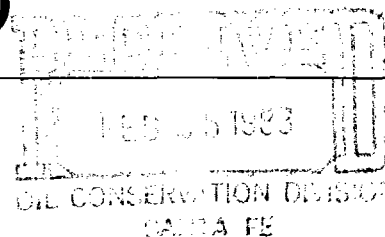




Mark K. Mosley
Division Manager
Production Department
Hobbs Division
North American Production

Conoco Inc.
P. O. Box 460
726 E. Michigan
Hobbs, NM 88240
(505) 393-4141



Dec. 21 → CTB-292

Only Block
w/ Same Lease

February 17, 1983

New Mexico Oil Conservation Division
Department of Energy and Minerals
P. O. Box 2088
Santa Fe, NM 87501

Attention: Mr. Joe D. Ramey

Dear Sir:

Application for Permission to Surface Commingle Production from the State S-19 No. 4, SW/4 SE/4, of Section 19, T-17S, R-29E, with Production from the State S-19 No. 3 and the State 19 Lease

Conoco Inc. requests administrative approval under the provisions of Rule 309-B to surface commingle production from the State S-19 No. 4 with production from State S-19 No. 3 and the State 19 Lease. All production is from the Empire Abo Pool, and would be commingled at the State 19 Battery which is located in SE/4 SW/4 of Sec. 19, T17S, R29E.

Royalty interests are common between the two properties, and there are no overriding royalty interests. The working interests would have also been common between the two properties, but Inexco Oil Company, one working interest owner, went non-consent in drilling the No. 4 well. After State S-19 No. 4 pays out and the penalty is recouped by the consenting working interest owners, Inexco will back in as a working interest owner. Therefore, we plan to allocate production based on well tests.

Our proposed battery schematic and lease plat is enclosed for your information. In addition, the attached letters to Conoco Transportation and the working interest owners will serve as notification to all parties involved of our commingling proposal. Exxon's approval of the proposed commingling project, which is required by the Commissioner of Public Lands, is also attached.

Please note an application of this commingling proposal is also being made with the Commissioner of Public Lands.

