

Gulf Oil Exploration and Production Company

R. C. Anderson
PRODUCTION MANAGER, HOBBS AREA

October 11, 1982

P. O. Box 670
Hobbs, NM 88240

Re: R. R. Bell (NCT-E) Lease
Tank Battery, Sec. 11-T21S-R36E
Lea County, New Mexico, Proposed
Surface Commingling

Commission of Public Lands
Oil and Gas Division
P. O. Box 1148
Santa Fe, New Mexico 87501

Attention: Ray D. Graham

Dear Sirs:

On February 4, 1982, we received permission from your office to surface commingle production from the Hardy Drinkard and Eunice Monument pools on the subject lease. We have recently received notification from the Oil Conservation Division indicating production from well #4 is from the Hardy Tubb, not the Drinkard.

Therefore, we wish to submit a revised application for your approval. Please void the previous application. A copy of the attached revised application has also been sent to the Oil Conservation Division for their approval.

Also attached is a Gulf check for \$10.00 to cover filing fees.

Yours very truly,



R. C. ANDERSON

MWC/skc
Att'd



A DIVISION OF GULF OIL CORPORATION

Gulf Oil Exploration and Production Company

R. C. Anderson
PRODUCTION MANAGER, HOBBS AREA

October 11, 1982

P. O. Box 670
Hobbs, NM 88240

Re: R. R. Bell (NCT-E) Lease
Tank Battery, Sec. 11-T21S-R36E
Lea County, NM Proposed Surface
Commingling of Production from the
Hardy Tubb and Eunice-Monument Pools

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 new tank battery for the subject lease, Gulf hereby seeks an exception to Rule 303A. This will allow Gulf to commingle production from the Hardy Tubb and Eunice Monument Pools. All wells 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 2 month period and the results of recent production tests for the new completion. The calculated revenue from the commingled production is approximately 6 cents per day more 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. Shell Pipeline 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,



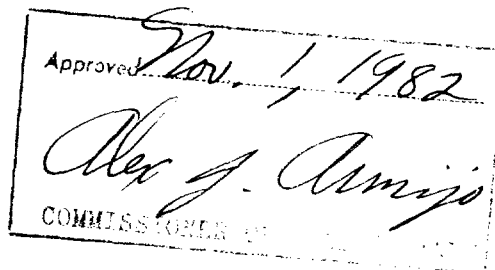
R. C. ANDERSON

MWC/skc
Att'd

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



A DIVISION OF GULF OIL CORPORATION



Gulf Oil Exploration and Production Company

R. C. Anderson
PRODUCTION MANAGER, HOBBS AREA

October 11, 1982

P. O. Box 670
Hobbs, NM 88240

Re: R. R. Bell (NCT-E) Lease
Tank Battery, Sec. 11-T21S-R36E
Lea County, NM Proposed Surface
Commingling of Production from the
Hardy Tubb and Eunice-Monument Pools

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

Dear Sir:

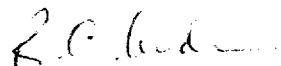
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Yours very truly,



R. C. ANDERSON

MWC/skc
Att'd

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



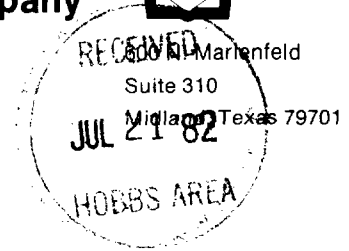
R. R. Bell (NCT-E) Lease, Tank Battery
 Section 11-T21S-R36E
 Lea County, New Mexico

<u>Wells and Pool</u>	<u>October, 1981</u>	<u>November, 1981</u>	<u>Total</u>	<u>Average BOPD</u>
R.R. Bell (NCT-E) #4 Hardy Tubb	-	-	-	6
R.R. Bell (NCT-E) #1,2 Eunice Monument	180	191	371	6
	<u>BOPD</u>	<u>Gravity</u>	<u>\$/Bbl</u>	<u>\$/Day</u>
Hardy Tubb	6	41.7	\$35.00	\$210.00
Eunice Monument	6	31.7	34.81	208.86
Total				\$418.86
Commingled	12	36.7	34.91	\$418.92
			Difference	(+0.06)

