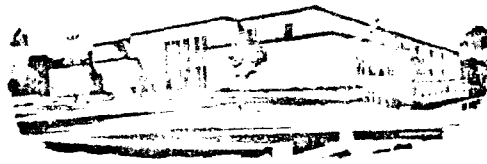


# State of New Mexico



ALEX J. ARMIJO  
COMMISSIONER



Commissioner of Public Lands  
May 23, 1980

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

Collier Energy, Inc.  
Box 798  
Artesia, New Mexico 88210

Re: Compliance with Rule # 53  
Commingling Allowed-Different  
State Leases-Common Beneficiary  
State B-1969, State B-1111

ATTENTION: Ms. Cheri Monk

Gentlemen:

Reference is made to your request dated April 8, 1980, requesting approval to commingle State Leases B-1969(wells 14,15,16, & 17), Lease B-1111 (wells 8, 9, 10, & 11), in units H and J in Section 22, Township 17 South, Range 28 East, Eddy County, New Mexico.

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

Enclosed is one copy for your files.

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

Very truly yours,

ALEX J. ARMIJO  
COMMISSIONER OF PUBLIC LANDS

BY:  
RAY D. GRAHAM, Director  
Oil and Gas Division  
AC 505-827-2748

AJA/RDG/s  
encls.

cc: New Mexico Oil Conservation Division  
New Mexico Oil and Gas Accounting Commission  
Oil & Gas Leases B-1111 and B-1969

P. S. Please notice change of Beneficiary on the second page of your letter.

# Collier Energy, Inc.☆☆

PHONE 505-746.6520

ARTESIA, NEW MEXICO 88210

STATE OF NEW MEXICO  
SANTA FE, N.M.

April 18, 1980

Commissioner of Public Lands  
P.O. Box 1148  
Santa Fe, New Mexico 87501

RE: Compliance with Rule #53  
Commingling Allowed--Different  
State Leases--Common Beneficiary  
State B-1969, State B-1111

Gentlemen:

Collier Energy, Inc. respectfully requests administrative approval for commingling State Leases B-1969 and B-1111.

Collier Energy, Inc. is producing eight (8) wells on State B-1969 and State B-1111 in units H and J in Section 22 of Township 17 South, Range 28 East, Eddy County, New Mexico. These wells were recently completed in March and April of 1980. The eight (8) wells are producing from the same depths and are assigned to the same pool -- East Empire Yates Seven Rivers. All wells are subject to the same override and interests.

Commercial value of the oil after commingling will be the same as the segregated value. Volumes from the different wells can be accurately reported.

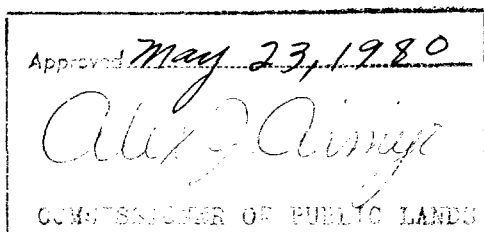
We have notified the purchaser and interest holders of our intent to commingle these leases by certified mail. Also enclosed please find schematic diagram of the commingling facility and plats showing location of the leases and formations in which they are completed.

If there should be any other information you require to approve this application, we ask that you let us know and we will furnish same to you. Thank you for your assistance in this matter.

Very truly yours,

COLLIER ENERGY, INC.

Cheri Monk  
Secretary



cm

encls.

LEASES INVOLVED IN  
COMINGLING

1. State B-1969 (Tract #2)      Township 17 South, Range 28 East, NMPM  
Section 22: NW/4SE/4  
Eddy County, New Mexico

State Beneficiary -- ~~Commissioner of Public Lands Office~~ *Common Schools*

2. State B-1111 (Tract #1)      Township 17 South, Range 28 East, NMPM  
Section 22: SE/4NE/4  
Eddy County, New Mexico

State Beneficiary -- ~~Commissioner of Public Lands Office~~ *C.S.*

*Common Schools*

RECEIVED  
1971 9 27 AM '80  
STATE OFFICE  
SANTA FE, N.M.

COMINGLING APPLICATION  
SECTION PLAT

RECEIVED

Jan 28 9 00 AM '00  
STATE OF NEW MEXICO  
SANTA FE

#9 #11  
State B-1111  
Tr. 1

#10 #8

#16 #17  
State B-1969  
Tr. 2

#15 #14

COUNTY Eddy STATE New Mexico

SECTION SE/4NE/4, NW/4SE/4 of 22 TOWNSHIP 17 South RANGE 28 East

REMARKS: Both leases are producing from the East Empire Yates Seven Rivers Pool.  
FORMATION: Seven Rivers

