

AMERADA HESS CORPORATION OIL CONSERVATION DIVISION
SANTA FE

P. O. DRAWER "D"
MONUMENT, NEW MEXICO 88265

July 1, 1980

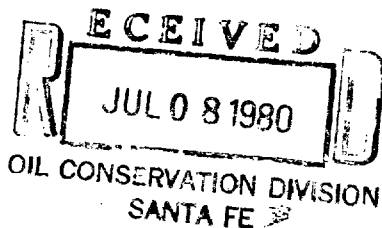
Mr. Carl Ulvog
New Mexico Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

Dear Sir:

A letter was written to the New Mexico Oil Conservation Commission requesting approval to consolidate the batteries and commingle the production on the State BT "I" and the State BT "C" leases. Approval for consolidation was granted by the Commissioner of Public Lands and the New Mexico Oil Conservation Commission on July 13, 1977 and October 13, 1977 respectively. The State BT "I" No. 1 is located in Unit "D", Section 2 - 12S - R33E, Lea County and the State BT "C" No. 3 is located in Unit "L", Section 35 - 11S - R33E, Lea County. Both wells are producing from the Devonian formation. The State BT "C" No. 5 is no longer producing.

The piping arrangement has been altered and no longer conforms with the piping arrangement submitted with the application. A schematic diagram of the proposed battery is enclosed for administrative approval prior to installation. Production will no longer be allocated to each lease by separately metering the production from each lease prior to commingling, but will be allocated by separately metering the production from the BT "I" lease and determining the State BT "C" lease production by the subtraction method.

Production will be metered and accounted for to meet all standards set forth by the New Mexico Oil Conservation Commission.

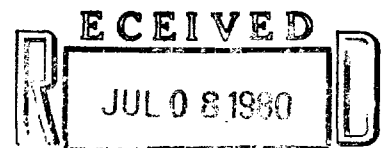


Very truly yours,

Tracy Tenison

Tracy Tenison
Petroleum Engineer

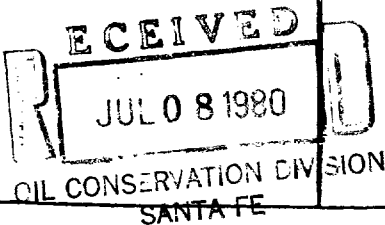
- Enc:
- 1) Plat showing leases and wells
 - 2) New schematic diagram of the proposed battery
 - 3) Letter of approval from AMOCO
 - 4) Letter of approval from Commissioner of Public Lands
 - 5) Letter of approval from New Mexico Oil Conservation Commission