Shell Oil Company



July 20, 1982



Gulf Oil Corporation
ATTN Mr. R. C. Anderson
P. O. Box 670
Hobbs, New Mexico 88240

Gentlemen:

GULF OIL CORPORATION
R. R. BELL NCT-E LEASE
EUNICE (GRAYBURG-SAN ANDRES)& HARDY(TUBB)
LEA COUNTY, NEW MEXICO
SHELL I.D. #X88756A00

This is to confirm the phone conversation between your Mr. Jim Baker and the undersigned concerning the subject lease.

As discussed, we will continue to purchase the commingled production from the Eunice (Grayburg-San Andres) & Drinkard (Tubb) formations.

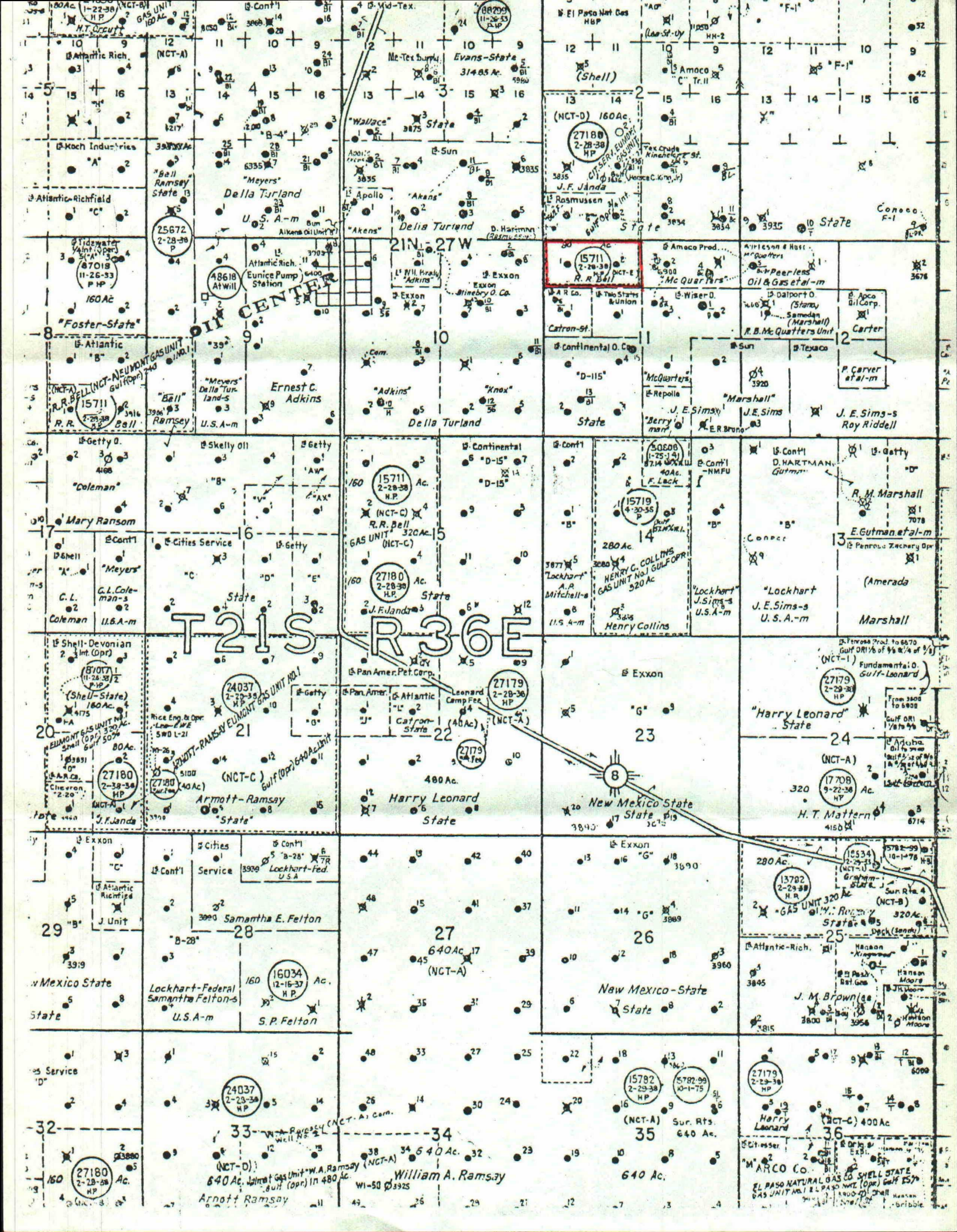
Yours very truly,

A handwritten signature in cursive script, reading "R. R. Minus, Jr.".

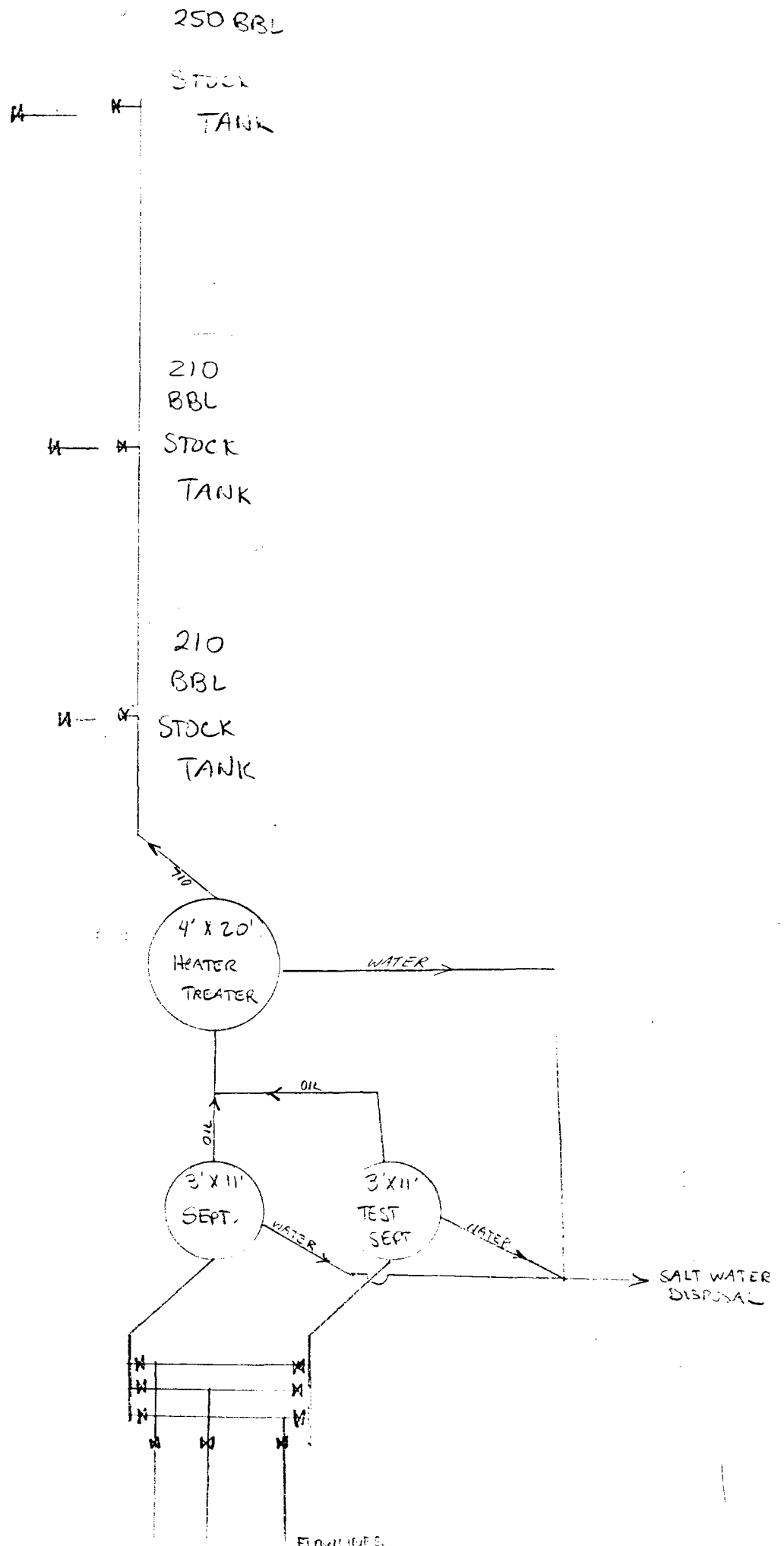
R. R. Minus, Jr.
Crude Oil Representative
Midland Office

