

October 29, 1971

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

Re: Application for Down-Hole
Commingling

Gentlemen:

Samedan Oil Corporation respectfully requests authority to down-hole
commingle our Parks Well No. 2. The following information is submitted in
compliance with Order No. R-3845:

- (A) Samedan Oil Corporation
2207 Wilco Building
Midland, Texas 79701
- (B) Parks No. 2, Unit B, 450' ASL and 520' SWL, Sec. 14, T-22-S,
R-37-E, Lea County, New Mexico
- (C) Drinkard Pool and Paddock Wells are in L. MC-1923
- (D) See Form C-116 attached
- (E) See decline curves attached
- (F) Estimated bottom-hole pressure: Paddock zone 90 p.s.i.
Drinkard zone 105 p.s.i.
- (G) There should be no fluid compatibility problems. There is little
difference when comparing the gravity and gas-oil ratio of each
zone. The produced waters of each zone are compatible in that their
commingling has not resulted in the formation of scale.
- (H) Value of individual streams: Paddock 3 bbls/day x \$3.44/bbl. = \$10.32/day
Drinkard 10 bbls/day x 3.50/bbl. = 35.00/day
- SUM \$45.32/day

Value of commingled production: 13 bbls/day x \$3.50/bbl. = \$45.50

Above computations based on following data:

Paddock Oil @ 34.5 gravity = \$3.44/bbl.
Drinkard Oil @ 37.9 gravity = 3.50/bbl.
Commingled Oil @ 37.3 gravity = 3.50/bbl.