

ADMINISTRATIVE APPLICATION COVERSHEET

BAGBY

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

72330

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] 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 - 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 further verify that all applicable API Numbers are included. 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.

L. M. Sanders
Print or Type Name

 Signature
Supervisor, Regulation/
Title Proration07/06/00
Date



PHILLIPS PETROLEUM COMPANY

4001 PENBROOK
ODESSA, TEXAS 79762

EXPLORATION AND PRODUCTION
Permian Profit Center

July 06, 2000

Director
State of New Mexico
Energy, Minerals, and Natural Resources
Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87504

Re: Surface Commingling

Santa Fe Lease

20071 Vacuum-Yates and Vacuum-Drinkard Pools
Lea County, New Mexico

Dear Sir:

Phillips Petroleum Company respectfully requests an exception to Statewide Rule 303-A and Statewide Rule 309-A to surface commingle production from the Santa Fe (State Lease #B-2073/B-1861). Surface commingling will involve wells #97 & #133. In accordance with the provisions of Statewide Rule 303-B and Statewide Rule 309-B, pertinent information and supporting data are included herein.

1. Production from the leases will be from the Vacuum-Yates and the Vacuum-Drinkard Pools. Santa Fe Well No. 97, is completed in the Vacuum (Yates) Pool. Well #133 is completed in the Vacuum-Drinkard Pool.
2. Adequate test facilities will be provided as shown on the tank battery schematic.
3. Phillips Petroleum Company operates both leases and is the purchaser of the commingled production. Phillips working interest in the leases per the operating agreements is on the attached ownership list. The State Of New Mexico – Common School Land has a 12.5% royalty interest. The Commissioner of Public Lands has been notified via certified mail of the subject application.

Our request is made in the interest of operating more efficiently and economically. Your consideration and administrative approval will be greatly appreciated. If any further information is needed, please contact Celeste Dale at 915/368-1667, or myself at 915/368-1488.

Sincerely,

Larry M. Sanders
Supervisor, Regulation/Proration

/cgd

encl.

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

State of New Mexico
Energy, Minerals, and Natural Resources
Oil Conservation Division
P. O. Box 1980
Hobbs, New Mexico 88240

**PHILLIPS PETROLEUM COMPANY
APPLICATION FOR SURFACE COMMINGLING
SANTA FE LEASE, (VACUUM-YATES)/(VACUUM-DRINKARD) POOLS**

<u>Well #</u>	<u>State Lse. #</u>	<u>Phillips Lse. #</u>	<u>Phillips W.I.%</u>	<u>Phillips N.R.I.%</u>	<u>State of NM RI%</u>	<u>ORRI%</u>
97 (Vacuum-Yates #62400) SE/4 SW/4 S. 33 T-17-S R-35-E Lea Co., NM API #30-025-20791	NM-2073	015370-000	100%	87.5%	12.5%	0%
133 (Vacuum-Drinkard #62110) SW/4 SE/4 S. 31 T-17-S R-35-E Lea Co., NM API #30-025-32333	NM-B-1861	015221-000	100%	87.5%	12.5%	0%

GRAVITY AND VALUE OF COMMINGLED LIQUID HYDROCARBONS

<u>Phillips Petroleum Company</u> <u>Santa Fe #97</u> <u>Vacuum (Yates) Field</u>		<u>Phillips Petroleum Company</u> <u>Santa Fe Battery #133</u> <u>Vacuum (Drinkard) Field</u>		<u>Total Commingled</u> <u>Production</u>
Oil Gravity	33		38.5	38.2
Value(\$/Bbl)	\$27.78		\$27.78	\$27.78
05/00-YTD Avg.				
Oil volume (BOPD)	6 bpd (Expected production upon reactivation of well)		90 bpd	96 bpd
# Wells	1		4	5

There will be no loss of actual commercial value of the commingled production. This value of the commingled production will equal the sum of the value of the production from each common source of supply.



SANTA FE LSE.

LEA COUNTY, NEW MEXICO
Application for Surface Commingling



Santa Fe Lse.

REVISED 07/07/00

EVGVACMP.DWG\LWS

36

31

SCALE (FEET)

32

33

Santa Fe #135 (Drinkard)

Santa Fe #133 (Drinkard)

Lse.# 1861

1

Santa Fe 133
Battery

6

Santa Fe #134 (Drinkard)

5

Lse.# 2517

Santa Fe #136 (Drinkard)

Santa Fe #97 (Yates)

Lse.# 2073

4

Santa Fe #122 (ABO)
Battery

Existing
Flowline

Proposed
Flowline

Santa Fe #135 (Drinker)

Santa Fe #133 (Drinker)

Santa Fe #133
Battery

Santa Fe #134 (Drinker)

Santa Fe #136 (Drinker)

Santa Fe #97 (Vates)

Santa Fe #127 (Vates)

