

Gulf Energy and Minerals Company

PRODUCTION DEPARTMENT
HOBBS AREA

C. D. Borland
AREA PRODUCTION MANAGER

September 7, 1976

OIL CONSERVATION COMM.

Santa Fe

P. O. Box 670
Hobbs, New Mexico 88240

Eunice King No. 25
Unit "D", Sec. 28-T21S-R37E,
Lea County, New Mexico

Mr. Joe D. Ramey
N.M. Oil Conservation Committee
P.O. Box 2088
Santa Fe, N.M. 87501

Dear Sir:

Your administrative approval is requested for an exception to Rule 303-A to permit down-hole commingling of marginal production in the subject well. The Paddock and Blinebry oil production on this lease are presently commingled in surface storage, under Order Nos. R-1787, PC-41, PC-358 and PC-358 Amended. The same two pools are also presently commingled down hole in the well bore in Gulf's C. L. Hardy No. 2 per OCC Order No. MC-2161. There is no evidence of fluid incompatibility, and we do not expect any waste or reservoir damage due to down-hole commingling in the well bore. Ownership in the two pools is common, and correlative rights will not be violated. Down-hole commingling will allow the recovery of additional hydrocarbons from this well due to more efficient pumping, decreased operating expenses and a lower economic limit. Should secondary recovery operations become practical in the future, the two zones could be separated at that time without damaging either reservoir.

Both zones are presently being produced by rod pump; however, the Blinebry zone is currently off production (apparently due to gas interference as a result of pumping from beneath a packer). If down-hole commingling is permitted, the existing pumping equipment will be utilized to lift the fluids from the two commingled zones.

Pertinent data regarding this application, as outlined in Rule 303-C, are attached for your consideration.

Yours very truly,

C. D. Borland
C. D. BORLAND

CRK:ec
Att'd.

cc: NMOCC - Hobbs
C.F. Kalteyer - Midland
Offset Operators: Continental Oil Co., Getty Oil Co., Sun Oil Co.



Eunice King No. 25

1. Operator: Gulf Oil Corporation
P. O. Box 670
Hobbs, New Mexico 88240
2. Lease and Well Number: Eunice King No. 25
990' FNL and 990' FWL *Unit D*
Sec. 28-T21S-R37E
Lea County, New Mexico
3. Pools Dualled: Paddock, and Blinebry Oil and Gas, ✓
OCC Order No. MC-2230 dated January 5, 1976
4. Decline Curves: Attached
5. Estimated BHP (based on most recent average BHP data within vicinity of this well):

<u>Pool</u>	<u>Datum</u>	<u>Pressure at Datum</u>
Paddock	-1775'	805 psi
Blinebry	-2400'	795 psi

6. Fluid Characteristics: Paddock and Blinebry production are presently being surface-commingled on this lease, Order No. R-1787, Order No. PC-41, Order No. PC-358 and Order No. PC-358 Amended. There has been no evidence of incompatibility.
7. Value of Commingled Fluids: Since production is already surface-commingled (see Item No. 6 above), down-hole commingling will not affect price.
8. Current Tests: Paddock (9-1-76) pumped 5 BOPD, 3 BWPD, GV TSTM. Blinebry zone has not been producing - unable to pump from beneath packer. Estimate Blinebry will produce approximately 8 BOPD if packer removed (based on three-year performance from 1973 through 1975).
9. All offset operators have been notified by copy of this letter: Continental Oil Company, Getty Oil Company and Sun Oil Company.