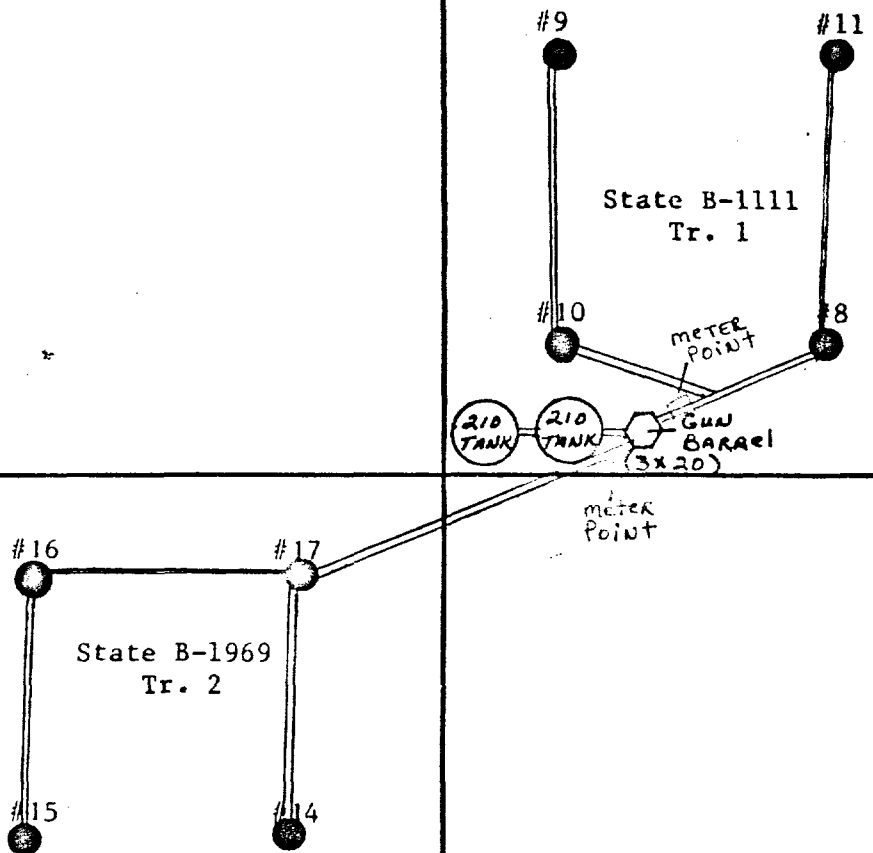
COMMINGLING FACILITIES

Township 17 South, Range 28 East, N.M.P.M.  
Section 22: NW/4SE/4, SE/4NE/4  
Eddy County, New Mexico

RECEIVED

27 AM '80

OFFICE  
S.M.



NOTE: All oil to be sold will be trucked from the  
tanks directly to the crude oil purchaser.  
All flowlines and pipe are above ground.

RE: Commingled St. B-1969, Tr. 2  
St. B-1111, Tr. 1

# RED LAKE

<p><u>PUN 10698</u> St. B-1969</p>	<p>← The purple areas are deep wells to 2500'. The wells marked are only to 800', on the Secion River formation. The different colored 40 acres are sold to different interest holders &amp; have separate tank batteries. Therefore, we need separate production numbers.</p>	<p>St. B-1111</p>
<p>St. B-1969</p>	<p>St. B-1111</p>	<p>St. B-1111</p>
<p>#4 #2 <u>PUN 17317</u> St. B-636 (Zait) #1 commingled #3</p>	<p>#18 #19 St. B-1969, Tr. 3 Presently Drilling these wells. Will request #21 #20</p>	<p>#16 #17 St. B-1969, Tr. 2 #15 #14</p>
<p>#7 #4 <u>PUN 17316</u> St. B-1111 (wells 4, 5, 6, 7) lease # 8887 #6 #5</p>	<p>production not number at a later date</p>	<p>#11 #12 <u>PUN 17362</u> St. B-1969, Tr. 1 (Chico) lease # 8888 #10 #13</p>

COUNTY Eddy STATE New Mexico  
SECTION 33 TOWNSHIP 17 South RANGE 25 East

# Collier Energy, Inc.☆☆

PHONE 505-746-6520  
BOX 798  
ARTESIA, NEW MEXICO 88210

April 8, 1980

CTB-

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

RE: Exception to Rule #309-A  
Administrative Approval for  
Commingling Leases  
State B-1969 & State B-1111

Gentlemen:

Collier Energy, Inc. respectfully requests exception to Rule #309-A, State of New Mexico Oil Conservation Commission Rules and Regulations.

Collier Energy, Inc. is producing eight (8) wells on State B-1969 and State B-1111 in units H and J in Section 22 of Township 17 South, Range 28 East, Eddy County, New Mexico. These wells were recently completed in March and April of 1980. The eight (8) wells are producing from the same depths and are assigned to the same pool. All wells are subject to the same override and interests.

Commercial value of the oil after commingling will be the same as the segregated value. Volumes from the different wells can be accurately reported.

We have notified the purchaser and interest holders of our intent to commingle these leases by certified mail. Enclosed please find copies of same. Also enclosed please find schematic diagram of the commingling facility and plats showing location of the leases and formations in which they are completed.

