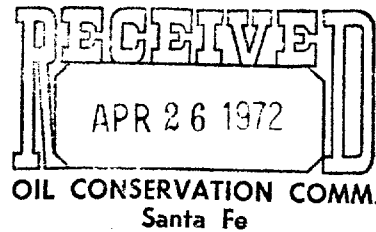


CITIES SERVICE OIL COMPANY



Box 4906
Midland, Texas 79701
Telephone: 915 684-7131

April 24, 1972



New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 97501

Attention: Mr. Dan Nutter

Re: Application to commingle San
Andres and Permo-Penn production,
Cities Service State "AD" Lease,
Mescalero Pool, Lea County,
New Mexico

Dear Sir:

Attached is a copy of our original application to commingle at the surface fluid production from the San Andres and Permo-Penn pools on the Cities Service State "AD" Lease in Section 22-10S-32E, Lea County, New Mexico.

Also attached is an approved copy of a request to the New Mexico Land Commissioner which should permit you to proceed in processing this application.

Yours very truly,

E. F. Motter
Region Engineer
Southwestern Region
Production Division

EFM:dlp

Attachment

April 19, 1972

Cities Service Oil Company
Box 4906
Midland, Texas 79701

Re: Commingling Request-State of New
Mexico Lease No. B-9943

ATTENTION: Mr. E. F. Motter

Gentlemen:

Reference is made to your application dated April 11, 1972, requesting approval to commingle the production from the State-AD No. 1 well with three marginal San Andres wells producing from the same lease. The State-AD No. 1 well was recompleted in the Mescalero Permian Pool, Lea County, New Mexico.

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

Enclosed are two approved copies as per your request.

Please remit a ten (\$10.00) Dollar filing fee.

Very truly yours,

RAY D. GRAHAM, Director
Oil and Gas Department

AJA/RDG/s
encls.

cc: New Mexico Oil Conservation Commission ✓
New Mexico Oil and Gas Accounting Commission
State Lease B-9943

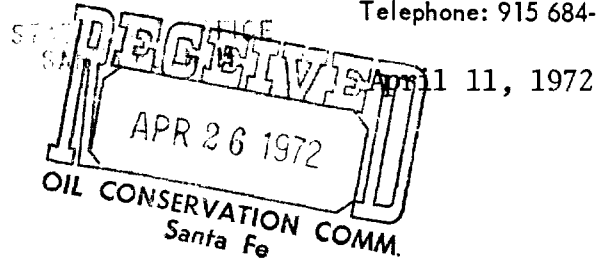


CITIES SERVICE OIL COMPANY

RECEIVED

APR 14 10 40 AM '72

Box 4906
Midland, Texas 79701
Telephone: 915 684-7131



Mr. Alex J. Armijo
Commissioner of Public Lands
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico 87501

Re: Commingling Request - State of New Mexico Lease No. B-9943

Gentlemen:

Cities Service Oil Company recently recomplected the State-AD No. 1 in the Mescalero Permo Penn Pool, Lea County, New Mexico, and respectfully requests permission to commingle the production from this marginal well (13 barrels oil per day) with three marginal San Andres wells producing from the same lease. The subject lease is composed of the E/2 of Section 22, Range 32-E, Lea County, New Mexico.

The following data is submitted in support of this application:

<u>Formation</u>	<u>API Gravity</u>	<u>Value/ Barrel</u>	<u>Average Daily Prod.</u>	<u>Gross Daily Value</u>
San Andres	19.9	\$3.03	48 BOPD	\$145.44
Permo Penn	40.7	\$3.45	13 BOPD	\$ 44.85
			61 BOPD	\$190.29

Predicted gravity of commingled crudes = 24.3
Value of commingled crudes = \$3.13/barrel
Expected gross daily value of commingled crudes = \$190.93

The proposed commingling facilities will meet all requirements of the New Mexico Oil Conservation Commission rules and regulations. Additional information is attached.

1. Plat of the State-AD Lease.

2. Schematic diagram of lease commingling facilities.
3. Marginal well determination from sixty day test from State-AD wells No. 2, No. 3, No. 6 and No. 11.

If you consent to this proposed commingling, please sign two copies of this letter and return to this office so that we may file an application to the New Mexico Oil Conservation Commission.

Very truly yours,

E. F. Motter

E. F. Motter *mg*
Region Engineer
Southwestern Region
Production Division

EFM:mfg

Enc.