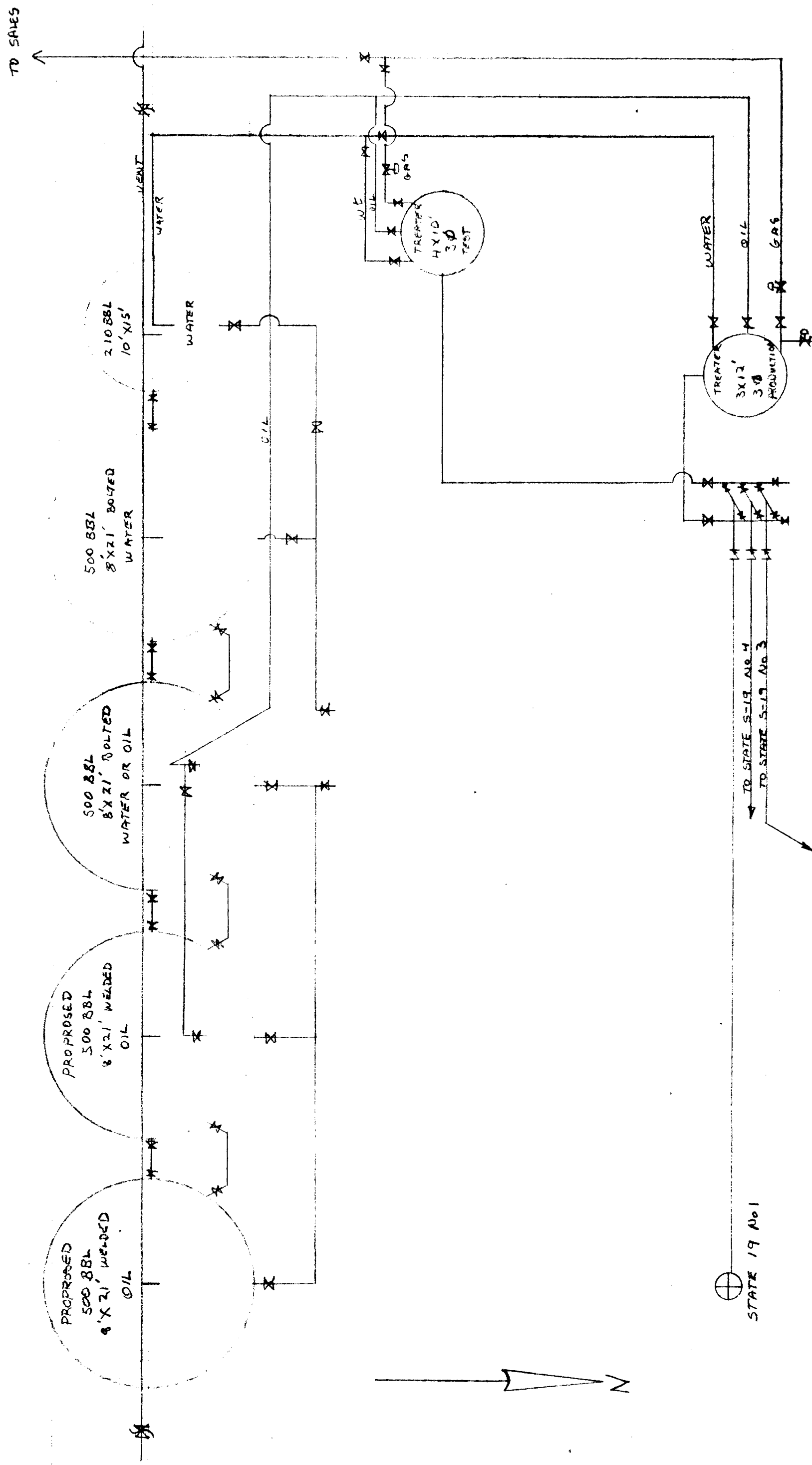
New Mexico Oil Conservation Division
February 17, 1983
Page 2

If you have any questions, please contact David G. Smylie, Extension 120 of this office.

