



P. O. Box 249
Hobbs, New Mexico

May 11, 1964

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Re: Administrative Approval to Commingle
Production From the Blinebry Oil &
Drinkard Zones on Tidewater Oil Co.'s
S.J. Sarkeys Lease, Well #1,2,3 & 4,
Units E, P,C & F Respectively in Sec.
26, T21S, R37E, Lea Co., New Mexico

Gentlemen:

Tidewater Oil Company respectfully requests approval to commingle oil produced from the Blinebry Oil and Drinkard formations on its S. J. Sarkeys Lease, Well Numbers 1, 2, 3 and 4. Wells 1 and 2 were originally single completions in the (old) Drinkard zone. No. 2 is now being recompleted as a dual in the (new or upper) Drinkard and the Blinebry Oil Zones. Well No. 1 will be recompleted identical to No. 2. Well No. 3 is a Drinkard-Blinebry Gas dual. No. 4 is a Drinkard-Tubb Gas dual. These two wells will also be recompleted identical to No. 2. The 160 acre Blinebry and Tubb gas units will be dissolved.

Attached is a diagrammatic sketch showing the proposed installation for the two zones.

Production from the Blinebry Oil Zone will pass through a 3-phase metering separator. The oil will be metered and sampled before being commingled in the common heater-treater. The Drinkard production will pass through a conventional 2-phase separator before being commingled in the heater-treater. Common test facilities will be installed with a manual operated pneumatic interlock valve system.

The metering separator will be proved for accuracy each month into one of the 1000 barrel tanks.

The net production from each zone will be determined by the "Subtraction Method" as outlined in Section 2-B of the NMOCC Manual for the Installation and Operation of Commingling Facilities. Net production from the Blinebry Zone will be calculated by applying its meter factor to the gross meter reading less BS&W content. Net Drinkard production will be the difference between the net pipeline runs and the net Blinebry production.

The expected hydrocarbon volumes and gravities from each zone are as follows:

Blinebry Oil	39.3° API Gravity	208 BOPD
Drinkard	39.5° API Gravity	280 BOPD

NMOCC
Santa Fe, New Mexico

(2)

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The expected composite gravity is 39.4 API. No increase nor decrease in commercial value of the commingled production will be realized.

Tidewater Oil Company hereby respectfully requests approval to commingle oil production from the Blinbry Oil and Drinkard Zones on its S. J. Sarkeys Lease in accordance with Order No. R-2060 which revises rules 303 and 309-B.

Very truly yours,

TIDEWATER OIL COMPANY

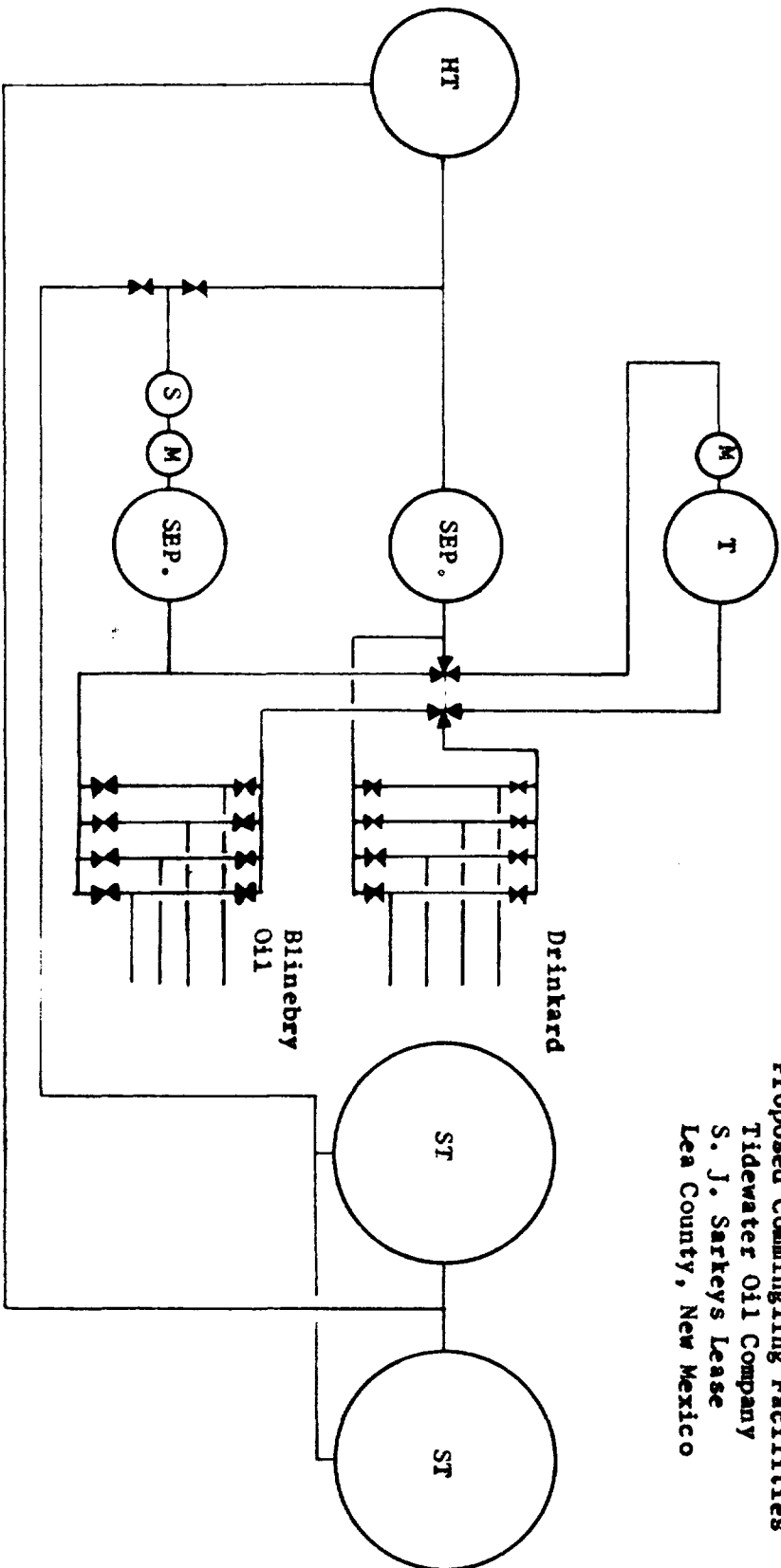
C. L. Wade
C. L. Wade
Area Superintendent