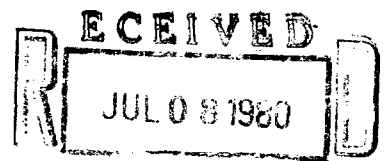
OIL CONSERVATION DIVISION
SANTA FE

R 33 E

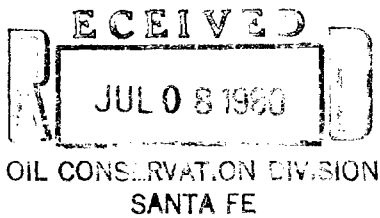
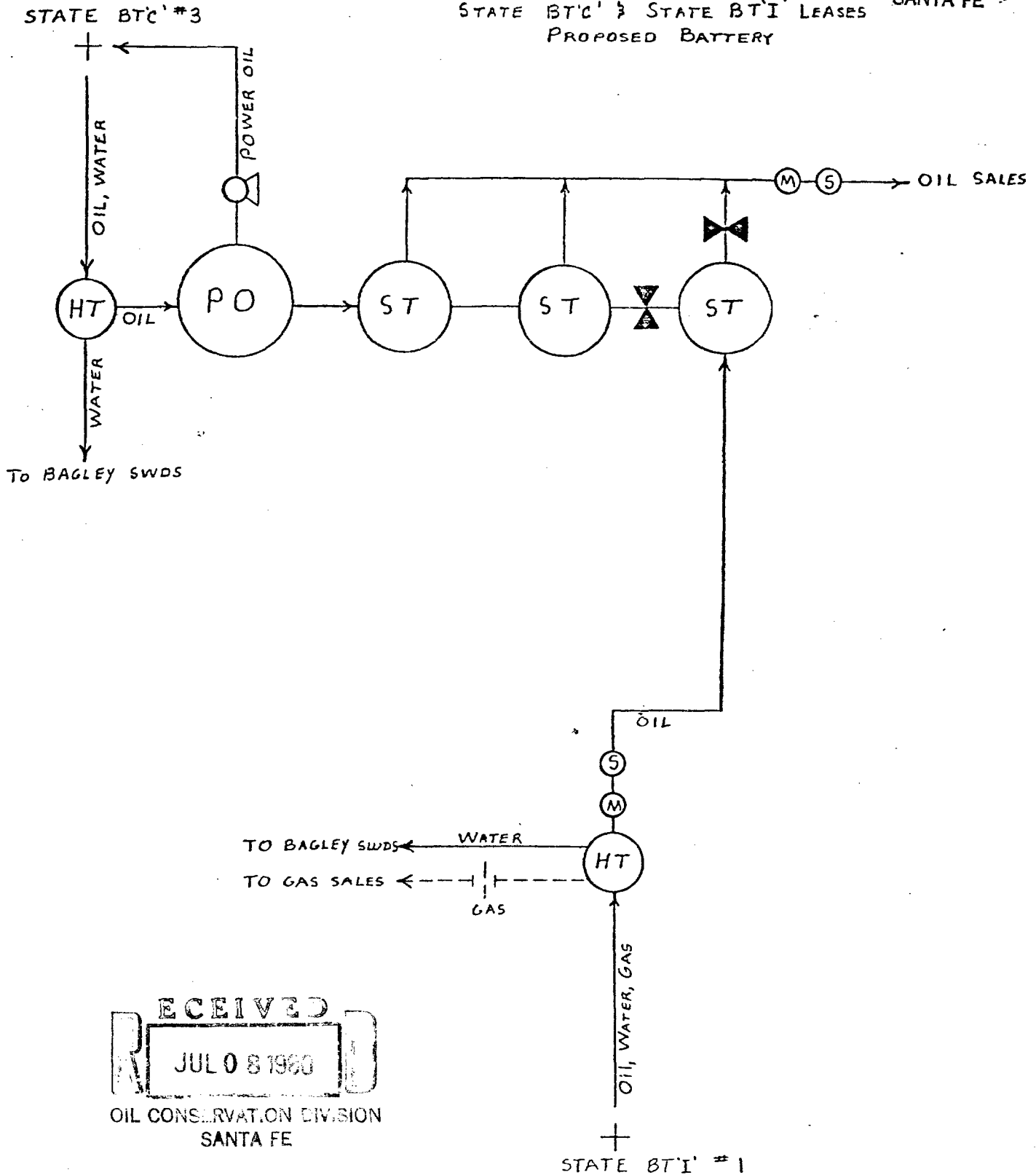
AMERADA •1 Mathers-State Com	AMERADA ANDERSON O&G •1	MEADCO •1 Bagley St	AMERADA	AMERADA	AMERADA	AMERADA
•1 W E Mathers E	•2 ST BTM	•1 ST BTP	•1 ST BTM	•1 ST BTM	•1 ST BTP	•1 ST BTP
•1 AMINI	•1 ANDERSON O&G	•1 AMERADA	•1 AMERADA	•1 AMERADA	•1 AMERADA	•1 AMERADA
•2 Mathers	•1 Mathers	•1 ST BYK	•1 ST BTO	•1 ST BTH	•1 ST BTE	•1 ST BTD
TEXAS PACIFIC •1	TEXAS PACIFIC •1	AMERADA •2	AMERADA •1	AMERADA •5	AMERADA •5	TEXAS PACIFIC •1
•2 ST AD	•2 ST C AC 2	CAUDLE •2	CAUDLE •1	CAUDLE •1	CAUDLE •1	TEXAS PACIFIC •1
MEADCO •1-AX	MEADCO •1-C	MATHERS A •3	AMERADA •3	AMERADA •3	AMERADA •3	AMERADA •3
•1-C "Shell St"	•1-C "Shell St"	CAUDLE MAJOR, GIEBEL, et al	AMERADA •4	AMERADA •2	AMERADA •4	AMERADA •4
•1-A 1-A	MAJOR, G •1 "Shell St"	AMERADA •1	AMERADA •3	AMERADA •1	AMERADA •3	AMERADA •3
MEADCO H. L. St •1	•1 ST BT "R"	•1 ST BT "R"	•1 CAUDLE	•1 CAUDLE	•1 CHAMBERS	•1 CHAMBERS



