

Gulf Oil Exploration and Production Company

R. C. Anderson
PRODUCTION MANAGER, HOBBS AREA

September 8, 1981

P. O. Box 670
Hobbs, NM 88240

RE: Arnott Ramsay (NCT-E) Lease,
Tank Battery, Sec. 12-T25S-R37E,
Lea County, New Mexico, Proposed
Surface Commingling of Production
from the Jalmat and Langlie Mattix Pool

Mr. Joe D. Ramey
Energy and Minerals Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

Dear Sir:

In order to avoid considerable expense in constructing and maintaining a replacement tank battery for the subject lease, Gulf hereby seeks an exception to Administrative Rule 303. This exception will allow Gulf to commingle production from the Jalmat Oil and the Langlie Mattix formations. All wells will be tested periodically for allocation of production.

The attached tabulation shows the volumes, gravities and monetary values of the liquid hydrocarbon from individual pools, as well as commingled production. The tabulation also shows total average daily production for a two month period. The calculated revenue from the commingled production is approximately 31 cents per day less than the total revenue from the individual pools.

Also attached is a schematic diagram of the storage facilities for the commingled production and a lease plat. The Permian Corporation has agreed to purchase the commingled production as proposed herein.

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

Yours very truly,



R. C. ANDERSON

MWC/jcl

cc: Oil Conservation Commission - Hobbs
C. F. Kalteyer - Midland



Gulf Oil Exploration and Production Company

SEP 29 10 03 AM '81

R. C. Anderson
PRODUCTION MANAGER, HOBBS AREA

STATE OF NEW MEXICO September 28, 1981

P. O. Box 670
Hobbs, NM 88240

Re: Arnott Ramsay (NCT-E) Lease
Tank Battery, Sec 16-T25S-R37E
Lea County, New Mexico Proposed
Surface Commingling of Production
from the Jalmat and Langlie Mattix Pool
Re-application supersedes application
dated 9-17-81

Commissioner of Public Lands
State Land Office
P. O. Box 1148
Santa Fe, New Mexico 87501

Dear Sir:

In order to avoid considerable expense in constructing and maintaining a replacement tank battery for the subject lease, Gulf hereby seeks an exception to Administrative Rule 303. This exception will allow Gulf to commingle production from the Jalmat Oil and the Langlie Mattix formation. All wells will be tested periodically for allocation of production.

The attached tabulation shows the volumes, gravities and monetary values of the liquid hydrocarbon from individual pools, as well as commingled production. The tabulation also shows total average daily production for a two month period. The calculated revenue from the commingled production is equivalent to the total revenue from the individual pools.

Also attached is a schematic diagram of the storage facilities for the commingled production and a lease plat. The Permian Corporation has agreed to purchase the commingled production as proposed herein.

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

Yours very truly,

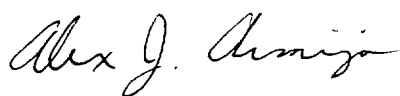

R. C. ANDERSON

MWC/skj

cc: Oil Conservation Commission-Hobbs
C. F. Kalteyer-Midland



A DIVISION OF GULF OIL CORPORATION

Approved.....10/7/81

COMMISSIONER OF PUBLIC LANDS

Arnott Ramsay (NCT-E) Lease, Tank Battery
 Section ~~16~~ T25S-R37E
 Lea County, New Mexico

<u>Wells and Pool</u>	<u>June 1981</u>	<u>July 1981</u>	<u>Total</u>	<u>Average BOPD</u>
Arnott Ramsay E #6 Jalmat Pool	146	137	283	4.7
Arnott Ramsay E #7, 8,9,10 Langlie Mattix Pool	1164	988	2152	35.8
	<u>BOPD</u>	<u>Gravity</u>	<u>\$/Bbl</u>	<u>\$/Day</u>
Jalmat	4.7	34.0	\$34.68	\$ 162.99
Langlie Mattix	<u>35.8</u>	<u>35.2</u>	<u>34.70</u>	<u>1242.26</u>
Total	40.5			\$1405.25
Commingled	40.5	34.6	\$34.69	\$1404.94
		Difference		(-.31)



THE PERMIAN CORPORATION

1509 W. WALL P. O. BOX 3119
MIDLAND, TEXAS 79702

915-683-4711

September 1, 1981

Gulf Oil Corporation
Box 670
Hobbs, New Mexico 88240

ATTEN: Bob Anderson

Dear Bob:

Confirming my conversation with Jim Baker in Midland, Texas, Permian has no objection to Gulf comingling with #6 well which is producing out of Jalmat pool with the Langley Mattix pool production under Permian lease number 561336.