Yours very truly,

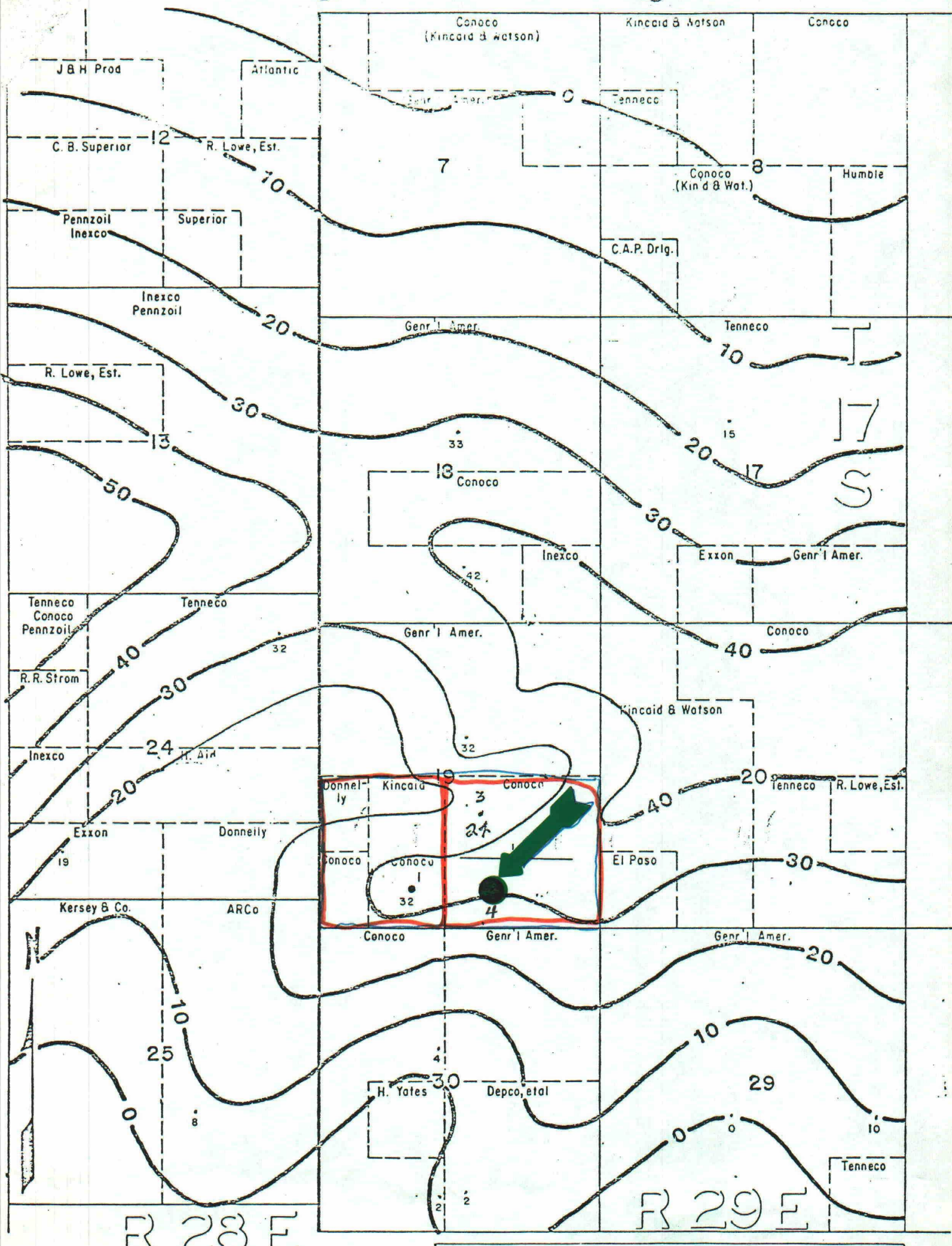
A handwritten signature in cursive script, appearing to read "M. R. Mosley". The signature is fluid and extends to the right with a long, sweeping tail.

DGS:cyg
Attachments



STATE 19 BATTERY

ARP 1-21-83



R 28 E

R 29 E

PRODUCTION DEPARTMENT		HOBBS DIVISION
EMPIRE FIELD ISOPACH OF LOWER ABO NET POROSITY CONTOUR INTERVAL: 10'		
REV. EGS 8-82 REV. GEY 5-82 EGS 1-81		
EDDY COUNTY, NEW MEXICO <div style="display: flex; justify-content: space-between; align-items: center;"> <div> SCALE </div> <div>RFL</div> </div>		
EGS 4-0 LOCATION	DRY HOLE INJECTION WELL	SALT WATER DISPOSAL WELL



Interoffice Communication

To Larry Koenen, Transportation, Hobbs

From Mark K. Mosley, Production, Hobbs

Date February 17, 1983

Subject Application for Permission to Surface Commingle Production from State S-19 No. 4, SW/4 SE/4 of Sec. 19, T17S, R29E, with Production from the State S-19 No. 3 and the State 19 Lease

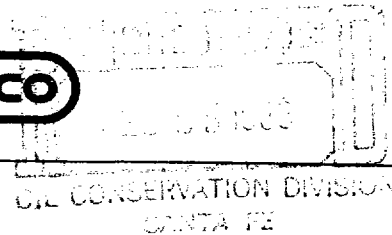
Please be informed as of February 17, 1983, this office is applying to the New Mexico Oil Conservation Division and Commissioner of Public Lands for permission to surface commingle production from the State S-19 No. 4 well with production from State S-19 No. 3 and the State 19 Lease.

If you have any questions concerning this matter, please contact David G. Smylie, ext. 120 of this office.

