



David L. Wacker  
Division Manager  
Production Department  
Hobbs Division  
North American Production

Conoco Inc.  
726 East Michigan  
P.O. Box 460  
Hobbs, NM 88241  
(505) 397-5800

April 14, 1989

**RECEIVED**

**APR 18 1989**

**OIL CONSERVATION DIV.  
SANTA FE**

Gentlemen:

By the attached copy of our application to the New Mexico Oil Conservation Division, Conoco is notifying the working interest owners of our proposal to surface commingle production from the following Conoco-operated properties in the Dagger Draw area.

Lodewick A - NW/4-19-19S-25E  
Lehman Federal - SW/4-18-19S-25E  
Barbara Federal - SE/4-18-19S-25E

Also attached for your information is a copy of the original application and commingle order (PLC-70) for the Dagger Draw area and the application and approval for Commingle Order CTB-338.

If you have any questions, please contact Ms. Ceal Yarbrough at (505) 397-5825.

Yours very truly,

David L. Wacker  
Division Manager

COY:jd  
Enc.  
cc/enc:  
New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, NM 87504-2088

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Working Interest Owners

**APR 18 1989**

**OIL CONSERVATION DIV.  
SANTA FE**

OXY USA, Inc.  
Box 69  
Hobbs, NM 88240

Explorers Petroleum Corp.  
P. O. Box 1933  
Roswell, NM 88201

Yates Energy Corporation  
Sunwest Centre - Suite 1010  
Roswell, NM 88201

Fred G. Yates Inc.  
P. o. Box 2323  
Roswell, NM 88202-2323

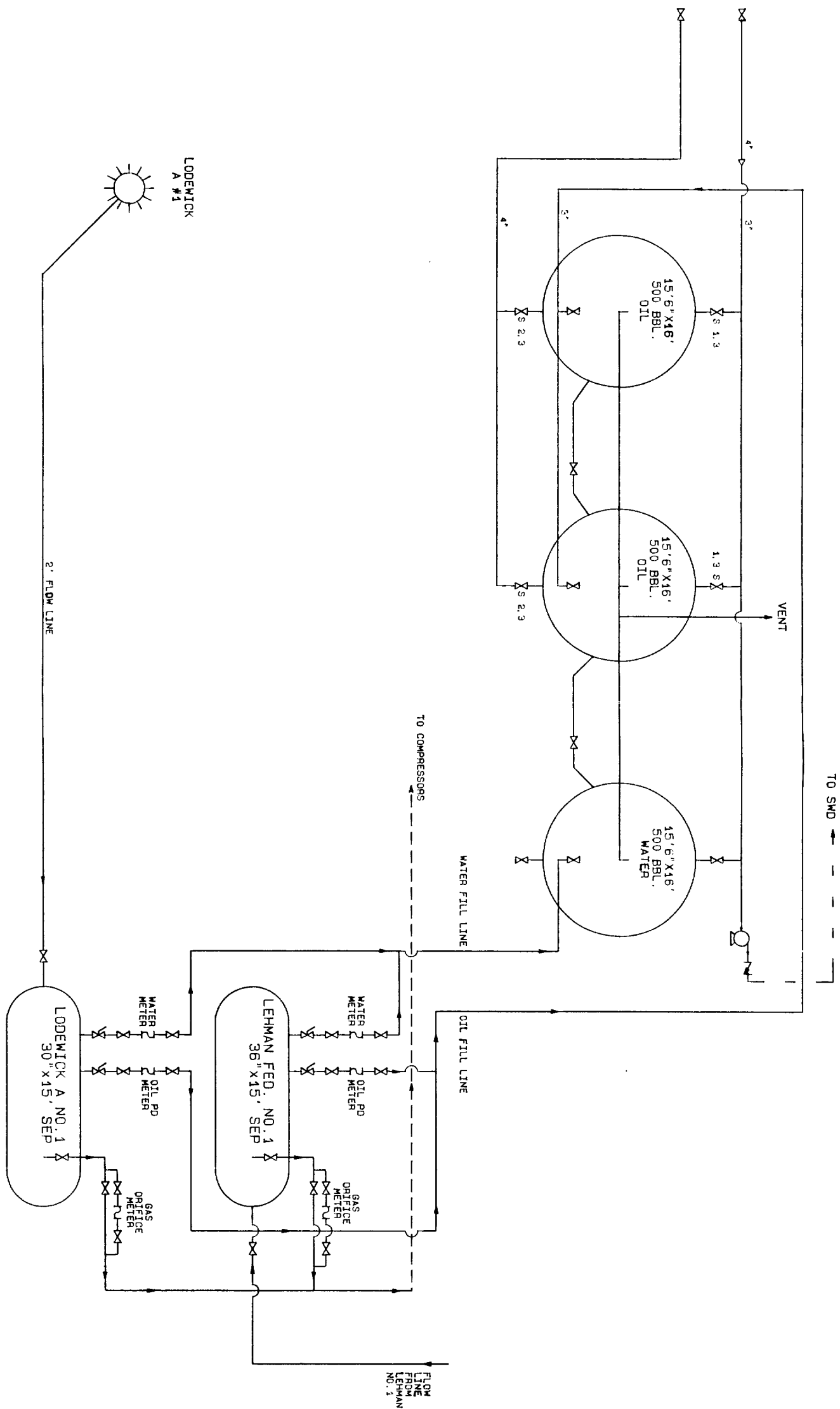
Spiral Inc.  
P. o. Box 1933  
Roswell, NM 88201