BAGLEY FIELD
LEA COUNTY, NEW MEXICO



AMERADA HESS CORPORATION OIL CONSERVATION DIVISION
BAGLEY FIELD
STATE BT'C' & STATE BT'I' LEASES SANTA FE
PROPOSED BATTERY



NEW MEXICO OIL CONSERVATION COMMISSION
POST OFFICE BOX 2088
SANTA FE, NEW MEXICO 87501

COMMINGLING ORDER CTB- 275

Company Amerada Hess Corporation
Address P. O. Box 840
City, State, Zip Seminole, Texas 79360

Attention: Mr. J. I. Johnson

The above-named company is hereby authorized to commingle
Bagley-Pennsylvanian

pool production from the following leases:

Lease Name: State BT "I"

Description: W/2 NW/4 Sec. 2, Township 12 South, Range 33 East

Lease Name: State BT "C"

Description: SW/4, S/2 NW/4, and NE/4 Section 35, Township 11 South,
Range 33 East, Lea County

Lease Name:

Description:

Production shall be allocated to each lease by

X separately metering the production from each lease prior to
commingling

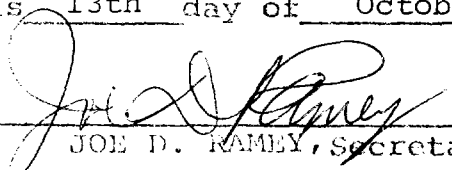
 separately metering the production from the
and determining the
production by the subtraction method

 well tests (if this method or the subtraction method above is
to be authorized, all commingled production must be of identical
ownership: working interest, royalty interest, and overriding
royalty interest)

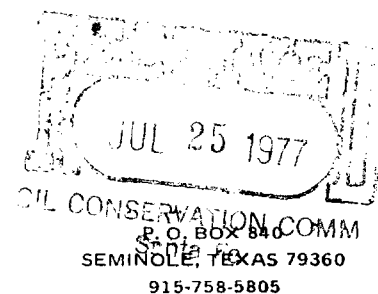
Note: This installation shall be installed and operated in accordance
with the applicable provisions of Rule 309-B of the Commission
Rules and Regulations and the Commission "Manual for the Installation and
Operation of Commingling Facilities." It is the responsibility of the
producer to notify the transporter of this commingling authority.

REMARKS:

DONE at Santa Fe, New Mexico, on this 13th day of October 19 77.


JOE D. RAMEY, Secretary-Director

AMERADA HESS CORPORATION



July 19, 1977

Mr. Joe D. Ramey
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Sir:

A study has been completed to consolidate the batteries and commingle the production on the State BT "I" and the State BT "C" Leases. The leases are located in the Bagley Field. The State BT "I" No. 1 is located in unit "D", Section 2-12S-R33E, Lea County and it is producing from the Devonian oil formation. The State BT "C" Nos. 3 and 5 are located in units L & K section 35-11S-R33E, Lea County and are producing from Devonian and Pennsylvanian oil formation respectively.

