

Production Department
Hobbs Division
Western Hemisphere Petroleum Division

Conoco Inc.
P. O. Box 460
1001 North Turner
Hobbs, NM 88240
(505) 393-4141

June 23, 1981

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

Attention: Mr. Joe D. Ramey

Gentlemen:

Application for Permission to Surface Commingle Production from the Hardy Blinebry, the Hardy Drinkard, and an Undesignated Tubb Oil Zone on the State F-1 Lease

Permission is requested to commingle production from the Hardy Blinebry and Hardy Drinkard zones from State F-1 No. 9, as well as, production from the State F-1 No. 10 from an undesignated Tubb zone. Oil from all zones will be produced into a common tank battery located in the SW/4 SW/4 of Section 1, T-21S, R-36E, Lea County.

Ownership and working interest for all zones is common. Quality of the crude is virtually identical and commingling will not reduce its commercial value. The value of production is as follows:

<u>Zone</u>	<u>Oil Gravity</u>	<u>Daily Volume</u>	<u>Value per Barrel</u>
Hardy Blinebry	43.5°	28	\$36.00
Hardy Drinkard	47.0°	39	36.00
Undesignated Tubb	39.0°	25	35.98

Lease and battery plats are attached for your review and file. Production will be allocated on the basis of well tests.

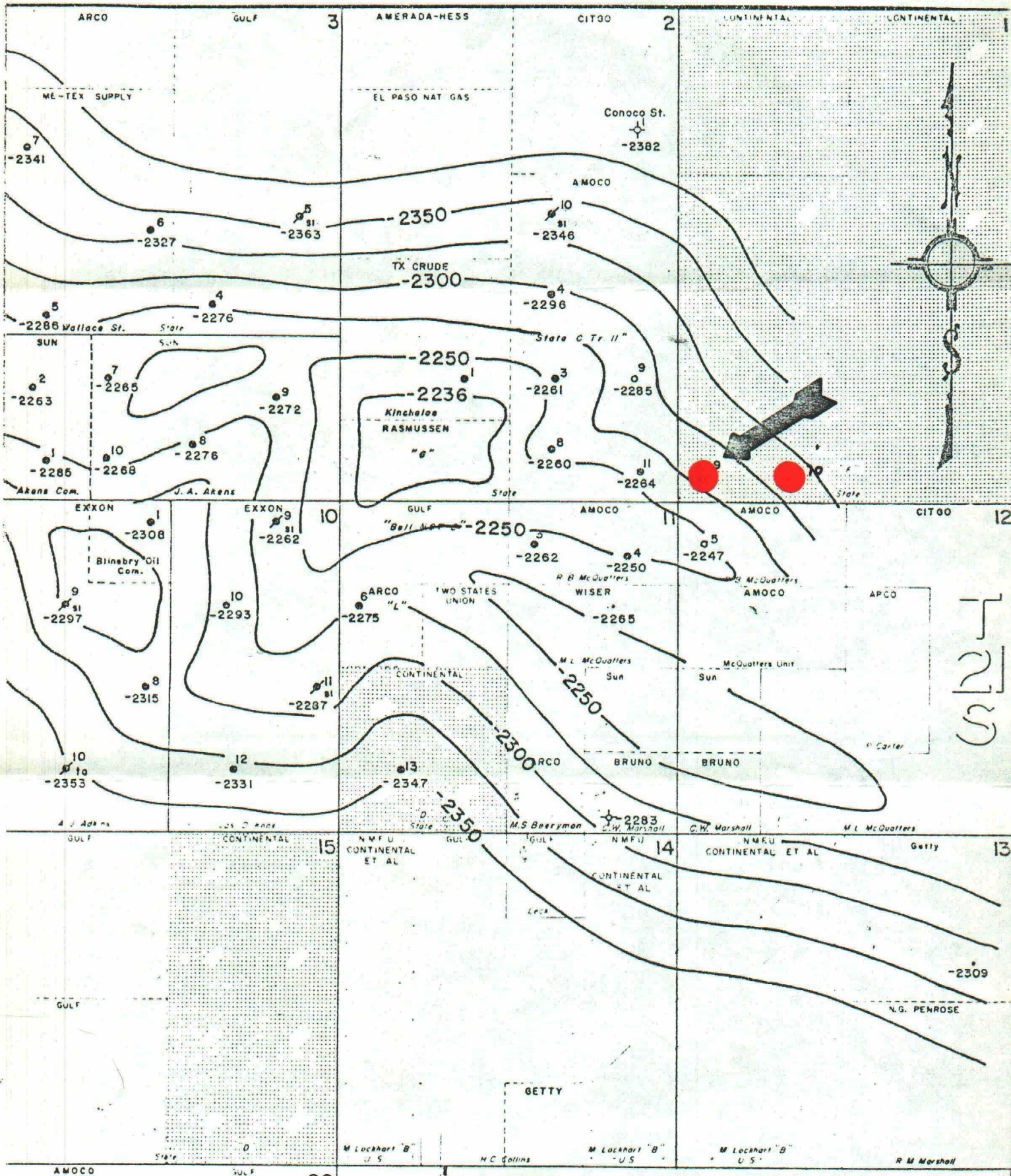
This request has also been forwarded to the office of the Commissioner of Public Lands who will notify you of their decision.