Marathon Oil Company  
Box 552  
Midland, TX 79702

Harvey E. Yates Company  
Box 1933  
Roswell, NM 88201

Yates Petroleum Corp.  
105 S. Fourth Street  
Artesia, NM 88210

S. P. Yates  
105 S. Fourth Street  
Artesia, NM 88210



"PROPOSED LODEWICK A TANK BATTERY"



THIS FACILITY IS IN COMPLIANCE WITH CONOCO INC. HOBBS DIVISION SITE SECURITY PLAN.  PLAN LOCATED AT CONOCO INC. OFFICE P.O. BOX 460--726 EAST MICHIGAN HOBBS, NEW MEXICO 88240	VALVE LEGEND: POSITION/MODE 1. CLOSED/SALE 2. OPEN/SALE 3. CLOSED/PRODUCTION 4. OPEN/PRODUCTION	REVISIONS		DATE: 1-2-83	PRODUCTION DEPARTMENT	HOBBS DIVISION	
		NO.	DESCRIPTION	DATE BY	DRAWN BY: A.D.S. INC.		
					DESIGN BY:	LODEWICK A TANK BATTERY UNIT C-19-1195-R2SE EDDY COUNTY, NEW MEXICO	
					CHECKED BY:	FED LEASE NO.	DRAWING NO.
					APPROVED BY:	H06-1196	
				SCALE: NOT TO SCALE			

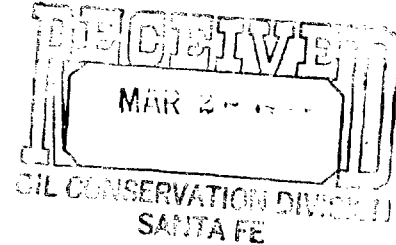


David L. Wacker  
Division Manager  
Production Department  
Hobbs Division  
North American Production

Conoco Inc.  
726 East Michigan  
P.O. Box 460  
Hobbs, NM 88241  
(505) 397-5800

March 17, 1989

Mr. William LeMay  
State of New Mexico  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, NM 87504-2088



Dear Mr. LeMay:

Request for Approval to Surface Commingle the North Dagger Draw  
Upper Penn Production from the Barbara Federal No. 8,  
SE/4 Section 18, T19S, R25E, Eddy County, New Mexico

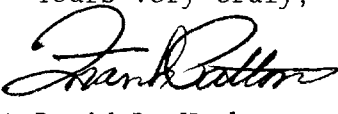
Conoco Inc. requests an amendment to Commingling Order CTB-338, dated January 13, 1989, by including the production from the Barbara Federal No. 8, SE/4 Section 18, T19S, R25E, Eddy County, New Mexico. This well will be completed in the North Dagger Draw Penn.

Although the subject well is not completed at this time, it is anticipated that the quality of the crude will be identical and the commingling will not reduce the commercial value. The production from each lease will be metered separately at the battery using positive displacement temperature compensated meters for the oil and temperature compensated gas meters.

Additionally, Conoco requests approval for off-lease storage for the Barbara Federal No. 8. The battery to be used for this proposed commingling is located at the Lodewick A No. 1, Unit C, Section 19, T19S, R25E.

