

AMERADA DIVISION
AMERADA HESS CORPORATION

September 16, 1971

RECEIVED

SEP 30 1971

OIL CONSERVATION COMM.
SANTA FE

DRAWER 817
SEMINOLE, TEXAS 79360
915 - 758 - 5805

Mr. A. L. Porter, Jr.
Secretary Director
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Re: Surface Commingling of
the State D A Lease

Dear Sir:

A study has been made to revise the battery and commingle the production on the State D A Lease. This lease is located in Sec. 16, T21S, R37E, in Lea County, New Mexico.

Average gravities, volumes and values are as follows:

	<u>June</u> <u>Production</u>	<u>Avg.</u> <u>Gravity</u>	<u>Price</u> <u>per bbl.</u>	<u>Total</u> <u>Value</u>
Drinkard Oil	539	37.5	3.50	\$1,887
Blinebry Oil	193	37.1	3.50	675
Tubb Gas	<u>8</u>	50	3.56	<u>28</u>
	740			\$2,590
	<u>Production</u>	<u>Calculated</u> <u>Gravity</u>	<u>Price</u> <u>per bbl.</u>	<u>Total</u> <u>Value</u>
Commingled	<u>740</u>	<u>37.5</u>	<u>3.50</u>	<u>\$2,590</u>

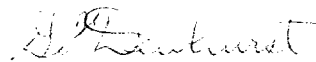
No loss by commingling production is anticipated. Without commingling long storage time between runs and greater surface area in extra storage vessels allows excessive evaporation. Selling the oil more rapidly will increase the volume and gravity of the crude, due to less evaporation of the "light ends".

Mr. A. L. Porter, Jr.

Page 2

Amerada Hess Corporation respectfully requests administrative approval to commingle production on the State D A lease and to allocate the Drinkard and Blinebry oil production on the basis of quarterly well tests.

Very truly yours,



G. F. Dewhurst
Region Manager

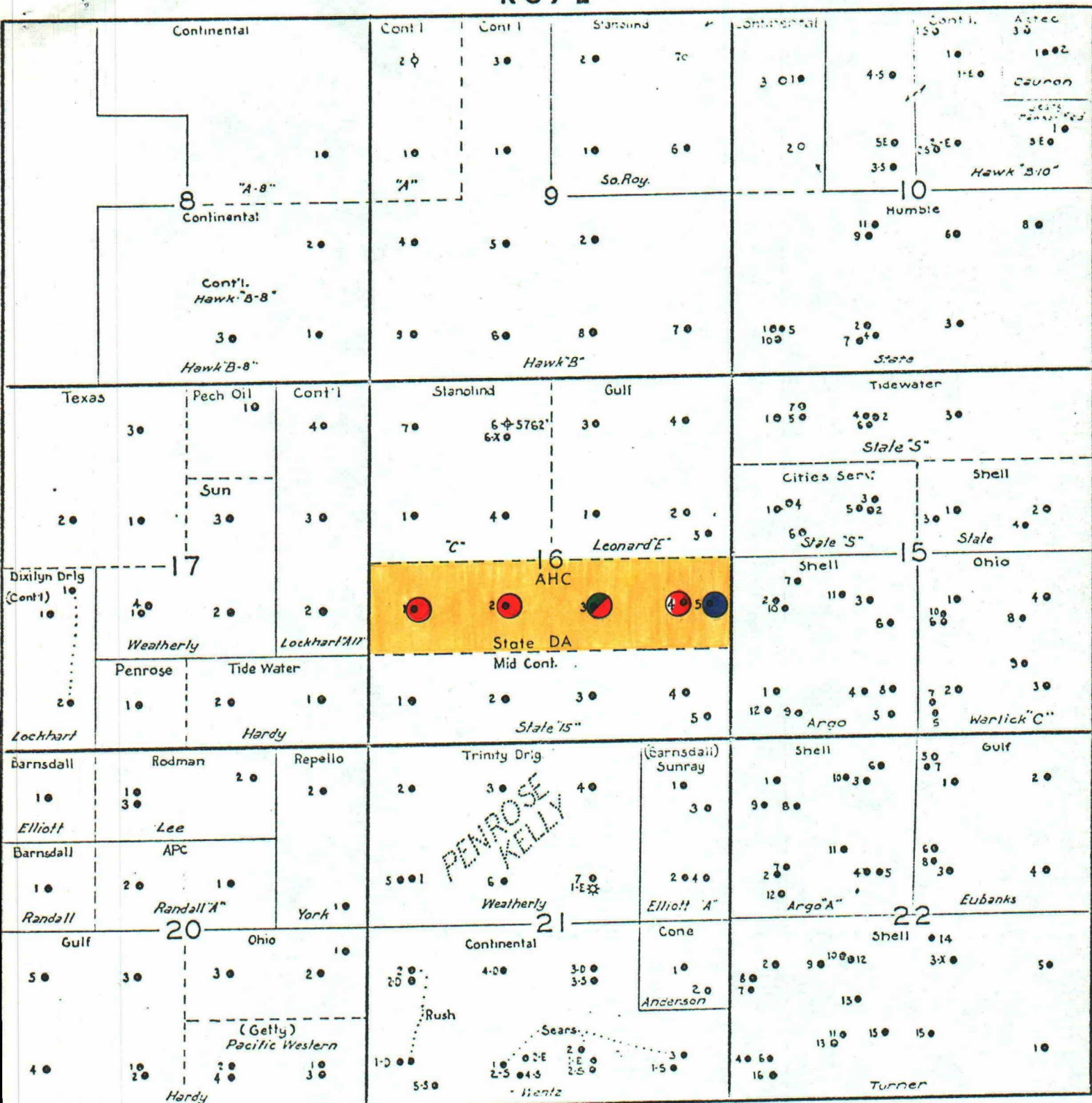
FAB/jw

Enclosures:

