

J. M. HUBER CORPORATION

OIL AND GAS DIVISION • MID-CONTINENT DISTRICT

7120 I-40 WEST • SUITE 100 AMARILLO, TEXAS 79106

(806) 353-9837

December 21, 1993

State of New Mexico
Energy, Minerals, and Natural Resources Dept.
Mr. Jerry Sexton
District I
P.O. Box 1980
Hobbs, New Mexico 88240

Re: Commingle Request (Division Order CTB-377)
 James O'Neill State Lease, S/2 NW/4, Sec. 7
 James O'Neill State Com. Lease, N/2 NW/4, Sec. 7
 T15S-R35E, Lea County, New Mexico
 Morton Wolfcamp Field
 Operator: J.M. Huber Corporation

Dear Mr. Sexton:

REQUEST FOR APPROVAL TO USE AN ALTERNATE GAS MEASUREMENT METHOD

J.M. Huber Corporation requests approval to use an alternate gas measurement method for the James O'Neill State Com. No. 2 under the provisions of Rule 403.b.(1). Form C-136 is enclosed, and the following supporting information is shown for your review:

1. The James O'Neill State Com. No. 2, C-7-15S-35E, API #30-025-27983 is the well for which approval is requested.
2. The subject well produced 1700 MCF during the one year period from August 1992 to July 1993, an average of 4.7 MCFPD (from C-115, Monthly Operator's Report).
3. Warren Petroleum is the transporter, and has been contacted regarding agreement upon a daily producing rate of 4 MCFD for the subject well. A letter of agreement will be submitted when it has been returned to us.
4. The gas transporter is Warren Petroleum, Box 1689, Lovington, New Mexico 88267.

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DISCUSSION

A NMOCD Division Order CTB-377, authorizing commingling of production from the subject lease with another lease was issued and rescinded. Huber was advised by the director of the NMOCD in Santa Fe to seek approval, under Rule 403.B.(1), to use an alternate gas measurement method, rather than commingling the production.

The subject approval is being sought in order to continue to produce the James O'Neill State Com. No. 2, after removal of the gas meter by the transporter, as explained in previous correspondence. If you desire additional information, please call Bill Horne at 806/353-9837.

Yours truly,

J.M. HUBER CORPORATION



Robert R. Glenn
District Production Manager



WGH:gm
Enclosure

cc: Office of the Commissioner of Public Lands
Mr. Floyd O. Prando

Warren Petroleum Company