Yours very truly,



L. P. Thompson
Division Manager

RLM:bep
Attachments

cc: USGS - Hobbs
Commissioner of Public Lands - Santa Fe



R 36 E



PRODUCTION DEPARTMENT HOBBS DIVISION

LEA COUNTY, NEW MEXICO
HARDY & OIL CENTER BLINEBRY POOLS
Structure on Top Blinebry Marker

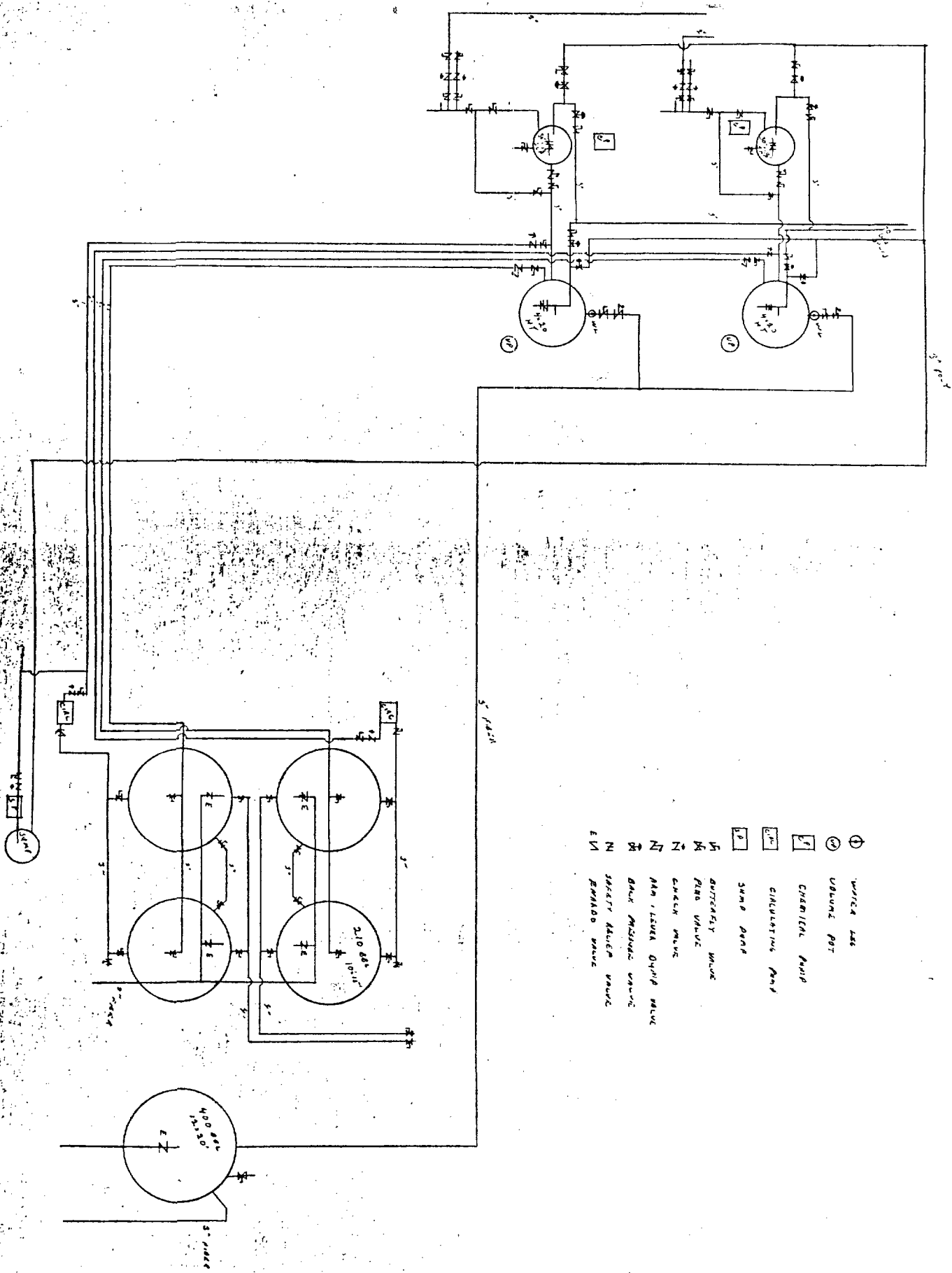
SCALE
0 1000 2000 11n

EGS 4-80

LEGEND:	◇ DRY HOLE	⊕ SALT WATER
○ LOCATION	△ INJECTION WELL	⊖ DISPOSAL WELL
● OIL WELL	✱ ABANDONED WELL	• DEEPER WELL -
✱ GAS WELL	✱ SHUT-IN WELL	• ZONE UNTESTED

