

# Gulf Oil Company - U.S.

HOBBS PRODUCTION AREA

C. D. Borland  
AREA PRODUCTION MANAGER

September 19, 1972

P. O. Box 670  
Hobbs, New Mexico 88240

Mr. A. L. Porter, Jr.  
Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, NM 87501

Re: H. T. Mattern (NCT-E) Lease,  
Sec. 12-22S-36E, Lea Co., N.M.

Dear Mr. Porter:

Gulf recently re-completed the H. T. Mattern (NCT-E) No. 13 well in the Blinebry Oil Pool. In order to avoid considerable expense to install and maintain a tank battery for one Blinebry well, Gulf hereby seeks an exception to Rule 303A to allow Gulf to surface-commingle Arrowhead production with Blinebry production on the above-mentioned lease. The wells produced from both pools are marginal and will be tested periodically for allocation of production.

The attached tabulation shows the volumes, gravities, and monetary values of the liquid hydrocarbons from individual pools, as well as commingled production. The tabulation also shows total average daily production for a 60-day period in the Arrowhead Pool and test production in the Blinebry Pool.

The calculated revenue from the commingled production will be slightly less (50¢ per day) than the total revenue from the individual pools.

Attached is a schematic diagram of the proposed installation, along with a lease plat. Also attached is a letter of approval from Shell Oil Corporation.

This commingling proposal is in the interest of conservation, in that it prevents unnecessary waste and production expense.

Yours very truly,

C. D. BORLAND  
Area Production Manager

By: 

J. J. Mussett

RDM:ec  
Att'd.



A DIVISION OF GULF OIL CORPORATION

H. T. MATTERN (NCT-E) LEASE

SEC. 12-223-36E

LEA COUNTY, N. M.

<u>Well Nos.</u>	<u>Pool</u>	<u>Production</u>		<u>Total</u>	<u>Average BOPD</u>
		<u>July 1972</u>	<u>Aug. 1972</u>		
1-4, 6, 7, 9, 12	Arrowhead	2221	2284	4505	72.7
13	Blinebry *				15.0

\* Test production

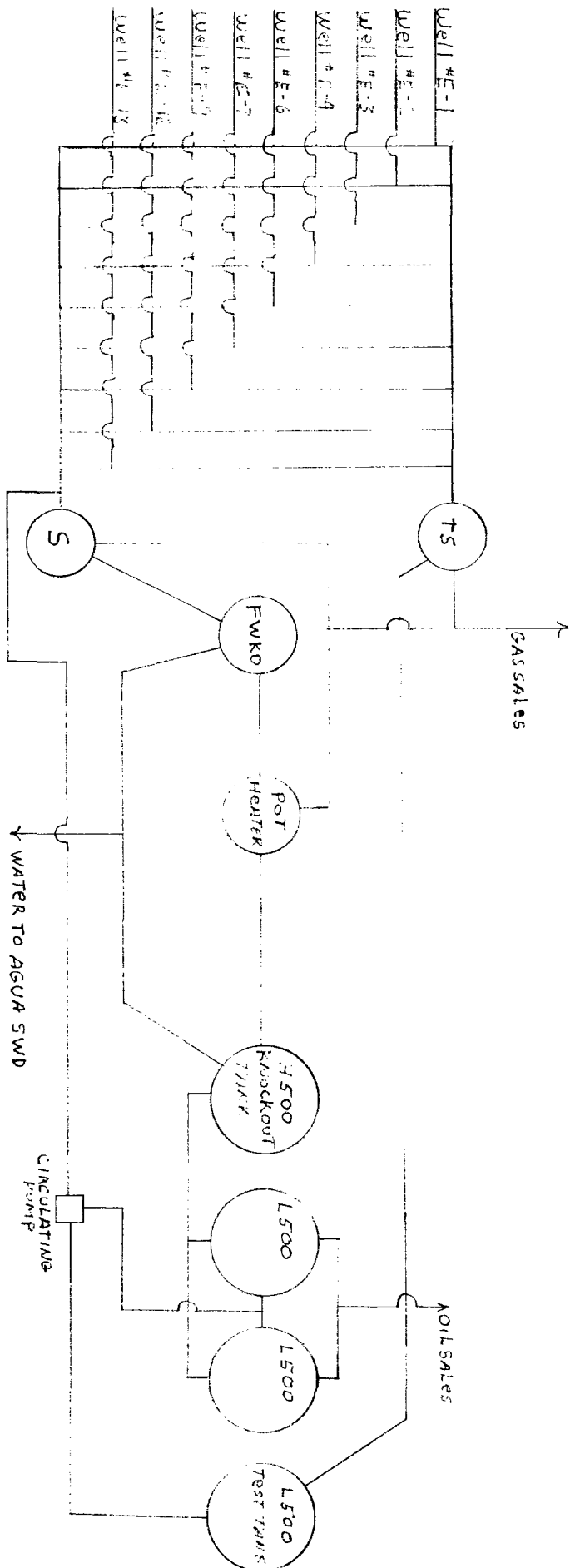
	<u>BPD</u>	<u>Gravity</u>	<u>\$ /Bbl.</u>	<u>\$ /Day</u>
Arrowhead Pool	72.7	32.0 <sup>0</sup>	\$3.35	\$243.55
Blinebry Pool	<u>15.0</u>	34.4 <sup>0</sup>	\$3.33	<u>\$ 49.95</u>
Total	87.7			\$293.50
Commingled	87.7	32.4 <sup>0</sup>	\$3.34	\$292.92
			Difference - (\$0.58)	

