OPC NOWALTING



4001 PENBROOK

EXPLORATION AND PRODUCTION GROUP

August 27, 1993

Re: Surface Commingling
Denton Lease
Denton Devonian and
Denton Wolfcamp Pools
Section 11, T-15-S, R-37-E
LEA COUNTY, NEW MEXICO

State of New Mexico
Energy Minerals and Natural Resources Dept.
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Gentlemen:

Phillips Petroleum Company requests your approval to surface commingle the oil and gas production from the Denton Well Nos. 1, 2, 3A, 6, 7, 9, 12, 13, and 17 in Denton Devonian Pool and Well Nos. 4, 8, 10, 15, and 16 in Denton Wolfcamp Pool.

Attached is the following required information:

- 1. Lease plat
- 2. Tank battery schematic
- 3. Gravity and value of commingled production.

Phillips Petroleum Company owns 50 percent interest and Devon Energy Corporation owns the remainder 50 percent interest of this lease. Davis Gas Processing is transporter of the casinghead gas and Amoco Pipeline Company is the oil transporter.

Please advise me at (915) 368-1488 if you have any questions.

Very truly yours,

L. M. Sanders, Supervisor

Regulatory Affairs

cc: Devon Energy Corp. LMS:AF:ehg Attachs.

DENTON LEASE- SURFACE COMMINGLE APPLICATION

FORMATION	PRODUCTION (BBL/DAY)	GRAVITY API(@ 70 F)	PRICE (\$)/BBL	VALUE (\$)
DEVONIAN	280	41.5	19	5320
WOLFCAMP	150	41.5	19	2850
COMMINGLE	430	41.5	19	8170

Phillips Petroleum is paid the same price for the Devonian and the Wolfcamp oil. No value will be lost when the oil is surface commingled.



