACRE
STATE A-2A
LEASE

WELL LEGEND

PRODUCING		ABANDONED		SUSPENDED	
OIL		OIL		LOCATION	
GAS		GAS		OBSERVATION	
OIL & GAS		INJECTOR			
INJECTOR					

REVISIONS				POSTING DATE: 3/26/1997	
NO.	DESCRIPTION	DATE	BY	DRAWN BY	DTIS RUPP

EPCOR		MIDLAND DIVISION	
STATE A-2A		LEASES	
LEASING COUNTY, NEW MEXICO			
FILED	INDEXED	CHARGE	DATE
-	-	-	-
DRAWN		STATE	

APPLICATION TO SURFACE COMMINGLE
STATE A-2A No. 5, 6, & 7.

STATE A-2A						
WELL NAME	ZONE	MCFGPD	BOPD	API (Corrected)	\$ Per Bo	Revenue/Day
State A-2A #5	TB/DR	190	35	38.8	18.07	\$632.45
State A-2A #6	GLORIETA	3	16	41	16.72	\$267.52
State A-2A #7	DRINKARD	27	7	34.7	18.07	\$126.49
Total		220	58			\$1,026.46

COMBINED STATE A-2A						
Production		MCFGPD	BOPD	API (Corrected)	\$ Per Bo	Revenue/Day
Total		220	58	38.9	18.07	\$1,048.06

07/25/97

EXHIBIT 2

EXHIBIT 3

PIPING LEGEND	THIS FAC
	COMPLIAN
— GAS	INC. MID
— OIL	SITE SEC
— WATER	PLAN LO
— CIRCULATING	CONQCD
— MIXTURE LINE/VESSEL	TO DESTA
— VAPOR RECOVERY	MIDLAND
— EXTRA	