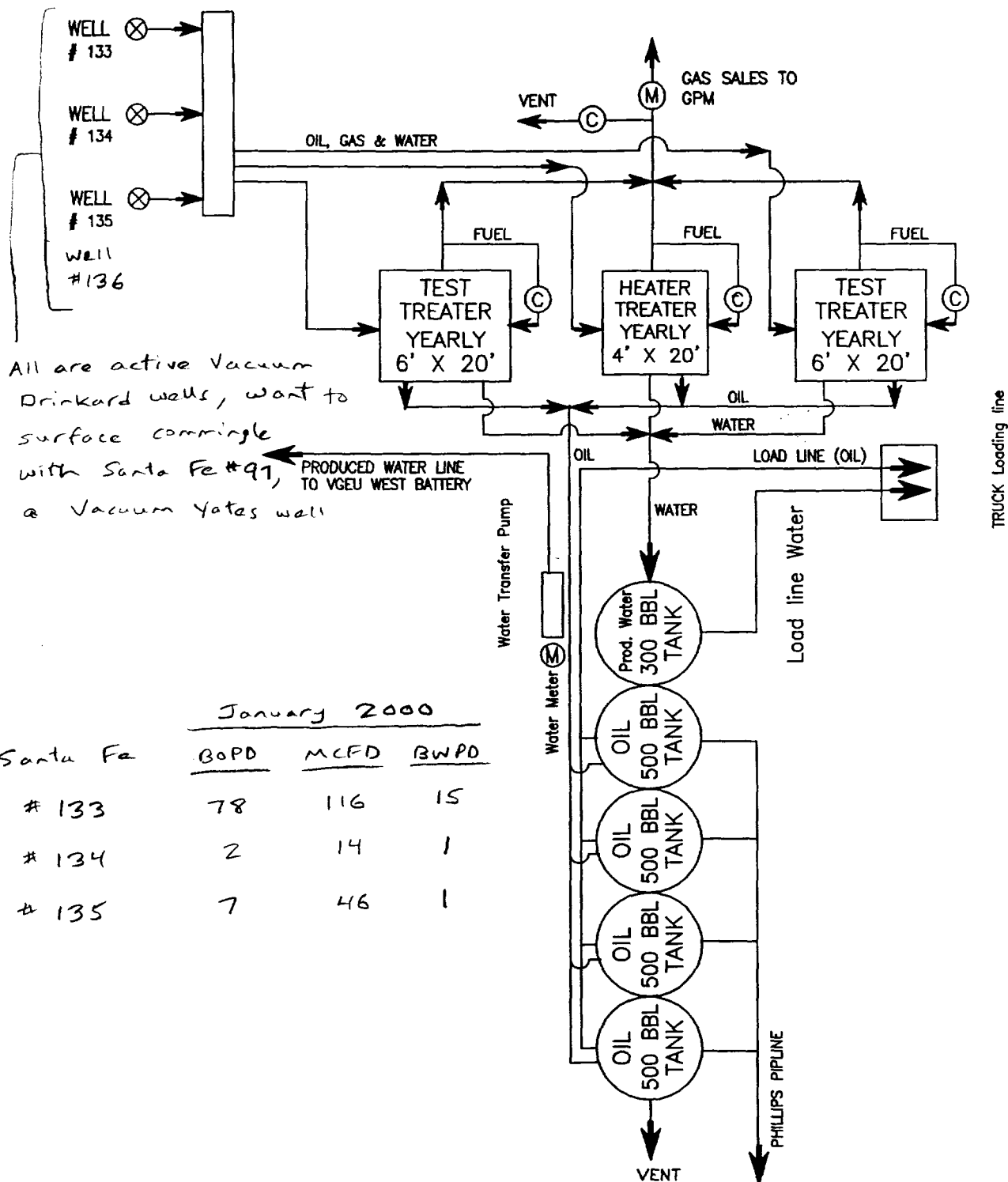
Santa Fe #113 (Vates)

Santa Fe #130 (ABO)

Santa Fe #130
Battery

• Santa Fe Wells

--- UNIT BOUNDARY (EVACUUM)
--- UNIT BOUNDARY (VCS)
--- UNIT BOUNDARY (ABO)



January 2000

Santa Fe	BOPO	MCFO	BWPO
# 133	78	116	15
# 134	2	14	1
# 135	7	46	1

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NO.	REVISION	BY	DATE	CHKD	APP'D
FOR BIDS		PHILLIPS PETROLEUM COMPANY BARTLESVILLE, OKLAHOMA		JA NO.	
FOR APPR				FILE CODE	
FOR CONST				AFE NO. SCALE NO	
LEASE NAME: SANTA FE 133 LEASE CODE: 600015 NETWORK: 503		FILE NAME: HOBBS DWG NO. 1.0			
DRAWN 1/26/95	DGH				
CHECKED					
APP'D					



PHILLIPS PETROLEUM COMPANY

4001 PENBROOK
ODESSA, TEXAS 79762

EXPLORATION AND PRODUCTION
Permian Profit Center

July 6, 2000

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

Re: Application of Surface Commingling
Vacuum-Yates and Vacuum-Drinkard Fields

Attention: Director,
Oil, Gas, and Minerals Division

Gentlemen:

Enclosed, you will find a copy of an application for surface commingling of the oil production from the Phillips Petroleum Company Vacuum-Yates (Pool #62400), Santa Fe Lease, and Vacuum-Drinkard (Pool #62110), Santa Fe Lease, into the Vacuum-Drinkard Battery.

If you have no objections, per SLO Rule #1.055; please approve and forward to the State of New Mexico, Energy and Minerals Department, Oil Conservation Division in Santa Fe, New Mexico. A copy of the supporting documentation along with the required application fee of \$30 is included. Your prompt attention given this matter is greatly appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "L. M. Sanders". The signature is fluid and cursive, with a long horizontal stroke at the end.

L. M. Sanders
Supervisor, Regulation/Proration

/cgd