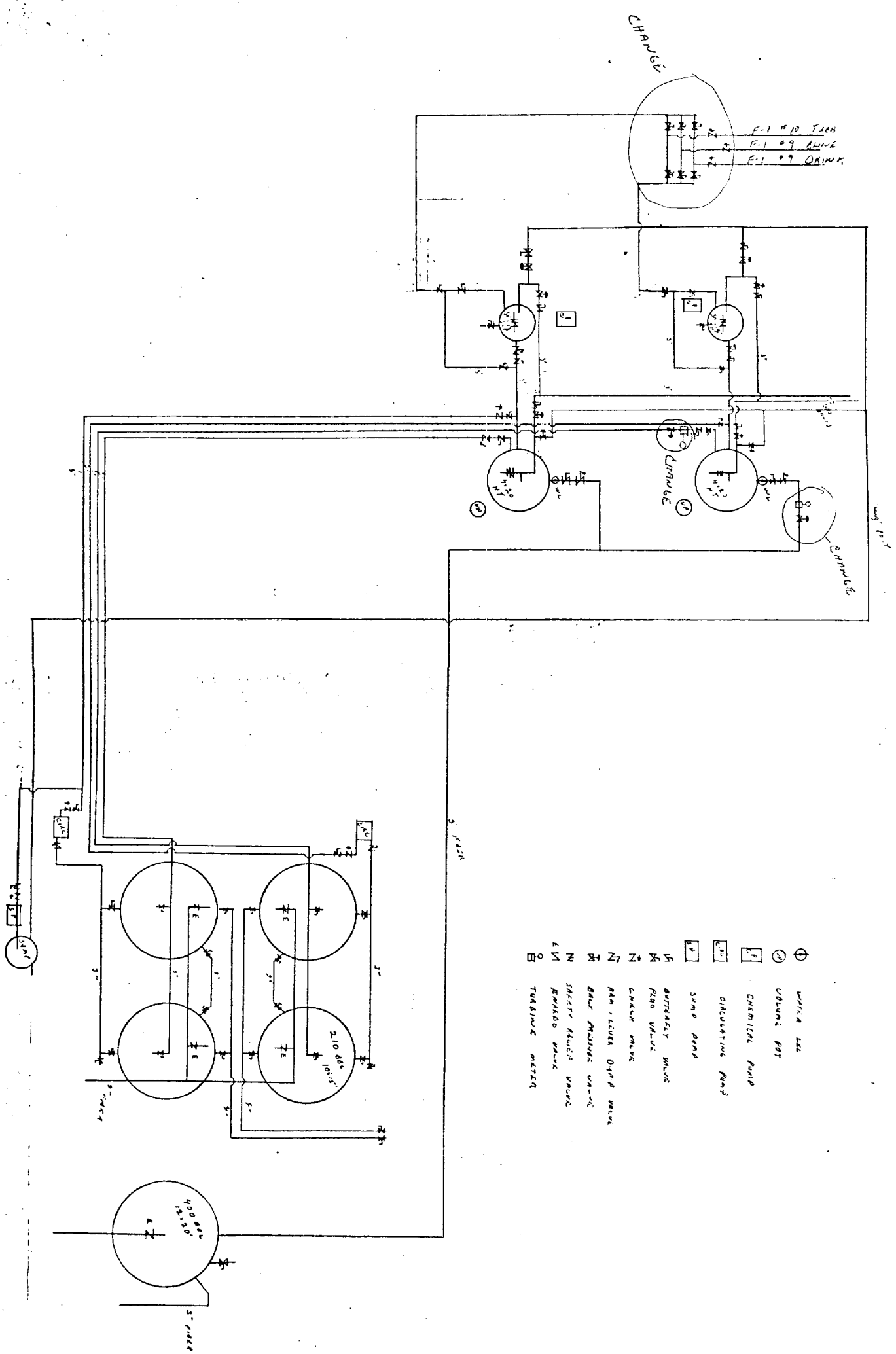
STATE "F-1" - 9 BATTERY

BEFORE



STATE "F-1" #9 BATTERY

AFTER

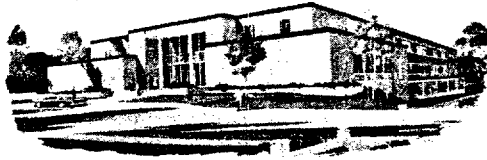


- ① WIRE LEE
- ② COLUMN POT
- ③ CHEMICAL PUMP
- ④ CIRCULATING PUMP
- ⑤ SUMP PUMP
- ⑥ BATTERY VALVE
- ⑦ PUMP VALVE
- ⑧ CHECK VALVE
- ⑨ MIN. LEVEL OFF VALVE
- ⑩ BACK PRESSURE VALVE
- ⑪ SAFETY RELIEF VALVE
- ⑫ EMERGENCY VALVE
- ⑬ TURBINE MOTOR



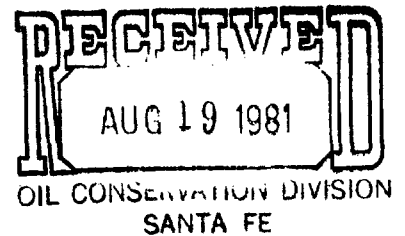
ALEX J. ARMIJO
COMMISSIONER

State of New Mexico



Commissioner of Public Lands

July 6, 1981



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

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

Re: Application for Permission to Surface Commingle Production from the Hardy Blinebry, The Hardy Drinkard, and an Undesignated Tubbs Oil Zone on the State F-1 Lease.

ATTENTION: Mr. L. P. Thompson

Gentlemen:

Reference is made to your request to surface commingle production from the Hardy Blinebry and Hardy Drinkard zones from F-1 No. 9, as well as, production from the State F-1 No. 10 from an undesignated Tubbs zone. Oil from all zones will be produced into a common tank battery located in the SW/4SW/4 of Section 1, T-21S, R-36E, Lea County, New Mexico.

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 one approved copy for your files.

Very truly yours,

ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

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

AJA/RDG/s
encl.
cc:

OCD-Santa Fe, New Mexico
Oil and Gas Accounting Commission
State of New Mexico Lease B-1535