WCS/ep

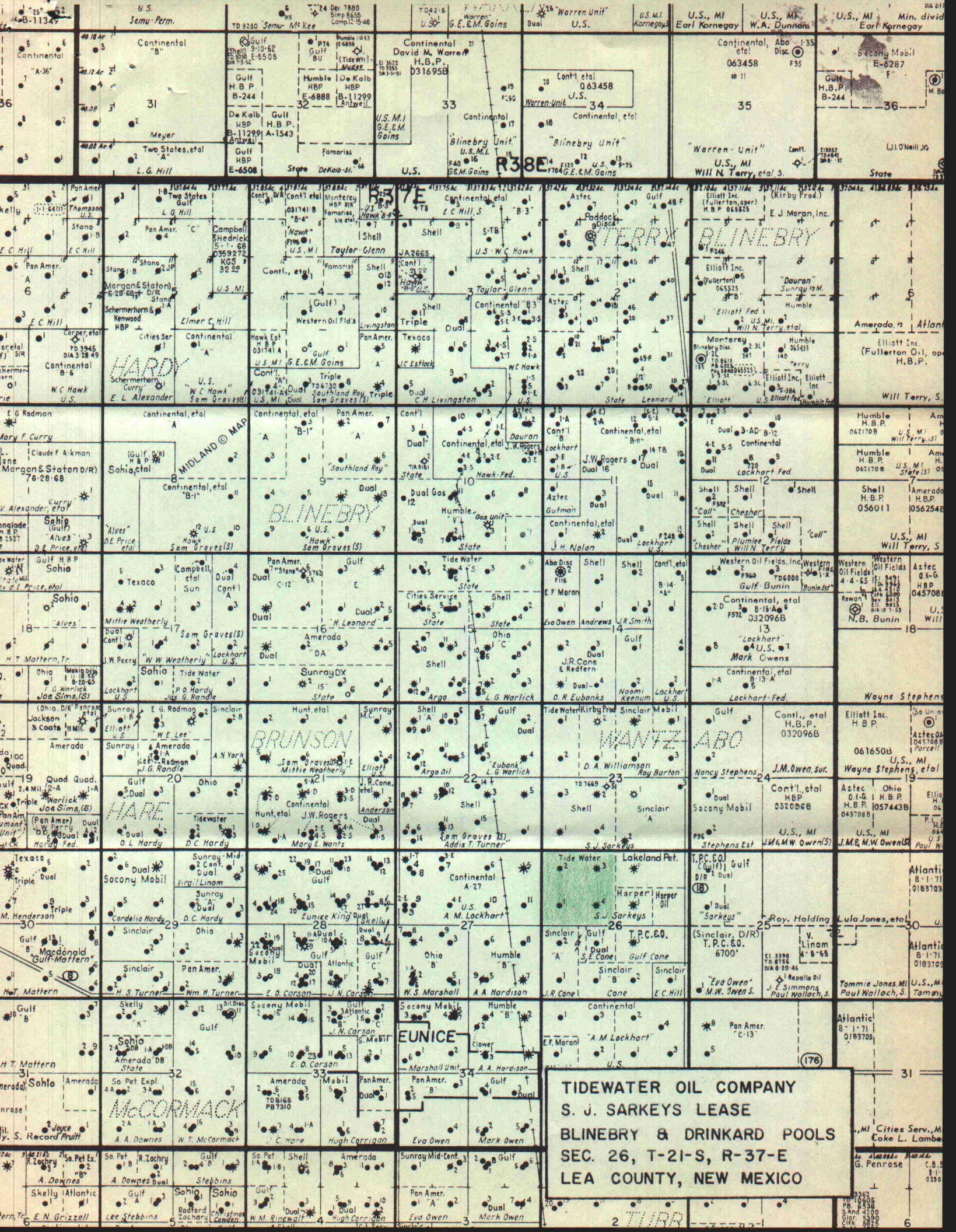
Attachments

cc: NMOCC - Santa Fe (2)
Midland (1)
File (1)

Proposed Commingling Facilities
 Tidewater Oil Company
 S. J. Sarkey's Lease
 Lea County, New Mexico



- | | | | |
|---|----------------|---|----------------|
|  | Heater-Treater |  | Meter |
|  | Stock Tank |  | Testing Vessel |
|  | Separator |  | Block Valve |
|  | Sampler |  | 3 Way Valve |



TIDEWATER OIL COMPANY
S. J. SARKEYS LEASE
BLINEBRY & DRINKER POOLS
SEC. 26, T-21-S, R-37-E
LEA COUNTY, NEW MEXICO

(176)

2 TURR