*Approved For
MCC*

If we can assist you in any other way, please don't hesitate to call.

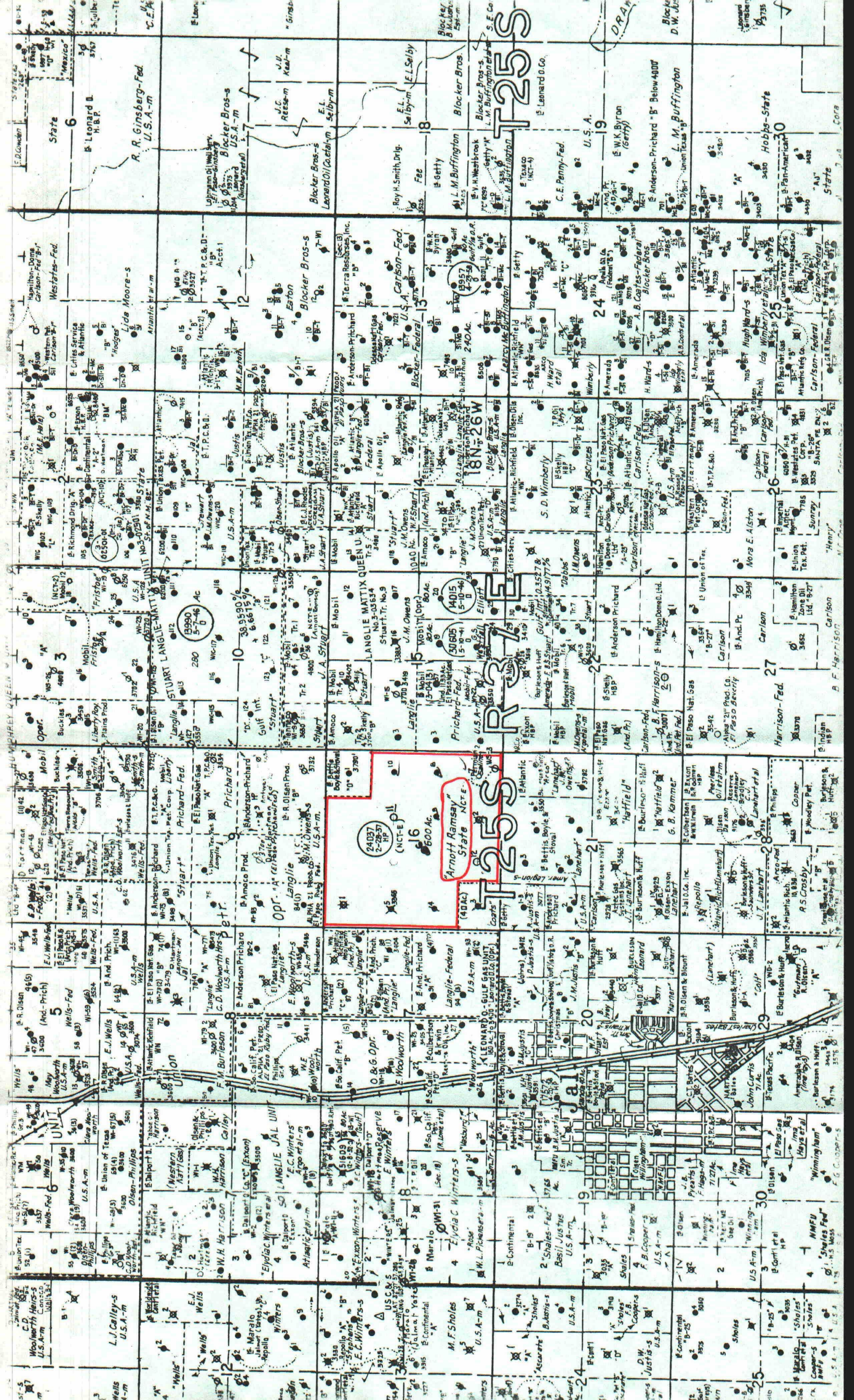
Yours very truly,

THE PERMIAN CORPORATION

Randy Geiselman
Randy Geiselman

RG/lw

cc: Jim Baker
Gulf Oil Corporation
Crude Oil Supply
P.O. Box 1150
Midland, Texas 79701



Gulf Oil Corporation
Arnott Ramsay (NCT-E) (Lease
Proposed Commingled Tank Battery
Jahmat Oil, and Langlie Mattix