If there should be any other information you require to approve this application, we ask that you let us know and we will furnish same to you. Thank you for your assistance in this matter.

Very truly yours,

COLLIER ENERGY, INC.

*Cheri Monk*

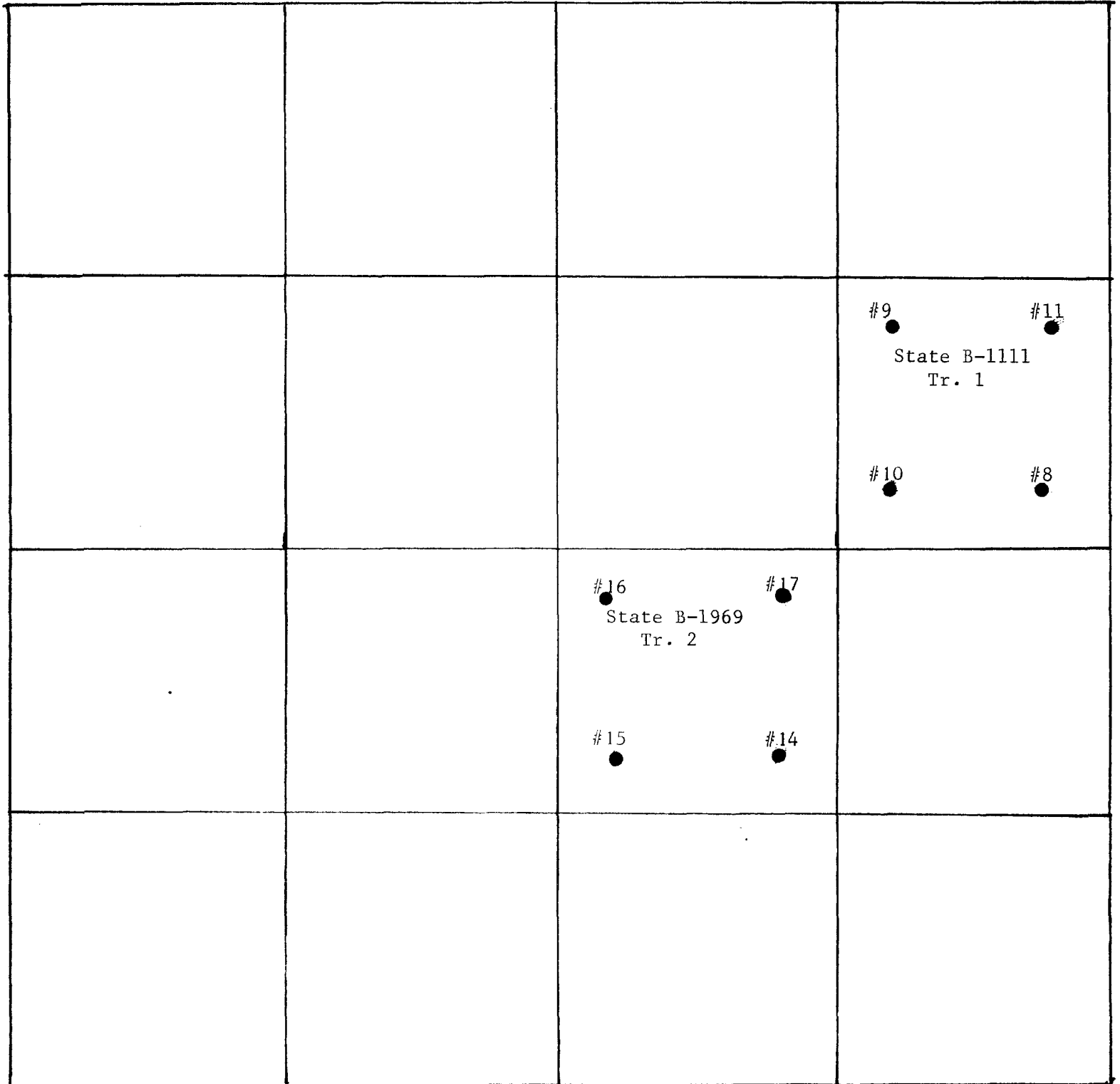
Cheri Monk  
Assistant Secretary

cm

encls.

*Hold for  
fund of c  
approval*

COMMINGLING APPLICATION  
SECTION PLAT



COUNTY Eddy STATE New Mexico

SECTION SE/4NE/4, NW/4SE/4 of 22 TOWNSHIP 17 South RANGE 28 East

REMARKS: Both leases are producing from the East Empire Yates Seven Rivers Pool.  
FORMATION: Seven Rivers



COMMINGLING FACILITIES

Township 17 South, Range 28 East, N.M.P.M.  
Section 22: NW/4SE/4, SE/4NE/4  
Eddy County, New Mexico

#9



#11



State B-1111  
Tr. 1

#10



#8



GUN  
BARREL  
(3x20)

#16



#17



State B-1969  
Tr. 2

#15



#14

