

Gulf Oil Exploration and Production Company

R. C. Anderson
PRODUCTION MANAGER
HOBBBS AREA

October 30, 1984

P. O. Box 670
Hobbs, NM 88240

Re: C. D. Woolworth Lease
Tank Battery, Sec 30-T-24S-R37E
Lea County, NM Proposed Surface
Commingling of Production from
the Langlie Mattix and Jalmat
Pools

Mr. Richard L. Stamets
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 Langlie Mattix and Jalmat 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. 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,

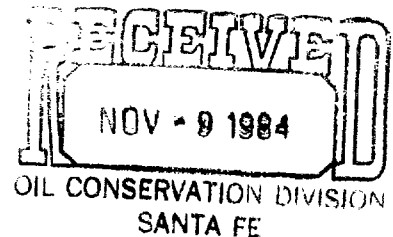

R. C. ANDERSON

SP/skc

cc: Oil Conservation Division-Hobbs
J. R. Frank-Midland



A DIVISION OF GULF OIL CORPORATION



C. D. WOOLWORTH LEASE, TANK BATTERY
 Section 30-T24S-R37E
 LEA COUNTY, NEW MEXICO

<u>WELLS AND POOL</u>	<u>PRODUCTION</u> <u>AUG. 84</u>	<u>SEPT. 84</u>	<u>TOTAL</u>	<u>AVG.</u> <u>BOPD</u>
C. D. Woolworth #6, 7 Jalmat				3
C. D. Woolworth #4, 5, 7 Langlie Mattix	313	310	623	10.2
	<u>BOPD</u>	<u>GRAVITY</u>	<u>\$/BBL</u>	<u>\$/DAY</u>
Jalmat	3	31.3	31.33	93.99
Langlie Mattix	10.2	32.6	31.35	319.77
TOTAL				413.76
Commingled	13.2	32.3	31.35	413.82
			Difference	+0.06



THE PERMIAN CORPORATION

1509 W. WALL

P. O. BOX 3119

MIDLAND, TEXAS 79702

915-683-4711

October 31, 1984

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

RE: Gulf Oil Corporation
C. D. Woolworth Lease
Lea County, New Mexico

Dear Bob:

This will confirm my conversation with Jim Baker in Gulf's Midland office concerning the above captioned lease. It is my understanding that crude oil from the Langlie Mattix (Seven Rivers Queen) and Jalmat (Seven Rivers Queen) formations will be commingled. Permian will continue to run this oil under our lease No. 561643. Should you have any questions, please give me a call.