# GULF OIL CORPORATION

## SCHEMATIC DIAGRAM

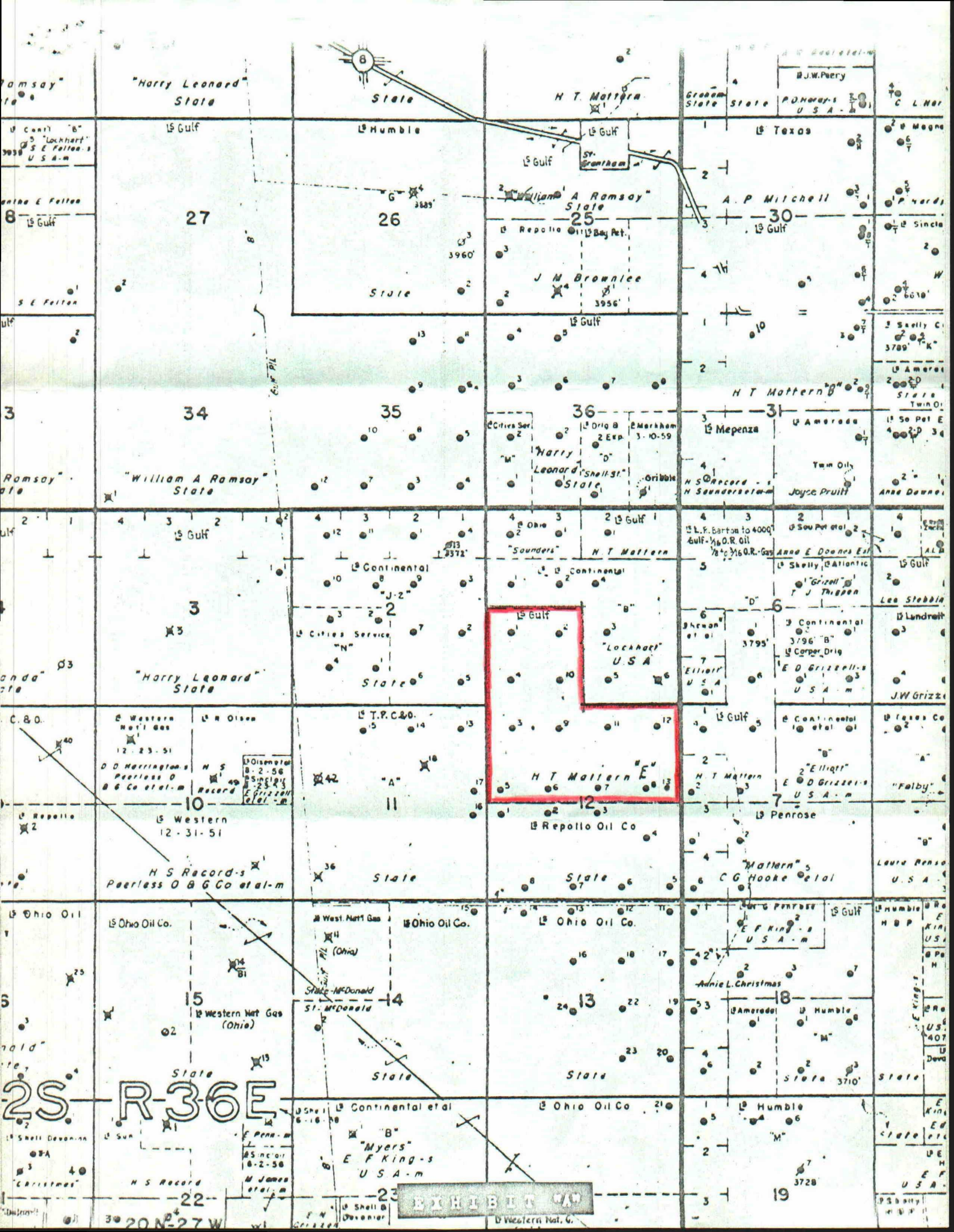
### PROPOSED CONFINING INSTALLATION

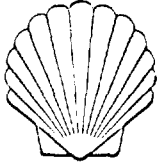
H. T. WATERN (NCT-2) TANK BATTERY



Well #E-13 is a 12" 10' 12" Approved Pool

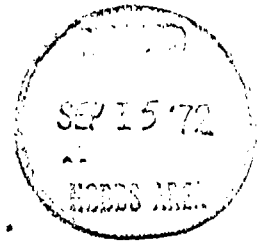
Well No E-13 Extracting from





# SHELL OIL COMPANY

PETROLEUM BUILDING  
P.O. BOX 1509  
MIDLAND, TEXAS 79701



September 14, 1972

**ILLEGIBLE**

Subject: Gulf Oil Corporation  
H. T. Mattem (NCT-E) Lease  
Blinbry Pool  
Lea County, New Mexico

Gulf Oil Corporation  
Post Office Box 1150  
Midland, Texas 79701

Attention Mr. C. W. Briggs

Gentlemen:

This is to confirm our conversation wherein we stated that Shell Oil Company is agreeable to purchase of the 15 barrels per day of Blinbry production from Well No. 13 commingled with the 75 barrels per day of Arrowhead production from the captioned lease.

Please advise us when the production is actually commingled so that we may advise our pipeline carrier to run the oil for our account.

Yours very truly,

J. C. Hart  
Raw Materials Supply  
Field Operations-Midland

JCH:ERL

cc - Gulf Oil Corporation  
Post Office Box 670  
Hobbs, New Mexico 88240  
Attention Mr. C. D. Borland, Jr.

ENC. **THIS COPY FOR**