A handwritten signature in black ink, which appears to read "Mark K. Mosley". The signature is written in a cursive, flowing style.

Mark K. Mosley
Division Manager

DGS:cyg



Mark K. Mosley
Division Manager
Production Department
Hobbs Division
North American Production

Conoco Inc.
P. O. Box 460
726 E. Michigan
Hobbs, NM 88240
(505) 393-4141

February 17, 1983

Working Interest Owners

Gentlemen:

Application for Permission to Surface Commingle Production from State S-19 No. 4, SW/4 SE/4 of Sec. 19, T17S, R29E, with Production from State S-19 No. 3 and the State 19 Lease

Please be informed as of February 17, 1983, Conoco Inc. is applying to the New Mexico Oil Conservation Division and Commissioner of Public Lands for permission to surface commingle production from the State S-19 No. 4 well with production from State S-19 No. 3 and the State 19 Lease.

If you have any questions concerning this matter, please contact David G. Smylie, ext. 120 of this office.

Yours very truly,

DGS:cyg

cc: Exxon Company USA
P. O. Box 1600
Midland, Texas 79702

Inexco Oil Company
1100 Milam Building
Suite 1900
Houston, Texas 77002

Pennzoil United, Inc.
P. O. Box 1828
Midland, Texas 79702-1828

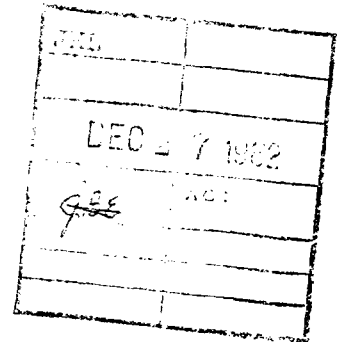


Mark K. Mosley
Division Manager
Production Department
Hobbs Division
North American Production

Conoco Inc.
P. O. Box 460
726 E. Michigan
Hobbs, NM 88240
(505) 393-4141

December 20, 1982

Exxon Company, USA
P. O. Box 1600
Midland, Texas 79701



Gentlemen:

Application for Permission to Surface Commingle Production from the State S-19 No. 4, SW/4 SE/4 of Section 19, T17S, R29E, with Production from the State 19 Lease

Conoco Inc. plans to submit the subject application to the Commissioner of Public Lands, and the Commissioner's office will require we submit approval from Exxon to store oil at our State 19 Battery located in the SE/4 SW/4 of Section 19, T17S, R29E, Eddy County, New Mexico.

The Commissioner of Public Lands no longer recognizes the communitization agreement in Section 19 between Conoco, Exxon, Inexco and Pennzoil since State 19 No. 1 is and State S-19 No. 4 will be completed in the Empire Abo Pool. State 19 No. 1 is located on Exxon's lease (State Lease No. E-742) and No. 4 on Conoco's lease (State Lease No. E-4201).

Please indicate your approval below, and return this letter to this office. If any further information is required, please contact David G. Smylie, ext. 120 of this office.