Sincerely,

Steve Whiteside
Steve Whiteside

SW/tp

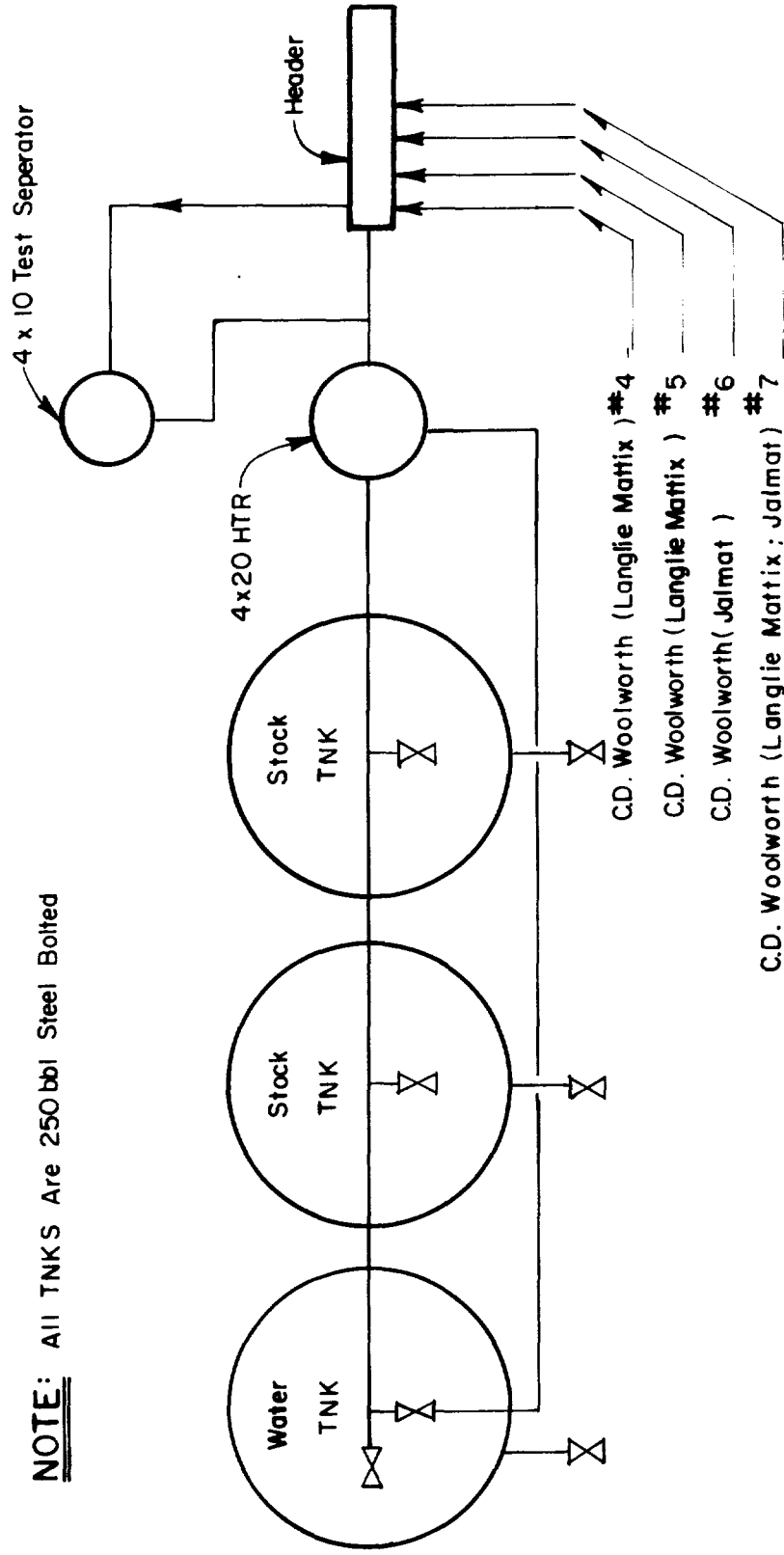
cc: Jim Baker
Gulf Oil Products
P. O. Box 1150
Midland, Texas 79702