Average volumes, gravities and values are as follows:

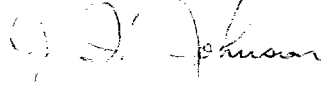
	<u>May Prod.</u>	<u>May Avg. Grav.</u>	<u>Price</u>	<u>Total Value</u>
State BT "I"	4383	48	9.63	\$42,208
State BT "C"	4690	48	5.44	\$25,514
Total	9073			\$67,722
	<u>Production</u>	<u>Calc. Grav.</u>	<u>Price</u>	<u>Total Value</u>
Commingled	9073	48	7.4641	\$67,722

No decrease in income is anticipated. Lowering maintenance and operating costs by decreasing the amount of surface equipment will lower the economic limit and extend the production life of the wells.

Amerada Hess Corporation respectfully requests administrative approval to commingle production from the State BT "I" and the State BT "C" Leases.

Each lease's production will be metered as set forth in the NMOCC manual for the installation and operation of commingling facilities.

Very truly yours,

A handwritten signature in dark ink, appearing to read "J. I. Johnson", written over a faint circular stamp.

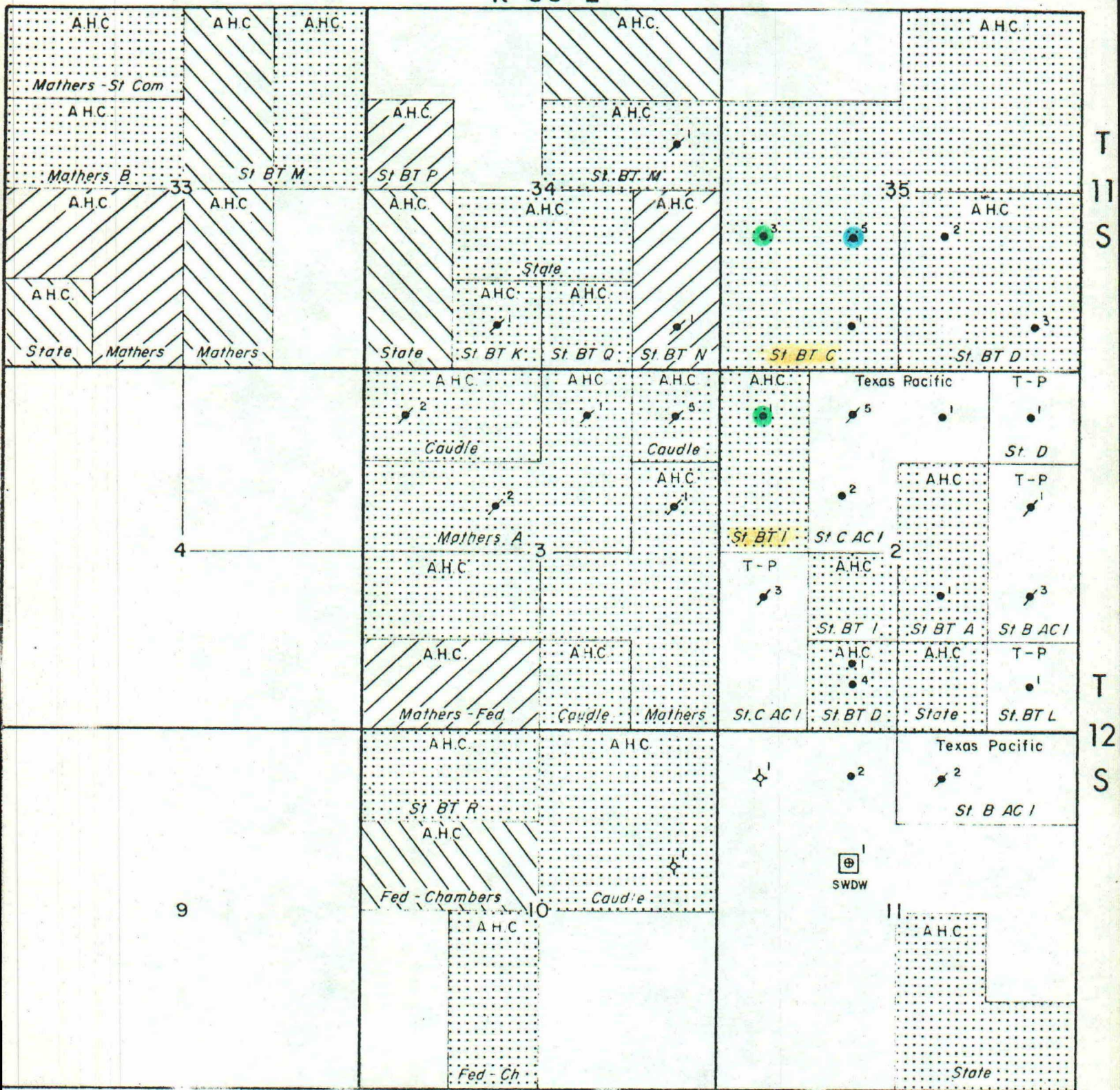
J. I. Johnson
Regional Manager

- Enc: 1) Plat showing leases and wells
2) Schematic diagram of the proposed battery
3) Letter of approval from AMOCO
4) Letter of approval from commission of public lands.

KYK/rp

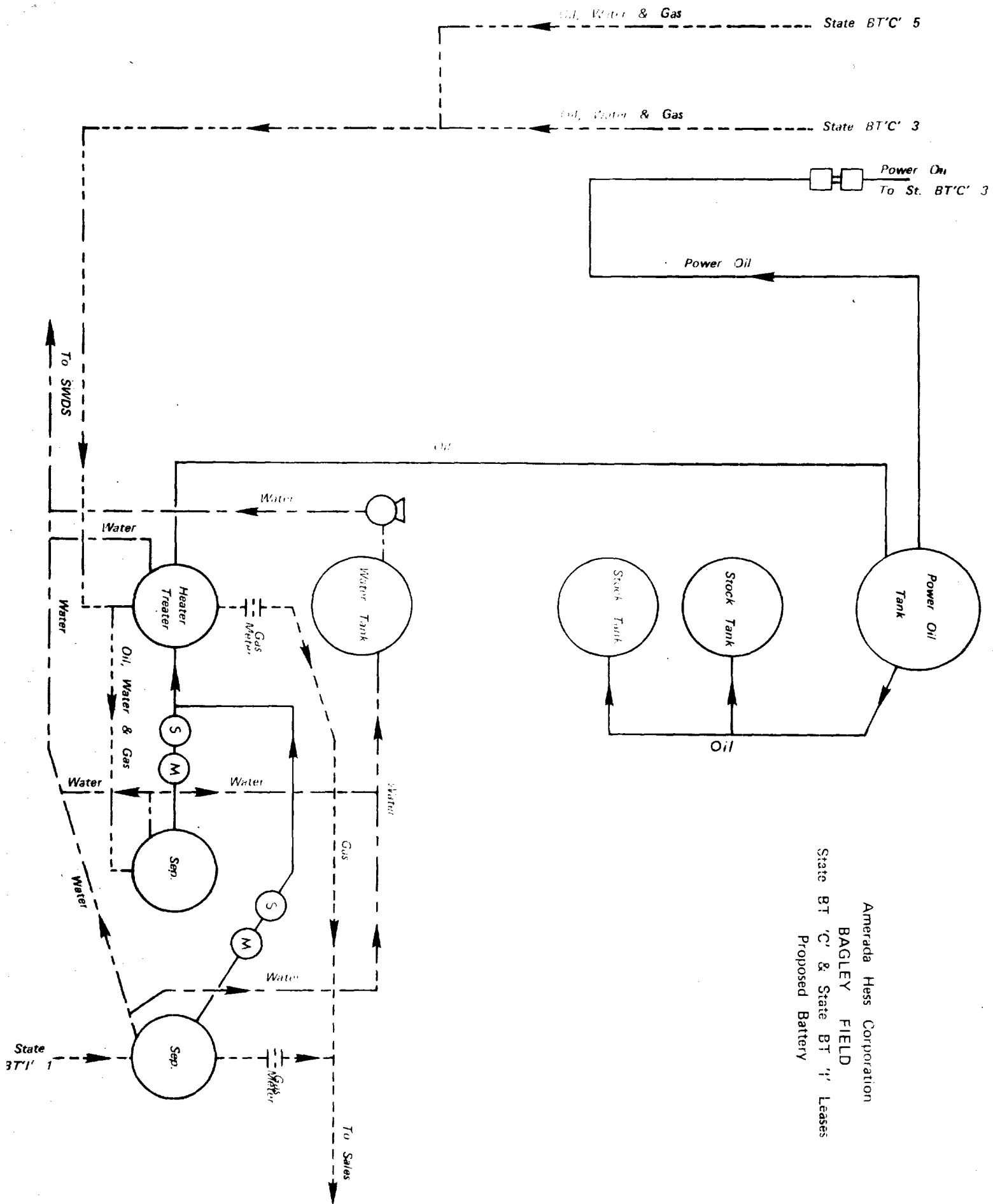
cc: NMOCC-Hobbs, New Mexico
AMOCO Pipe, Midland District