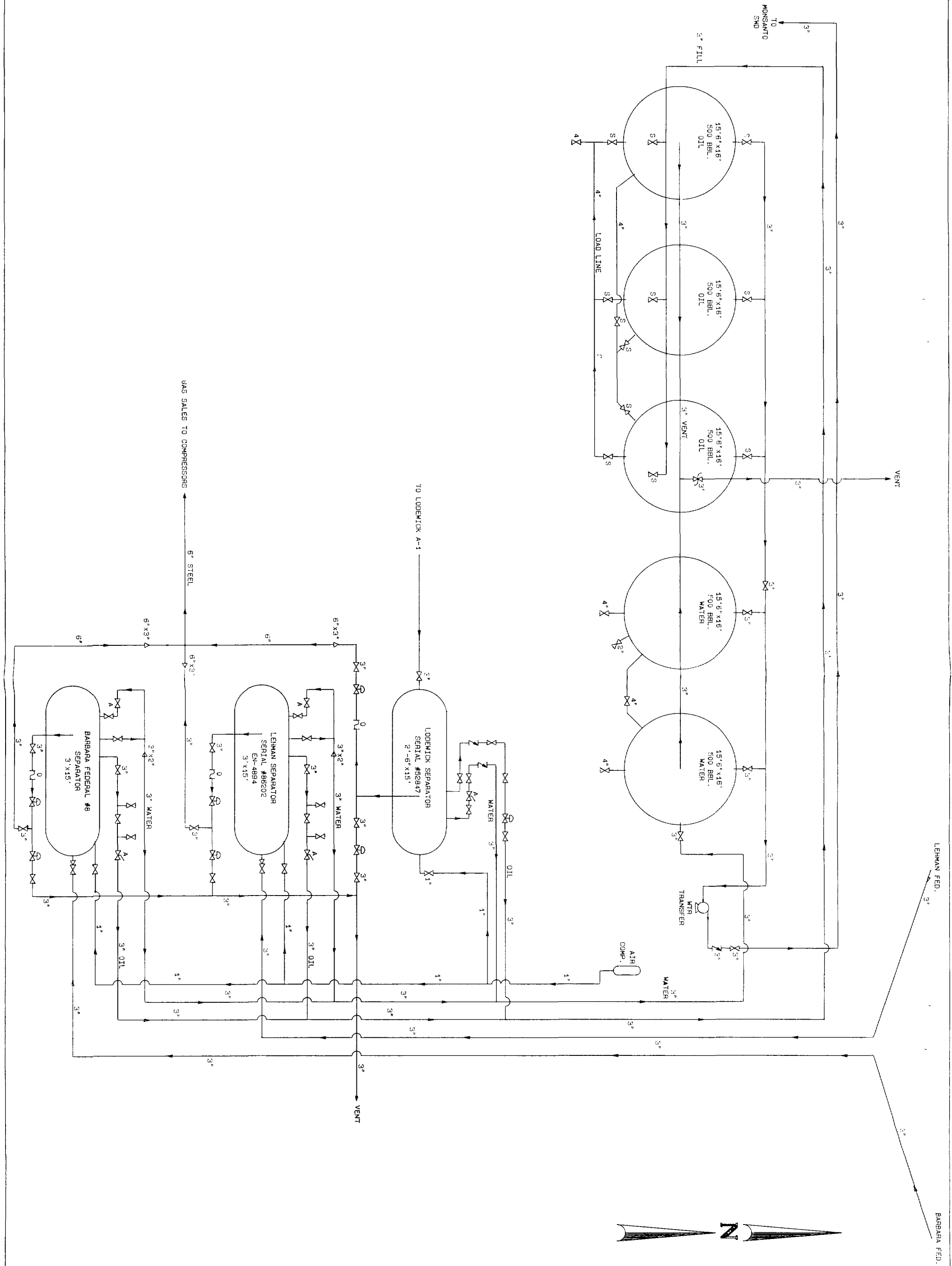
A lease plat and battery schematic are attached. Your early consideration of these requests would be appreciated. Should you have any questions concerning this matter, please contact Ms. Ceal Yarbrough at (505)397-5825.

Yours very truly,

*for*   
David L. Wacker  
Division Manager

COY:mjm  
Enc  
cc/enc:  
Bureau of Land Management  
P. O. Box 1778  
Carlsbad, NM 88220





THIS FACILITY IS IN COMPLIANCE WITH CONOCO INC. HOBBS DIVISION SITE SECURITY PLAN.

PLAN LOCATED AT CONOCO INC. OFFICE  
P.O. BOX 480-726 EAST MICHIGAN  
HOBBS, NEW MEXICO 88240

- VALVE LEGEND: POSITION/MODE
- 1. CLOSED/SALE
  - 2. OPEN/SALE
  - 3. CLOSED/PRODUCTION
  - 4. OPEN/PRODUCTION

REVISIONS		DATE	BY
NO.	DESCRIPTION		
1	REVISE PIPE	2/88/BN	

DATE: 3/17/69

DRAWN BY: S.B.

DESIGN BY:

CHECKED BY:

APPROVED BY:

SCALE: NOT TO SCALE

PRODUCTION DEPARTMENT	CONOCO	HOBBS DIVISION
PROPOSED LODEWICK COMMINGLED TANK BATTERY UNIT C-19-T19S-R25E EDDY COUNTY, NEW MEXICO		
FED LEASE NO:	DRAWING NO: H06-1196-A	