fla
- what Eng. Hardy
Commingling
B. Simpson

Woolworth
Lease file

Bill - please advise
PTG as to what Eng.
is handling commingling
permit.
fla

NOTE: All TNKS Are 250 bbl Steel Bolted



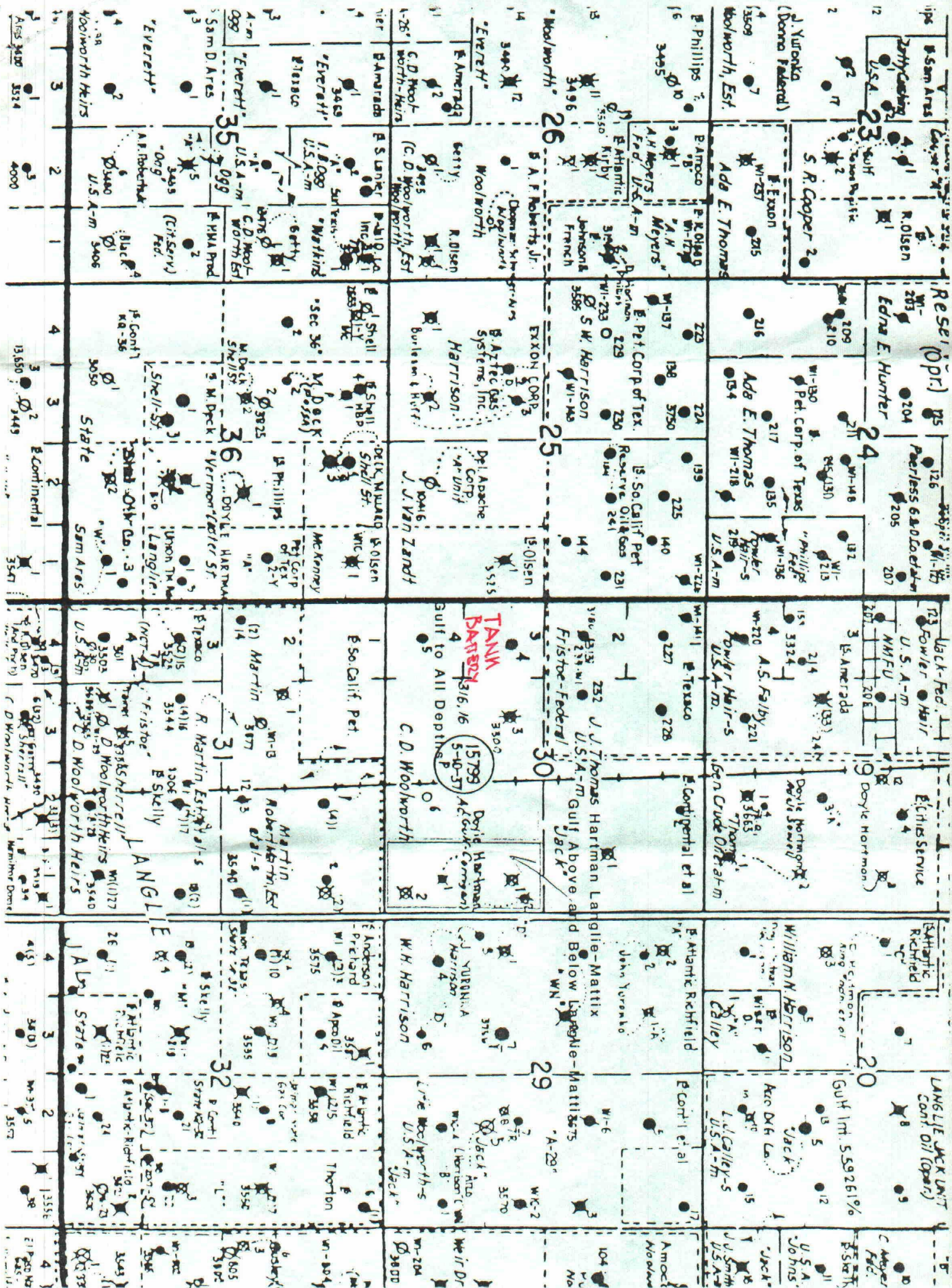
Gulf Oil E&P Co.