Est *Test (invalid)*
Pad: 5 BOPD ³⁸ (5 BOPD)
Bl: 8 BOPD ⁶² (2 BOPD)
13 7

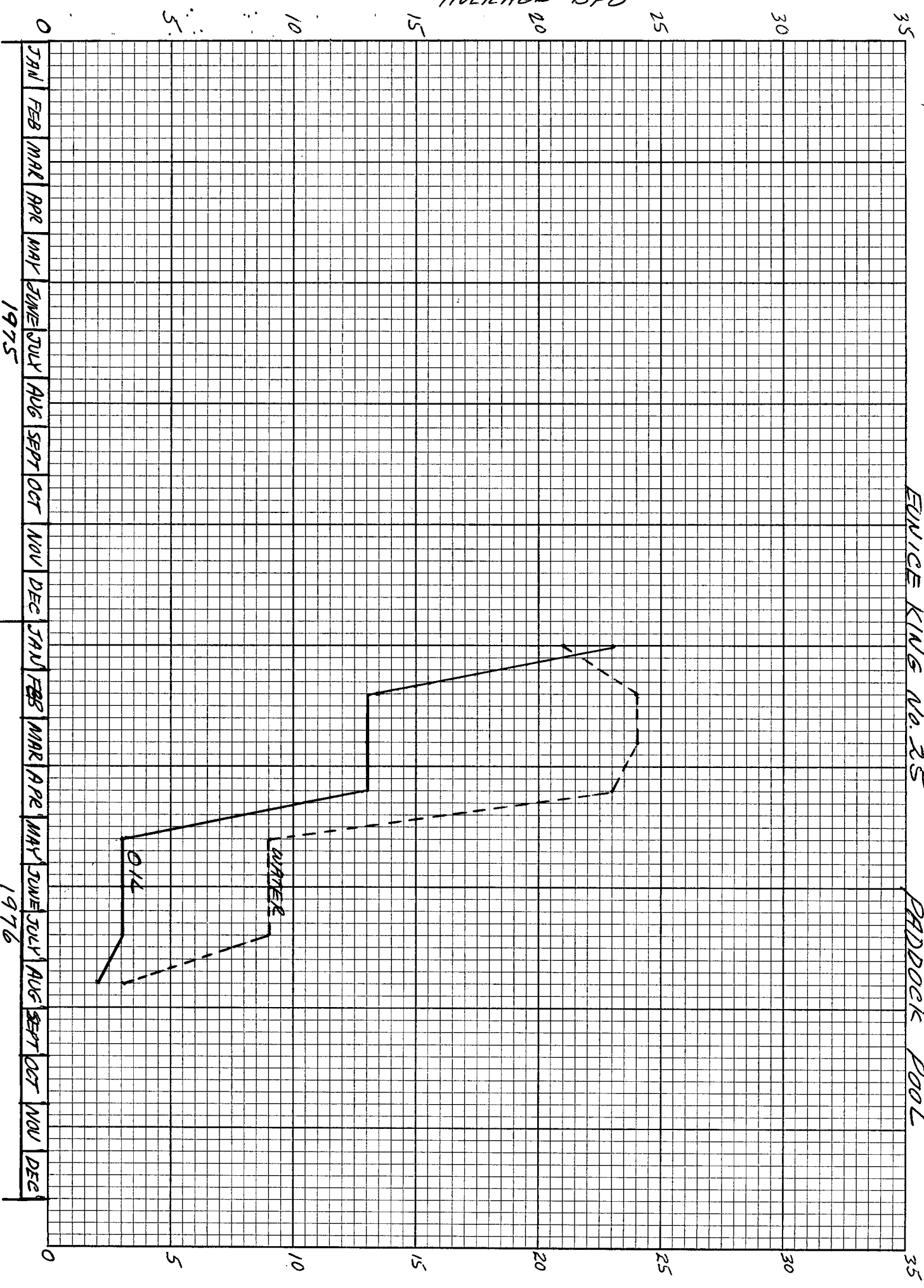
Bottom pt: 5949' - max prod: 30 BOPD