RRM:ec

cc: Gulf Oil Corporation
Crude Oil Department
P. O. Box 1150
Midland, Texas 79702



GULF OIL CORPORATION
 SCHEMATIC TANK BATTERY DIAGRAM
 R. R. Bell (NCT-E) Lease



Gulf Oil Exploration and Production Company

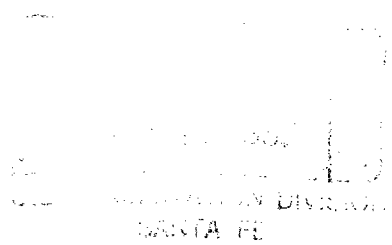
R. C. Anderson
PRODUCTION MANAGER, HOBBS AREA

October 11, 1982

P. O. Box 670
Hobbs, NM 88240

Re: R. R. Bell (NCT-E) Lease
Tank Battery, Sec. 11-T21S-R36E
Lea County, New Mexico, Proposed
Surface Commingling

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



Dear Sir:

On March 23, 1982 we received permission from your division to surface commingle production from the Hardy Drinkard and Eunice Monument pools on the subject lease. We have recently received notification from the Oil Conservation Division indicating production from well #4 is from the Hardy Tubb, not the Drinkard.

Therefore, we wish to submit a revised application for your approval. Please void the previous application. A copy of the attached revised application has also been sent to the State of New Mexico, Commission of Public Lands, for approval.

Yours very truly,


R. C. ANDERSON

MWC/skc
Att'd

cc: OCD-Hobbs
C. F. Kalteyer-Midland



A DIVISION OF GULF OIL CORPORATION

State of New Mexico

P.L.
622



Commissioner of Public Lands

ALEX J. ARMIJO
COMMISSIONER

November 1, 1982

P. O. BOX 1148
SANTA FE, N. M. 87504-1148

Gulf Oil Exploration & Production Co.
P. O. Box 670
Hobbs, New Mexico 88240

Re: Commingling of Oil Production from
R. R. Bell (NCT-E) Well No. 4 with
R. R. Bell (NCT-E) Well Nos. 1 & 2
Lea County, New Mexico

ATTENTION: Mr. R. C. Anderson

Gentlemen:

This office is in receipt of your request for permission to surface commingle oil production from the R. R. Bell (NCT-E) Well No. 4 Hardy Tubb and R. R. Bell (NCT-E) Well Nos. 1 & 2 Eunice-Monument, in Section 11, Township 21 South, Range 36 East.

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

Due to the notification from the Oil Conservation Division indicating production from the Well No. 4 is from the Hardy Tubb and not the Drinkard, our approval dated February 4, 1982 for surface commingling production from the Hardy Drinkard and Eunice Monument pools on the subject lease has been cancelled and declared null and void.

Enclosed is an approved copy of the above captioned request.

Your filing fee in the amount of Ten (\$10.00) Dollars has been received.

Very truly yours,

ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

BY:
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-2748

AJA/FOP/pm
encls.

cc: OCD-Santa Fe, New Mexico
Oil and Gas Accounting Division
State Lease No. B-230-1
Administration