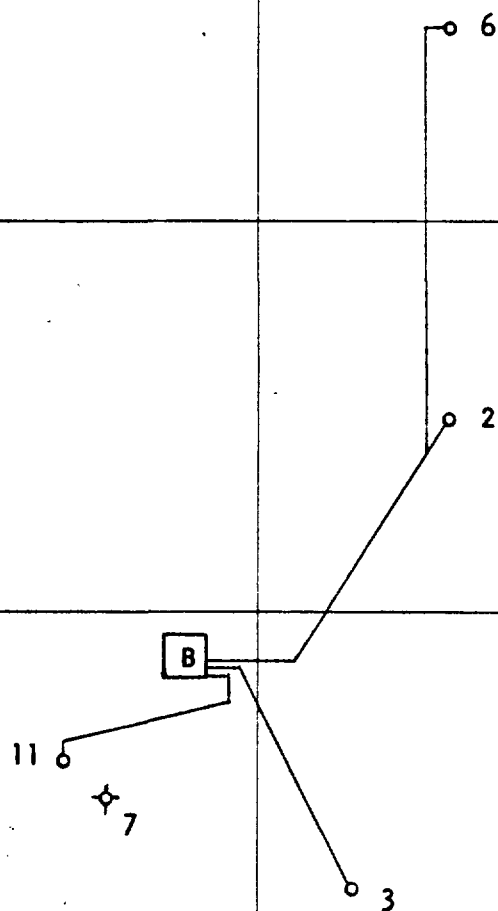
APPROVED:

Alex J. Armijo
Alex J. Armijo

Date 4-19-72

SECTION 22 TOWNSHIP 10S RANGE 32E COUNTY Lea STATE New Mexico

CITIES SERVICE OIL COMPANY
STATE "AD"



