

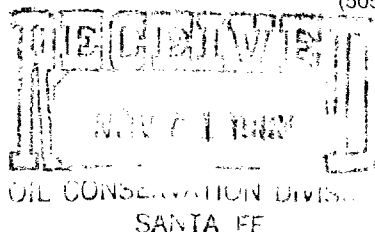


PLC
61

Mark K. Mosley
Division Manager
Production Department
Hobbs Division
North American Production

Conoco Inc.
P. O. Box 460
726 E. Michigan
Hobbs, NM 88240
(505) 393-4141

PLC
61



October 27, 1982

Minerals Management Service
South Central Region
505 Marquette Avenue, N. W.
Suite 815
Albuquerque, New Mexico 87102

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

Gentlemen:

Application for Permission to Surface Commingle Production from the Pearsall A Lease with Production from the Pearsall BX Lease

Production from our Pearsall A No. 3 has dropped to 8 BOPD, and it is now uneconomical to surface commingle the referenced leases. Therefore, this office requests the subject application be cancelled. Please note the MMS approved the subject application on a letter dated October 7, 1982 while the NMOCD approved it on July 13, 1982.

If you have any questions, please call David G. Smylie, ext. 120 of this office.

Yours very truly,

DGS:cyg
cc: Minerals Management Service
P. O. Box 1857
Roswell, New Mexico 88201

NEW MEXICO OIL CONSERVATION DIVISION
POST OFFICE BOX 2088
SANTA FE, NEW MEXICO 87501

COMMINGLING ORDER PLC-61

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

Attention: Mark K. Mosley, Division Manager

The above-named company is hereby authorized to commingle Pearsall Queen and Maljamar Grayburg San Andres pool production from the following leases:

Lease Name: Pearsall "A"
Description: N/2 and SE/4 of Sec. 33, T-17-S, R-32-E

Lease Name: Pearsall BX
Description: NE/4 NE/4 and S/2 NE/4 of Sec. 34, T-17-S, R-32-E, NMPM, both in Lea County

Production shall be allocated to each lease by separately metering the production from each lease prior to commingling.

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 309-B of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

REMARKS: Order No. PC-549 previously approving the commingling of Pearsall Queen and Maljamar Grayburg San Andres pool production on the Pearsall BX Lease and Order CTB-183 which authorized commingling of Queen production from the Pearsall A and Pearsall AX Leases are hereby rescinded.

DONE at Santa Fe, New Mexico, on this 13th day of July, 1982.



JOE D. RAMEY, Division Director



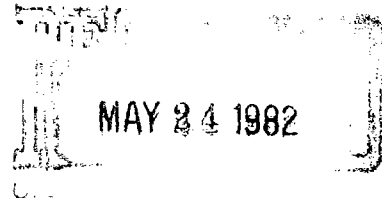
Mark K. Mosley
Division Manager
Production Department
Hobbs Division
North American Production

Conoco Inc.
P.O. Box 460
726 E. Michigan
Hobbs, NM 88240
(505) 393-4141

May 6, 1982

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

Attention: Mr. Joe D. Ramey



Dear Sir:

Application for Permission to Surface Commingle Production from the
Pearsall A Lease with Production from the Pearsall BX Lease.

Conoco Inc. requests approval to surface commingle production from the Pearsall Queen Zone on the Pearsall A Lease with production from the Pearsall BX Lease. Please note Administrative Order CTB-183, approved April 8, 1968, provided approval to surface commingle production from the Pearsall A Lease and Pearsall AX Lease; however, the Pearsall AX Lease is no longer productive.

The Pearsall BX Battery currently handles production from Pearsall BX No. 2; which produces from the Pearsall Queen Zone, and Pearsall BX No. 3, which is completed in the Maljamar (Grayburg-San Andres) Zone. Commingling Order PC-549 provided approval from the Commission to surface commingle production from these two wells.