Yours very truly,

M. K. Mosley

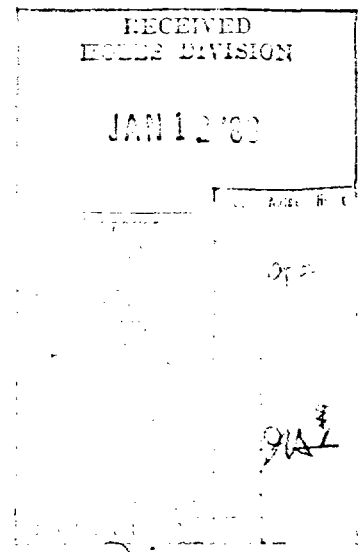
DGS:cyg

Approved By: J. K. Tytle

Title: Technical Advisor

Date: 1/17/83

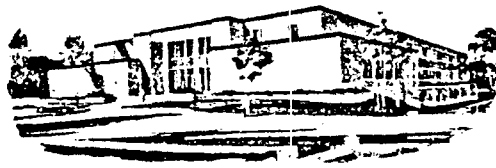
for Exxon Corp





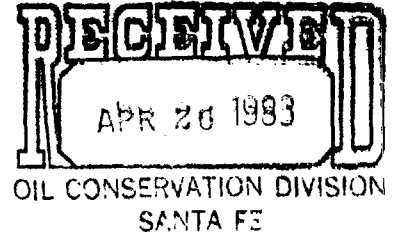
JIM BACA
COMMISSIONER

State of New Mexico



Commissioner of Public Lands

February 28, 1983



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

Conoco, Inc.
P. O. Box 460
726 E. Michigan
Hobbs, New Mexico 88240

Re: Application for Permission to
Surface Commingle State S-19 No. 4
and State S-19 No. 3 and State 19 Lease

ATTENTION: Mr. Mark K. Mosley

Gentlemen:

This office is in receipt of your application for Permission to Surface Commingle Production from the State S-19 No. 4, SW/4SE/4, of Section 19, Township 17 South, Range 29 East, with Production from the State S-19 No. 3 and the State 19 Lease. All Production is from the Empire Abo Pool, and would be commingled at the State 19 Battery which is located in the SE/4SW/4 of Sec. 19-T17S-R29E.

You are hereby granted approval to the above request. Any deviation from your proposed request will be reason to cancel our approval. This approval is subject to like approval by the New Mexico Oil Conservation Division.

Enclosed is an approved copy for your files.

DL → Please remit a Ten (\$10.00) Dollar filing fee.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: *Ray D. Graham*
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-5744

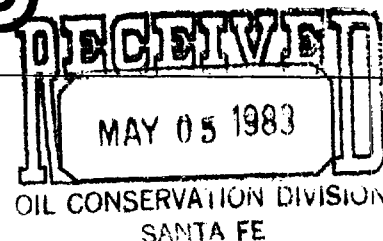
JB/FOP/pm
encls.
cc:

OCD-Santa Fe, New Mexico
Oil and Gas Accounting Division
Administration
State of New Mexico Oil and Gas Lease No. E-742



Mark K. Mosley
Division Manager
Production Department
Hobbs Division
North American Production

Conoco Inc.
P. O. Box 460
726 E. Michigan
Hobbs, NM 88240
(505) 393-4141



April 27, 1983

New Mexico Oil Conservation Division
Department of Energy and Minerals
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Michael Stogner

Gentlemen:

Application for Permission to Surface Commingle Production from the State
S-19 No. 4, SW/4 SE/4, Section 19, T17S, R29E, with Production from the
State S-19 No. 3 and the State 19 Lease

Please refer to the subject application which is dated February 17, 1983.

Per your telephone conversation of April 25, 1983, with David G. Smylie of this office, the State S-19 No. 4 well is currently producing approximately 11 BOPD, 15 BWPD and 37 MCFGPD. In addition, Inexco Oil Company would have had a 6.96846% working interest in the No. 4 well had they not decided to go non-consent.

If any further information is required, please contact Mr. Smylie, ext. 120 of this office.

Yours very truly,

DGS:cyg

State 5-19 No. 1

7/12/83	45 BO , 81 BW , 108 MCF	24 hr
7/17/83	41 BO , 75 BW , 100 MCF	24 hr
8/6/83	48 BO , 87 BW , 120 MCF	24 hr

State 5-19 No. 3

7/6/83	7 BO , 50 BW , 48 MCF	24 hrs
7/11/83	8 BO , 69 BW , 49 MCF	24 hrs
8/5/83	6 BO , 54 BW , 35 MCF	24 hrs

State 5-19 No. 4

6/19/83	3 BO , 3 BW , 70 MCF	24 hrs
7/8/83	14 BO , 25 BW , 49 MCF	24 hrs
8/7/83	10 BO , 20 BW , 27 MCF	24 hrs