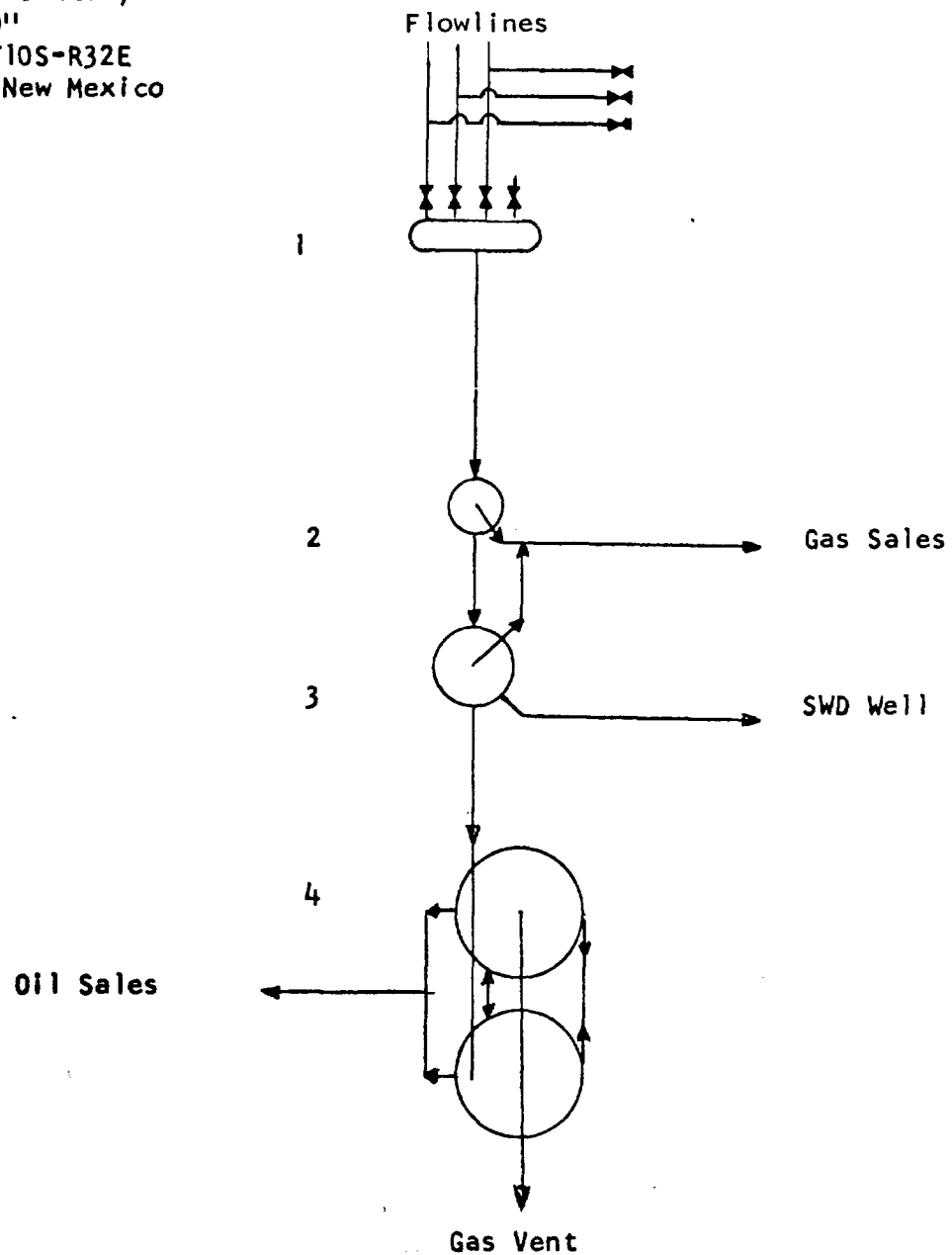
CITIES SERVICE OIL COMPANY

Proposed Tank Battery

State "AD"

Section 22-T10S-R32E

Lea County, New Mexico

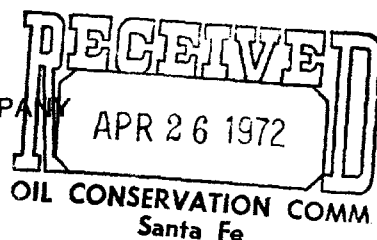


1. Well Test Header W/connection for Portable Test Unit
2. Separator
3. Heater-Treater
4. Stock Tanks

DAILY PRODUCTION
STATE "AD"

<u>Date</u>	<u>Prod. 2,3 & 6</u>	<u>Date</u>	<u>Prod. 2,3 & 6</u>	<u>Prod. 11</u>	<u>Total Prod.</u>
Jan. 27	50.34	Mar. 15	49.90	27.	76.90
28	41.88	16	44.24	9.	53.24
29	50.25	17	49.69	4.	53.69
30	50.26	18	49.69	10.	59.69
31	47.45	19	49.69	9.	58.69
Feb. 1	50.24	20	49.69	15.	64.69
2	50.23	21	41.41	14.	55.41
3	45.31	22	46.92	8.	54.92
4	36.04	23	49.68	13.	62.68
5	49.72	24	55.20	13.	68.20
6	49.72	25	46.39	13.	59.39
7	49.72	26	46.39	13.	59.39
8	44.17				
9	55.21				
10	46.93				
11	46.92				
12	51.09				
13	51.09				
14	51.09				
15	50.28				
16	50.27				
17	47.47				
18	80.97				
19	43.26				
20	43.26				
21	43.26				
22	43.26				
23	41.72				
24	47.11				
25	46.94				
26	49.69				
27	49.69				
28	49.69				
29	49.68				
Mar. 1	52.45				
2	49.86				
3	34.50				
4	49.83				
5	49.83				
6	49.83				
7	66.26				
8	33.13				
9	49.69				
10	49.68				
11	40.48				
12	40.48				
13	40.48				
14	50.37				

CITIES SERVICE OIL COMPANY



Box 69
Hobbs, New Mexico 88240
Telephone: 505 EX 3-2177

March 30, 1972

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

Attn: Mr. A. L. Porter, Jr., Secretary Director

Gentlemen:

Cities Service Oil Company respectfully requests Administrative Approval to commingle at the surface fluid produced from marginal wells in the San Andres and Permian Pools on the State AD Lease, located section 22-10S-32E, Lea County, New Mexico.

The following data is submitted in support of this application:

<u>Formation</u>	<u>API Gravity</u>	<u>Value/BBL.</u>	<u>Avg. Daily Prod.</u>	<u>Gross Daily Value</u>
San Andres	19.9	\$3.03	48 BOPD	\$145.44
Permian	40.7	\$3.45	13 BOPD	\$44.85
			61 BOPD	\$190.29

Predicted gravity of commingled crudes = 24.3

Value of commingled crudes = \$3.13/bbl.

Expected gross daily value of commingled crudes = \$190.93

The proposed commingling facilities will meet all requirements presented in the New Mexico Oil Conservation Commission 'Manual for Installation and Operation of Commingling Facilities', October 1, 1969. In additional support of this application, the following information is attached:

(1) Plat of the State AD Lease, (2) Schematic Diagram of lease commingling facilities, (3) Marginal well determination 60 day tests on the State AD Wells No. 2, 3, 6 and 11.

Your early approval of this application will be appreciated.

Yours very truly,

CITIES SERVICE OIL COMPANY

E. F. Motter, Region Engineer

EFH/MWD/ed
Attachments