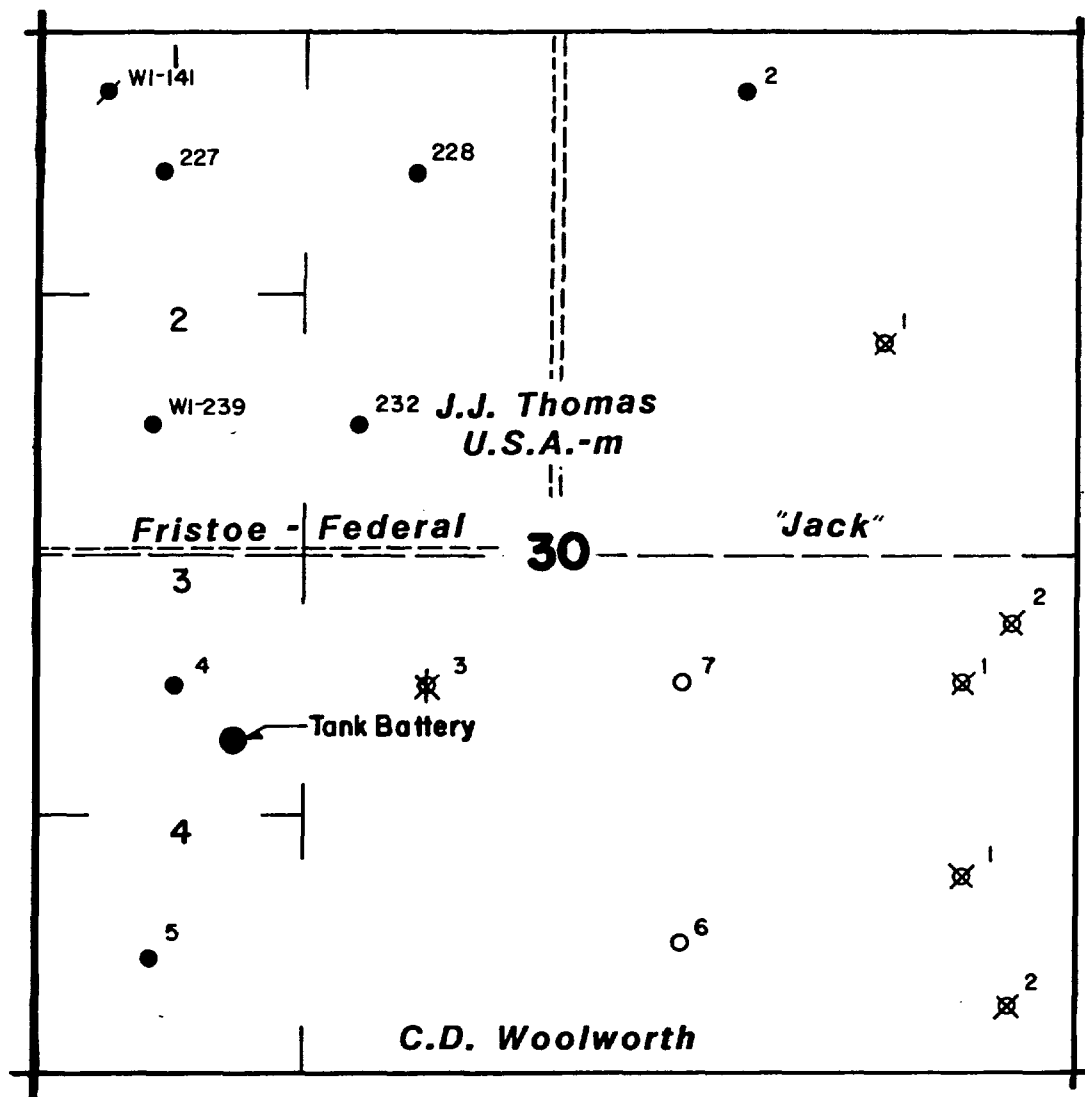
C.D. Woolworth Battery

SCHEMATIC TANK BATTERY DIAGRAM

DATE: 10/18/84

By: J.R.B.





Gulf Oil E.&P. Co.

Sec. 30 - T24S-R37E
Lea County, New Mexico

C.D. Woolworth Lease
Tank Battery



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

November 13, 1984

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

Gulf Oil
P.O. Box 670
Hobbs, NM 88240

Attention: R. C. Anderson

Re: Surface Commingling
C. D. Woolworth Lease
Lea County, New Mexico

Dear Sir:

This letter is to acknowledge that we are in receipt of the above-referenced application. In trying to write the administrative order approving this application, it has become apparent that the exact location of the wells and lease boundaries cannot be determined by the map you enclosed with your application.

Please submit another map showing this information and your application will be handled as expeditiously as possible.

Sincerely,

A handwritten signature in cursive script, reading "Roy E. Johnson".

ROY E. JOHNSON
Sr. Petroleum Geologist

REJ/dp