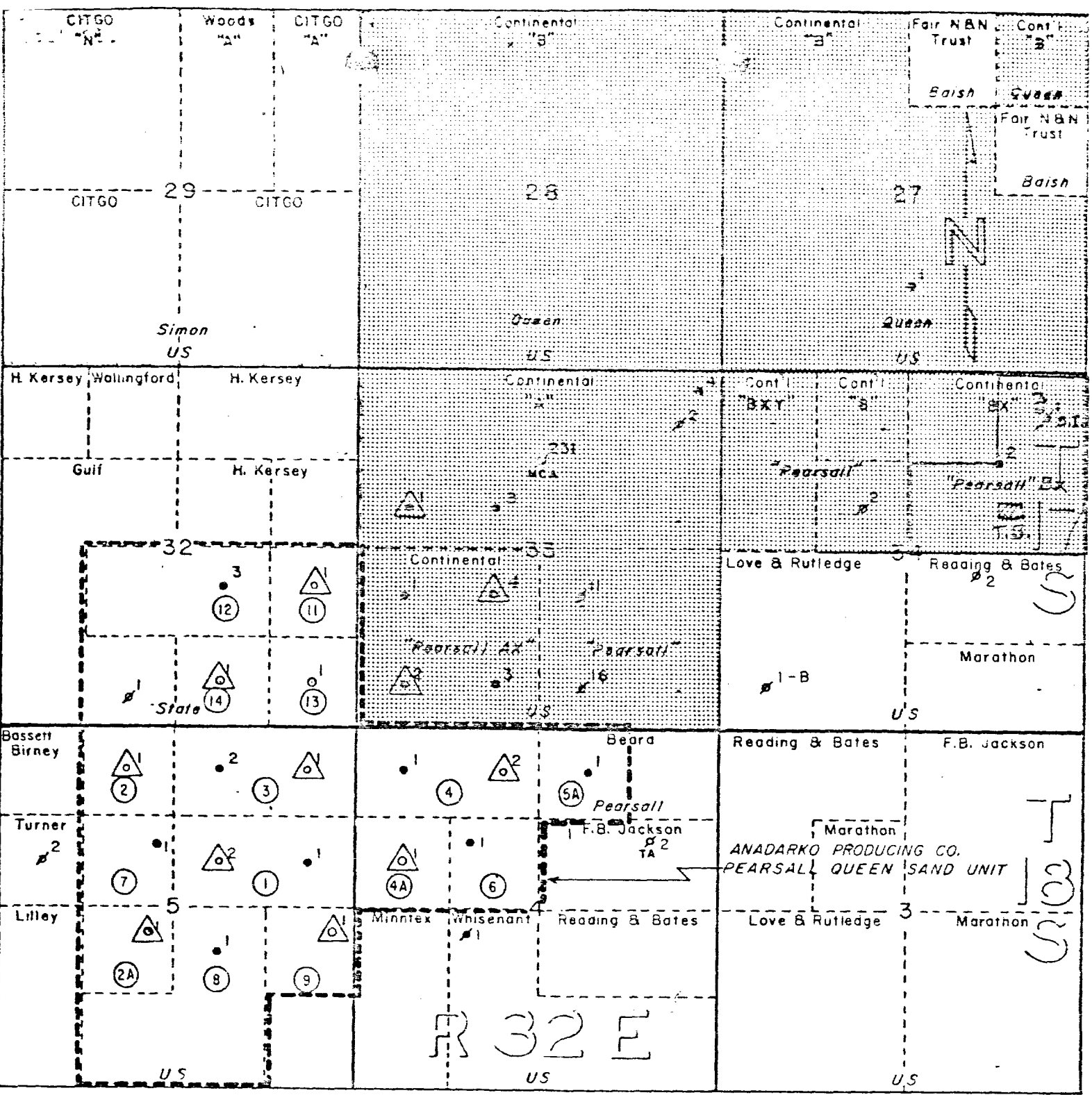
Conoco's working interest in the Pearsall A and Pearsall BX Leases is 100 percent. The royalty interest is also common between the leases, but the overriding royalty interest differs. Therefore, production from each lease will be measured separately.

In addition, the attached letter to Texas-New Mexico Pipe Line Company will serve as notification to the purchaser of our commingling proposal.

If any further information is required, please contact David G. Smylie, ext. 120 of this office.

Yours very truly,

DGS:jlj
Attachment
cc: Minerals Management Service
P. O. Box 1857
Roswell, NM 87201