1. Plat showing lease and wells
2. Schematic diagram of the proposed battery
3. Tabulation of marginal production for a 60 day period
4. Letter of approval from Mobil Oil (Purchaser and transporter)
5. Approval from Commissioner of Public Lands

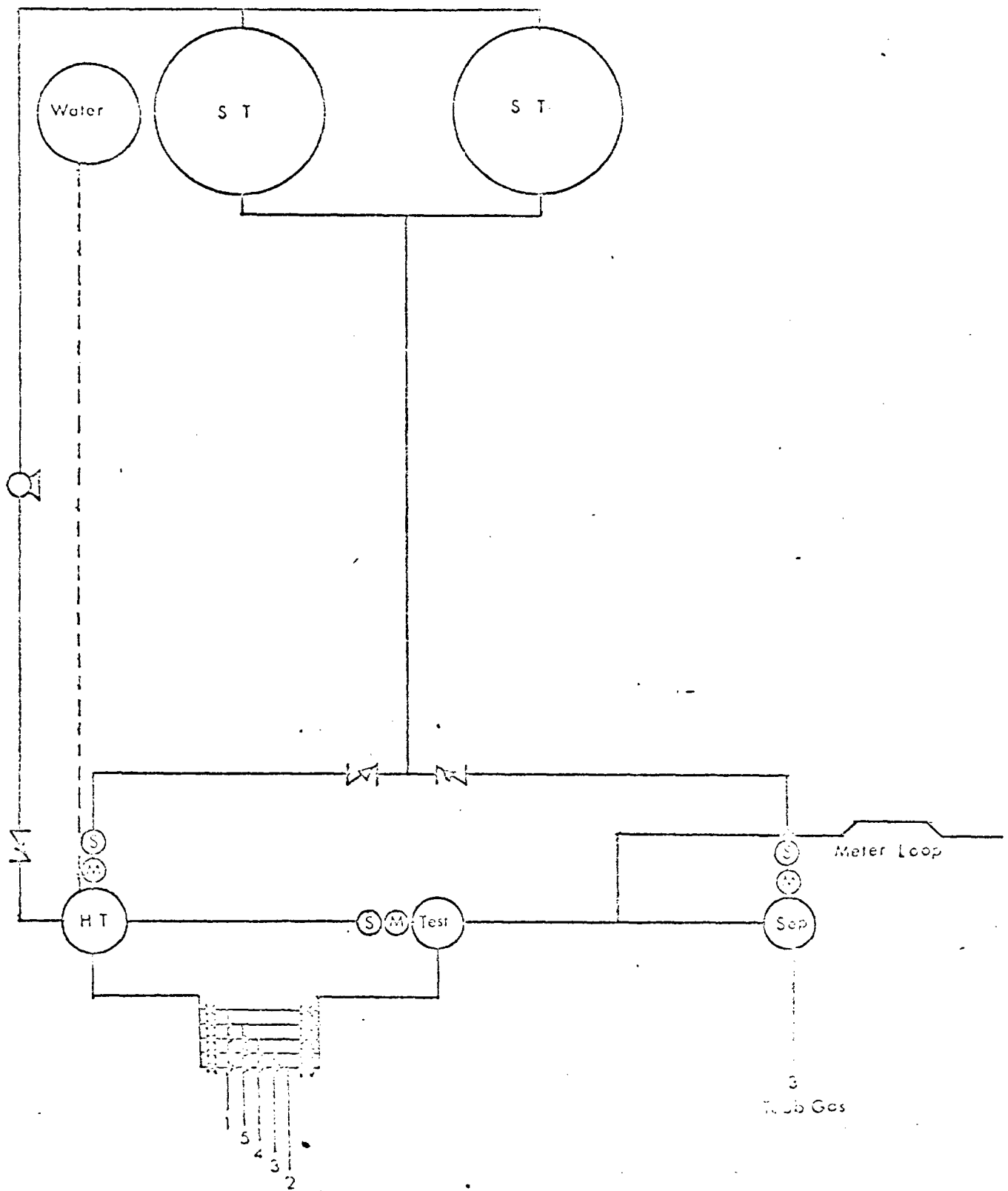
Cc: Mr. J. D. Ramey
Mr. L. A. Stricklin

R 37 E



EUNICE FIELD
LEA COUNTY, N. MEX.

