

CCC-SF

GENERAL OFFICE
Box 2040
TULSA, OKLA. 74102

AMERADA PETROLEUM CORPORATION
Box 668
HOBBS, NEW MEXICO 88240

May 28, 1968

PC-354

Dated June 7, 1968

AMERICAN

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

68 MAY 29 AM 8 28

Re: Application for Administrative
Approval of Zone Commingling on
the State BT "C" Lease, Section
35, Township 11 South, Range 34
East, Lea County, New Mexico.

Dear Sir:

Amerada Petroleum Corporation requests administrative approval to commingle production from the Devonian formation and from the Pennsylvanian formation on the State BT "C" Lease in the Bagley Field.

The lease has two wells (Nos. 1 and 3) producing from the Devonian and one well (No. 5) producing from the Pennsylvanian. Listed below are the gravity, per barrel value, monthly production and the total value of the production.

<u>Zone</u>	<u>April Prod.</u>	<u>API Gravity</u>	<u>Per Barrel Value</u>	<u>Total Value</u>
Devonian	19,424	45.5	\$ 3.10	\$ 60,214
Pennsylvanian	<u>712</u>	56.1	2.99	<u>2,132</u>
	20,136			\$ 62,346

The expected gravity of the commingled production will be 46.30 with a total value of \$62,220. By commingling the production it will be an increase in total value of \$126.

May 28, 1968

It is proposed that the production be allocated by the subtraction method with the Pennsylvanian condensate being metered. A substantial savings in surface equipment will be realized by this procedure.

Very truly yours,

A handwritten signature in dark ink, appearing to read "G. O. Webb", written in a cursive style.

G. O. Webb
District Superintendent

GOW:JHS/crl

Attachments: Schematic of proposed installation
Plat showing all wells connected to the
proposed installation.
Approval of Commissioner of Public Lands.

cc: N.M.O.C.C. (2)
Sante Fe, New Mexico

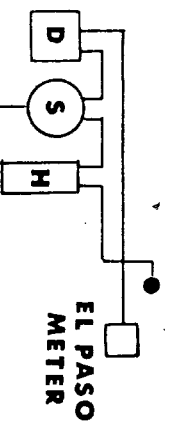
N.M.O.C.C.
Hobbs, New Mexico

Mr. W. C. Henderson
File

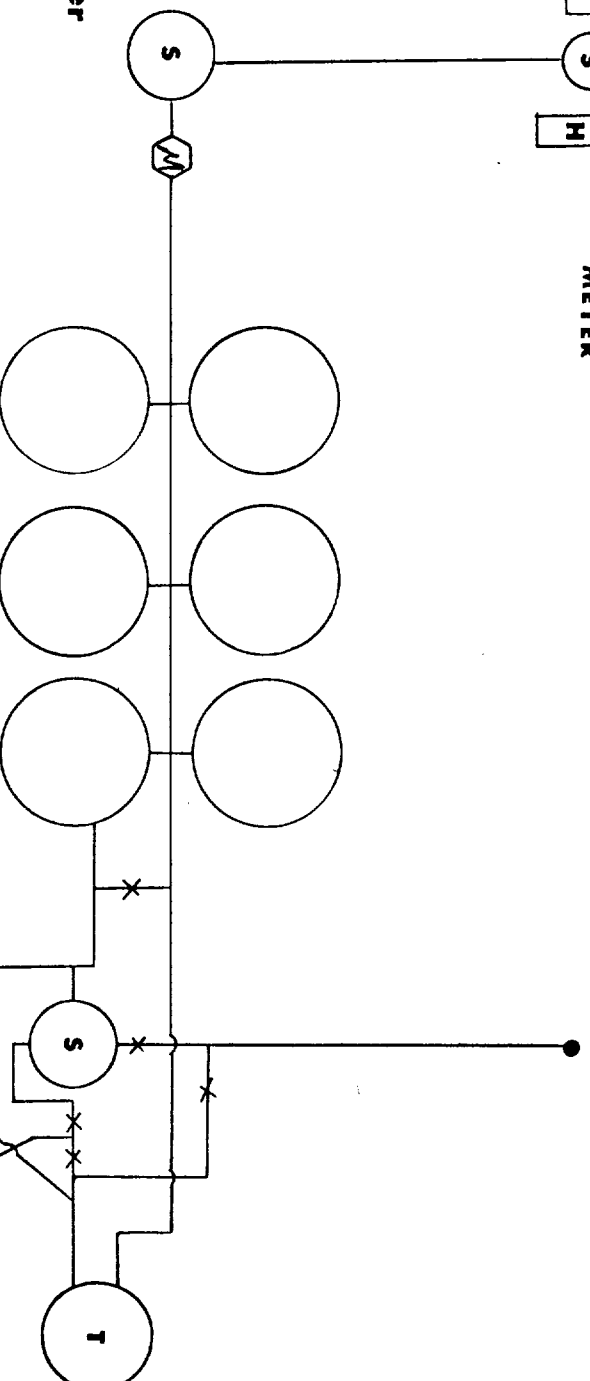
AMERADA PETROLEUM CORP.