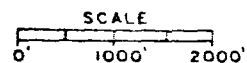
-LEGEND-

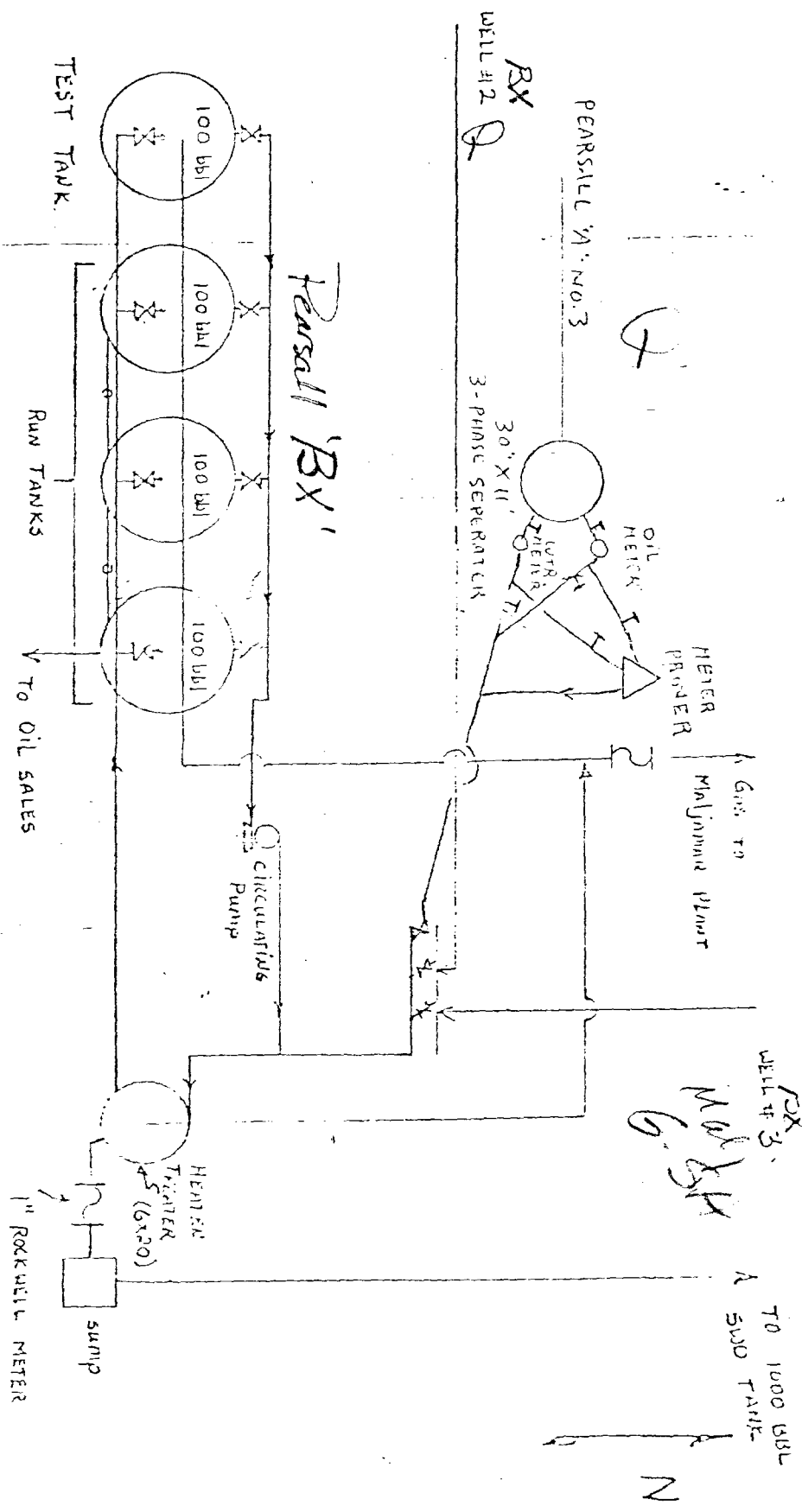
Pearsall Queen Wells Shown

③ Tract Numbers

CONTINENTAL OIL COMPANY
PRODUCTION DEPARTMENT
HOBBS DISTRICT

Lea County, New Mexico





NOTE: Well Shut-in ONE WELL WHEN
WE ARE TESTING THE OTHER WELL.
(PEARSALE BX WELLS)

NE/4

SEC. 34

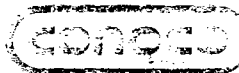
T-17 S

R-32 E

LEA COUNTY

NEW MEXICO

5.11.1982



Mark K. Mosley
Division Manager
Production Department
Hobbs Division
North American Production

Conoco Inc.
P.O. Box 460
726 E. Michigan
Hobbs, NM 88240
(505) 393-4141

MAY 27 1982

SMITH

May 6, 1982

Texas-New Mexico Pipe Line Company
P. O. Box 2528
Hobbs, New Mexico 88240

Attention: Mr. B. L. Lednicky

Dear Sir:

Application for Permission to Surface Commingle Production from the
Pearsall A Lease with Production from the Pearsall BX Lease.

Please be informed as of May 3, 1982, Conoco Inc. is applying to the New Mexico Oil Conservation Division for permission to surface commingle production from the Pearsall A Lease with production from the Pearsall BX Lease.

If you have any questions concerning this matter, please contact David G. Smylie, ext. 120 of this office.

Yours very truly,

DGS:jlj