AMERADA HESS CORP.
 MONUMENT FIELD
 STATE OF A
 PROPOSED BATTERY



Drinking Wells #1,2,3,4
 Drilling Wells #5

AMERADA HESS CORPORATION
State DA Lease
Oil Production for a 60 day period
June and July, 1971

	<u>Date</u>	<u>Drinkard Oil</u>	<u>Blinebry Oil</u>		<u>Date</u>	<u>Drinkard Oil</u>	<u>Blinebry Oil</u>
June	1	0	0	July	1	0	0
	2	38	3		2	35	19
	3	0	0		3	0	0
	4	38	25		4	36	30
	5	0	0		5	0	0
	6	41	26		6	35	22
	7	0	0		7	0	0
	8	33	17		8	35	14
	9	0	0		9	0	0
	10	33	17		10	28	24
	11	0	0		11	0	0
	12	38	18		12	35	17
	13	0	0		13	0	0
	14	33	18		14	33	16
	15	0	0		15	0	0
	16	36	12		16	30	11
	17	0	0		17	0	0
	18	38	18		18	33	9
	19	0	0		19	0	0
	20	38	26		20	35	0
	21	0	0		21	0	0
	22	36	0		22	35	14
	23	0	0		23	0	0
	24	36	0		24	30	27
	25	0	0		25	0	0
	26	33	0		26	33	25
	27	0	0		27	0	0
	28	35	8		28	30	22
	29	0	0		29	0	0
	30	38	11		30	30	0
					31	16	9

Mobil Oil Corporation

P.O. BOX 633
MIDLAND, TEXAS 79701

August 30, 1971

Amerada Division
Amerada Hess Corporation
P. O. Box 52
Galena Park, Texas 77547

Attn: Mr. B. W. Andrus

Dear Mr. Andrus:

Reference is made to your letters of July 28 and August 4, 1971 to our Mr. R. G. Sparrow concerning the commingling of certain leases in the Monument and Eunice fields in Lea County, New Mexico.

As purchaser of the concerned production, Mobil is agreeable to your commingling as you stated in your letters, which is as follows:

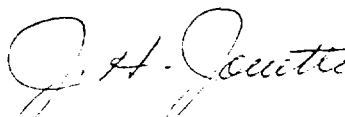
Monument Field, Lea County, New Mexico	
<u>Lease</u>	<u>Commingled</u>
State D "A"	<u>Zones</u>
	Drinkard
	Blinebry
	Tubb

Eunice Field, Lea County, New Mexico	
<u>Lease</u>	<u>Commingled</u>
J. G. Randle	<u>Zones</u>
J. G. Randle "A"	Blinebry
	Drinkard

Mobil will continue to purchase the commingled production from these leases on the same basis as before i.e. Mobil's current posting for West Texas-New Mexico Intermediate type crude.

Please advise as to the effective date actual commingling will take place.

Very truly yours,



J. H. Jouette, Area Representative
Crude Oil Department

JHJ/tw

Mobil Pipe Line Company

P. O. Box 1073, Midland, Texas 79701

September 1, 1971

Amerada Division
Amerada Hess Corporation
P. O. Box 52
Galena Park, Texas 77547

Attention: Mr. B. W. Andrus

150-GAUGING-COMMINGLED OIL
RUNS IN NEW MEXICO

Gentlemen:

Complying with Mr. J. K. Moore, Jr's requests of July 28 and August 4 to our Mr. R. G. Sparrow, this is to advise that Mobil Pipe Line Company is agreeable to receipt of commingled crude oil from the following leases:

1. State D "A" Lease, Monument Field, Lea County, New Mexico from the Drinkard Oil, Blinebry Oil, and Tubb Gas Zones.
2. J. G. Randle and J. G. Randle "A" Leases, Eunice Field, Lea County, New Mexico.

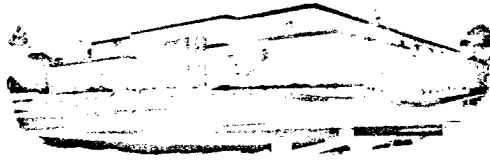
Yours very truly,


J. R. Wright
Division Manager

FLHorton:ed

cc: J. H. Jouette

State of New Mexico



Commissioner of Public Lands

September 24, 1971

ALEX J. ARMIJO
COMMISSIONER

P. O. Box 1148
SANTA FE, NEW MEXICO

Amerada Hess Corporation
Drawer 817
Seminole, Texas 79360

Re: Surface Commingling of Production
From the State D A Lease

ATTENTION: Mr. G. F. Dewhurst

Gentlemen:

Reference is made to your application dated September 17, 1971, requesting approval to commingle the production on Amerada Hess Corporation's State D A Lease.

You are hereby given approval to the above request. Any deviation from your proposed request will be reason to cancel approval.

This approval is subject to the subsequent approval of the New Mexico Oil Conservation Commission.

Please remit a ten (\$10.00) Dollar filing fee.

Very truly yours,

Ray D. Graham
RAY D. GRAHAM, Director
Oil and Gas

AJA/RDG/s
e ncls.

cc: OCC-Santa Fe, New Mexico

1971 SEP 24 10:12
OCC-SANTA FE