State BT C Lease COMMINGLING PLAT

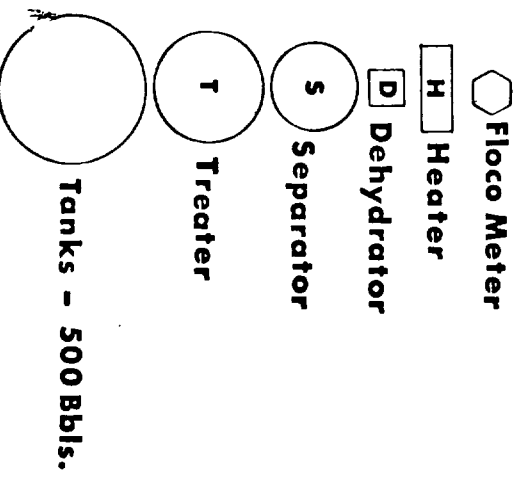
STATE BT C No.5
Bagley Penn Gas



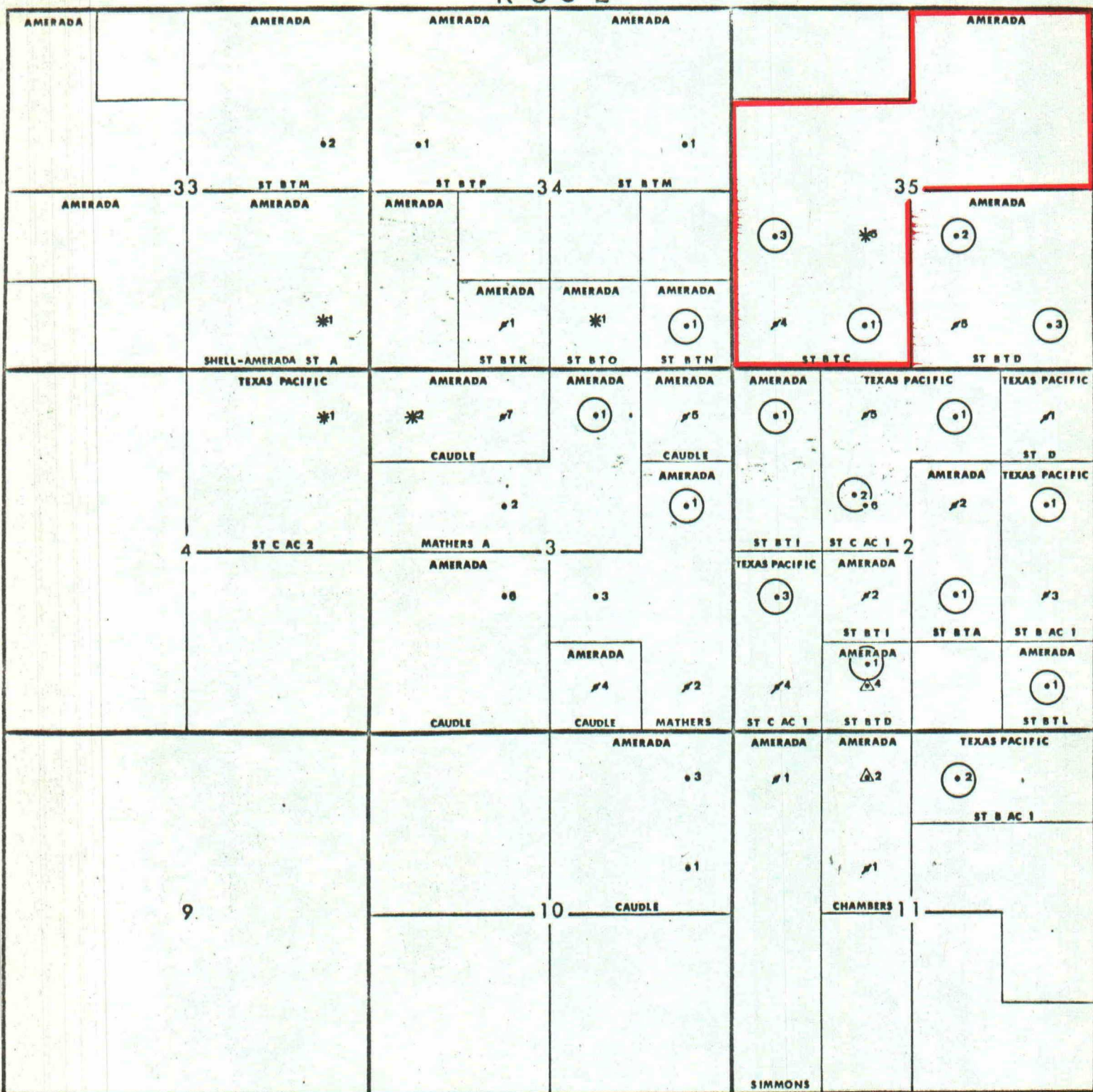
STATE BT C No.3
Bagley Devonian



STATE BT C No.1
Bagley Devonian



R 33 E



BAGLEY FIELD LEA COUNTY, NEW MEXICO

• PENNSYLVANIAN WELLS

○ DEVONIAN WELLS

SCALE: 1" = 2,000'

State of New Mexico



Commissioner of Public Lands

GUYTON B. HAYS
COMMISSIONER



P. O. BOX 1148
SANTA FE, NEW MEXICO

May 17, 1968

Amerada Petroleum Corporation
Post Office Box 2040
Tulsa, Oklahoma
74102

Re: Bagley Field, Lea County, New Mex. Your
Lease NM-1175; State of New Mex Oil &
Gas Lease No. E-1347. LOCO #18

Attention: O. W. Hadley, Land Department

Gentlemen:

Approval of your request to commingle Pennsylvania condensate with Devonian oil produced from the State BT "C" Lease, on the captioned location, is hereby approved by the Commissioner of Public Lands, with the reservation to withdraw said approval if, at any time in his discretion, he deems this operation to be adverse to the best interests of the State of New Mexico. This approval is granted subject to concurrence by the New Mexico Oil Conservation Commission.

Enclosed is receipt for the \$10.00 filing fee which you submitted.

Very truly yours,

GUYTON B. HAYS
Commissioner of Public Lands

By: *Ted Bilberry*
TED BILBERRY, Director
Oil and Gas Department

RDG:jc

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

New Mex Oil & Gas Accounting Comm.
P. O. Box 2308
Santa Fe, New Mexico 87501

5-21-68 Xerox to Messrs. Sinex (1) and Webb (3).