GULF OIL CORPORATION

PRODUCTION DECLINE CURVE

EVNICE KING NO. 25

PADDOCK POOL

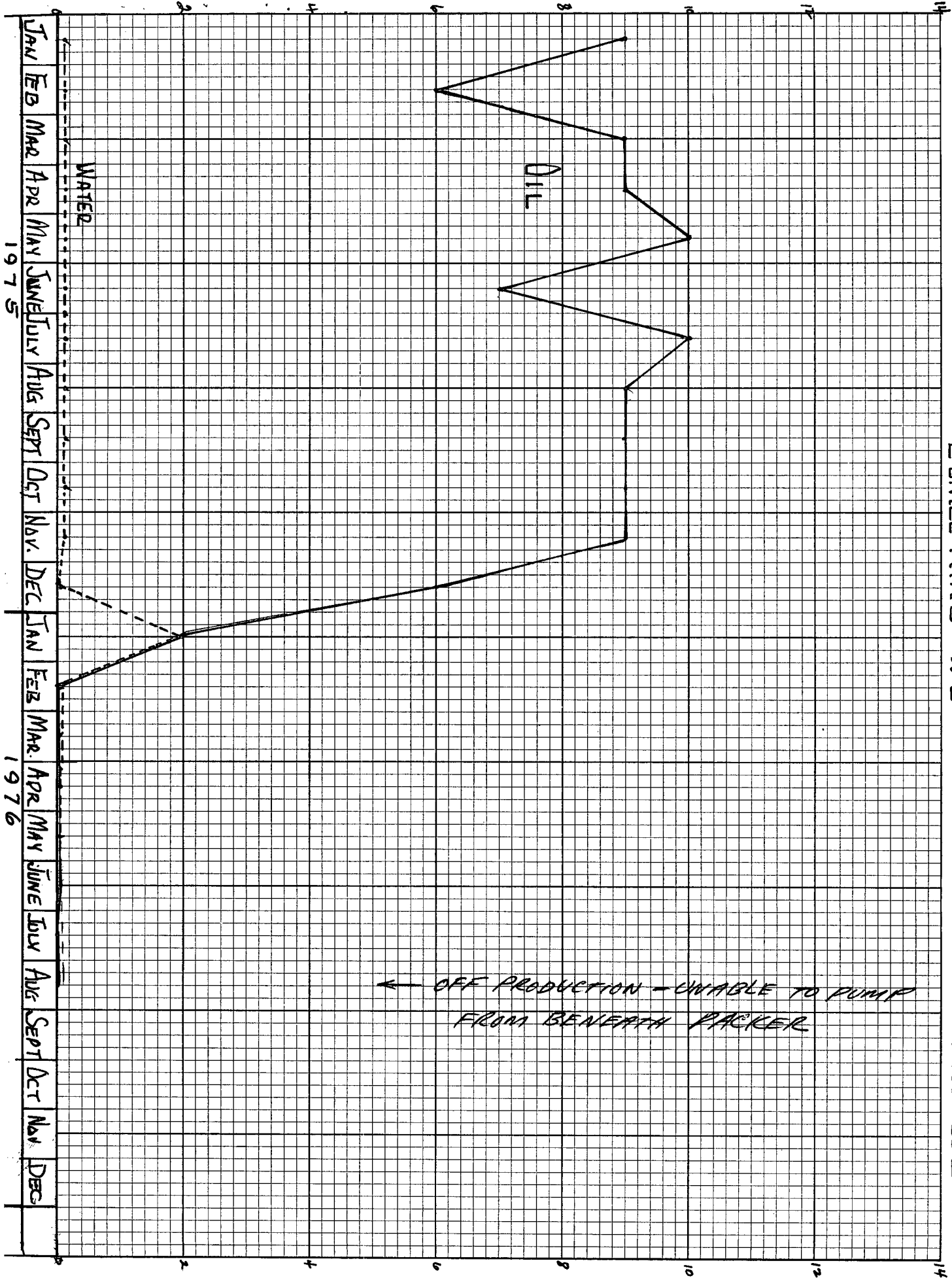


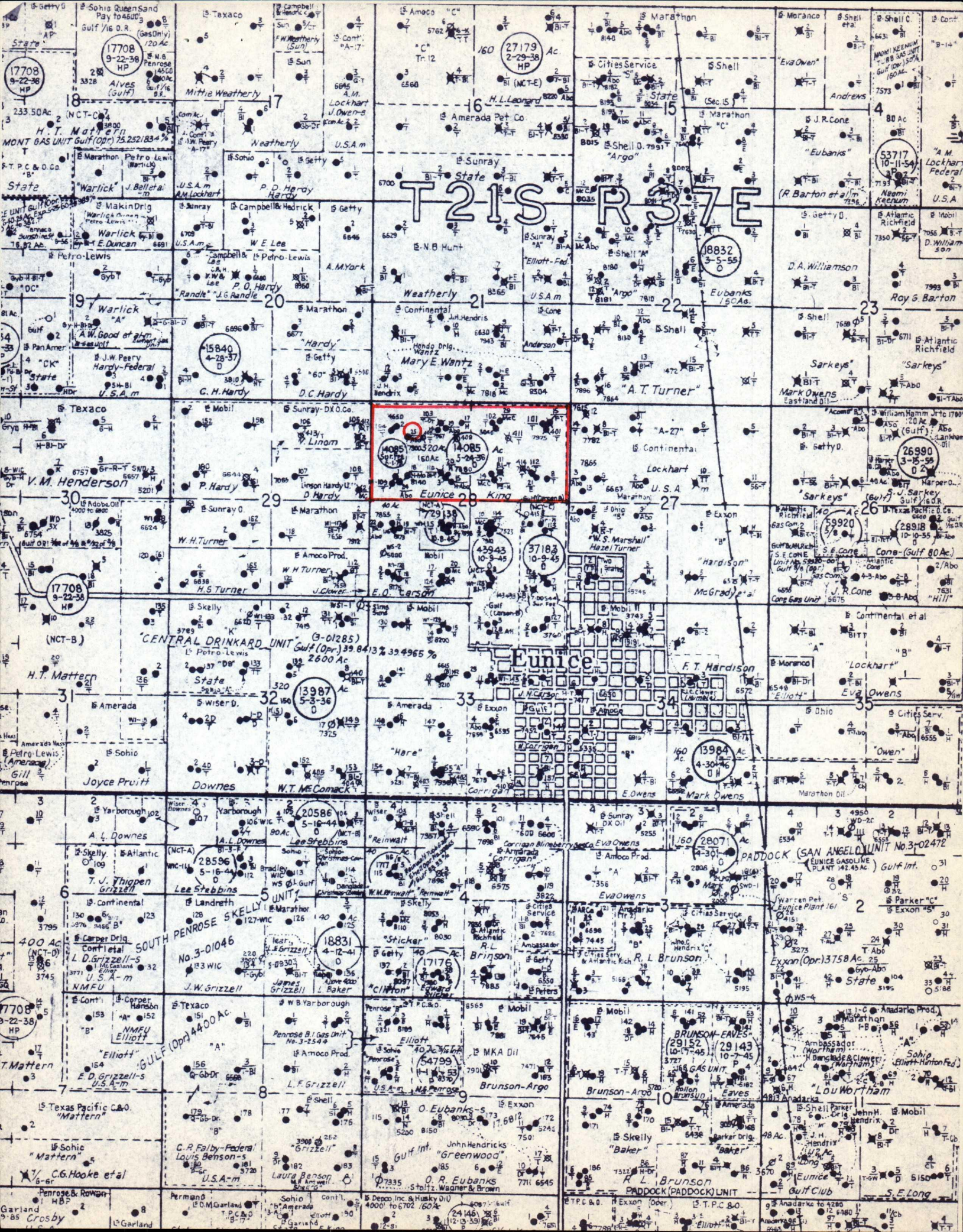
PRODUCTION DECADE CURVE

EUNICE-KING #25
GULF OIL CORPORATION

BUNEBRY POOL

AVERAGE BPD





C-116
Received 1-1-65

September 7, 1976