R 33 E



- Penn. Well
- Devonian Wells

BAGLEY FIELD
Lea County, New Mexico



Amerada Hess Corporation
 BAGLEY FIELD
 State BT 'C' & State BT 'I' Leases
 Proposed Battery

State of New Mexico



Commissioner of Public Lands

July 13, 1977

PHIL R. LUCERO
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO 87501

Amerada Hess Corporation
Drawer 817
Seminole, Texas 79360

Re: Surface commingling of production from
the State BT "I" (B-10612-4) and the
State BT "C" (E-1347-1) Leases.

ATTENTION: Mr. Kassim Y. Kassim

Gentlemen:

Reference is made to your request dated June 28, 1977, requesting permission to consolidate the batteries and commingle the production of the State BT "I" and State BT "C" Leases. The State BT "I" No. 1 is located in unit "D", section 2-12S-33E, Lea County and it is producing from the Devonian oil formation. The State BT "C" no.s 3 and 5 are located in units L & K, section 35, T11S-R33E, Lea County and are producing from Devonian and Pennsylvanian oil formation respectively.

You are hereby given approval to the above request. This approval is subject to like approval by the New Mexico Oil Conservation Commission.

Your Ten (\$10.00) Dollar filing fee has been received.

Very truly yours,

PHIL R. LUCERO
COMMISSIONER OF PUBLIC LANDS

BY: *Ray D. Graham*
RAY D. GRAHAM, Director
Oil and Gas Division

PRL/RDG/s
encls.

cc: New Mexico Oil Conservation Commission
New Mexico Oil and Gas Accounting Commission
State Leases, B-10612-4 and E-1347-1



Amoco Production Company

Crude Oil Supply
P. O. Box 1725
Midland, Texas 79702
Telephone No. 915-684-4471

JUL 25 1977
NEW MEXICO
OIL CONSERVATION COMMISSION
Santa Fe

July 8, 1977

Mr. Kassim Y. Kassim
Amerada Hess Corporation
Drawer 817
Seminole, Texas 79360

RE: Amerada Hess Corporation State BT "I" & State BT "C" Leases,
Bagley Field, Lea County, New Mexico.

Dear Mr. Kassim:

Amoco Production Company is agreeable to the proposed commingling of production from the captioned leases as stated in your letter of July 6.

It will be necessary for Amerada Hess Corporation to furnish Amoco Production company with the applicable volumes run from each property. This allocation information should be furnished by the 5th working day of each month to Mr. J. M. Garner, Amoco Production Company, P. O. Box 591, Tulsa, Oklahoma 74102.

Please advise this office at the time you obtain approval to commingle from the New Mexico Conservation Commission.

Yours very truly,


E. R. Leland

ERL/bi

cc: Mr. K. K. Cross - Tulsa
Mr. J. M. Garner - Tulsa