

GULF OIL CORPORATION
P. O. BOX 2167
Hobbs, New Mexico

June 22, 1962

PC-87

MAIN OFFICE CCC
1962 JUL 25 AM 8:52

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Re: Ball-Ramsay (NCT-A) Lease
Section 4-21S-36E, Lea
County, New Mexico

Attention: Mr. A. L. Porter, Jr.

ILLEGIBLE

Dear Sir:

Gulf recently completed its Ball-Ramsay (NCT-A) Well No. 11 as a Hlinebry oil well. This is the only Hlinebry oil well on this tract, all other oil wells on the tract being Eunice Pool wells. Gulf proposes to commingle the Hlinebry oil from Well No. 11 with Eunice oil from Wells No. 6, 7, 9 and 10.

Gulf hereby seeks administrative approval from the Oil Conservation Commission to commingle the Hlinebry and Eunice oils from these five wells on the Ball-Ramsay (NCT-A) Lease. Since Well No. 11 is a top allowable Hlinebry oil well, its production will be metered prior to its being commingled with production from the four marginal Eunice wells. Enclosed is a schematic diagram of the proposed commingling installation, along with a copy of the lease plat.

The Commissioner of Public Lands for the State of New Mexico has been notified in writing of the proposed commingling on the Ball-Ramsay (NCT-A) Lease. He has been requested to furnish Gulf with a letter of approval and also furnish your office with a copy in order that the Oil Conservation Commission can act on Gulf's application.

The following tabulation includes the volumes, gravities and monetary values of the individual and commingled liquid hydrocarbons:

<u>Pool (s)</u>	<u>HPD</u>	<u>Corr.Gvty</u>	<u>Value/Bbl.</u>	<u>HPD x \$/Bbl.</u>
Hlinebry	46	42.8	\$ 3.01	\$ 138.46
Eunice	56	33.0	2.87	<u>160.72</u>
			Total	\$ 299.18
Hlinebry-Eunice Commingled	102	37.3	\$ 2.95	\$ 300.90

Commingling of the oils would thus increase the monetary value of the liquid hydrocarbons from these two pools by \$1.72 per day.

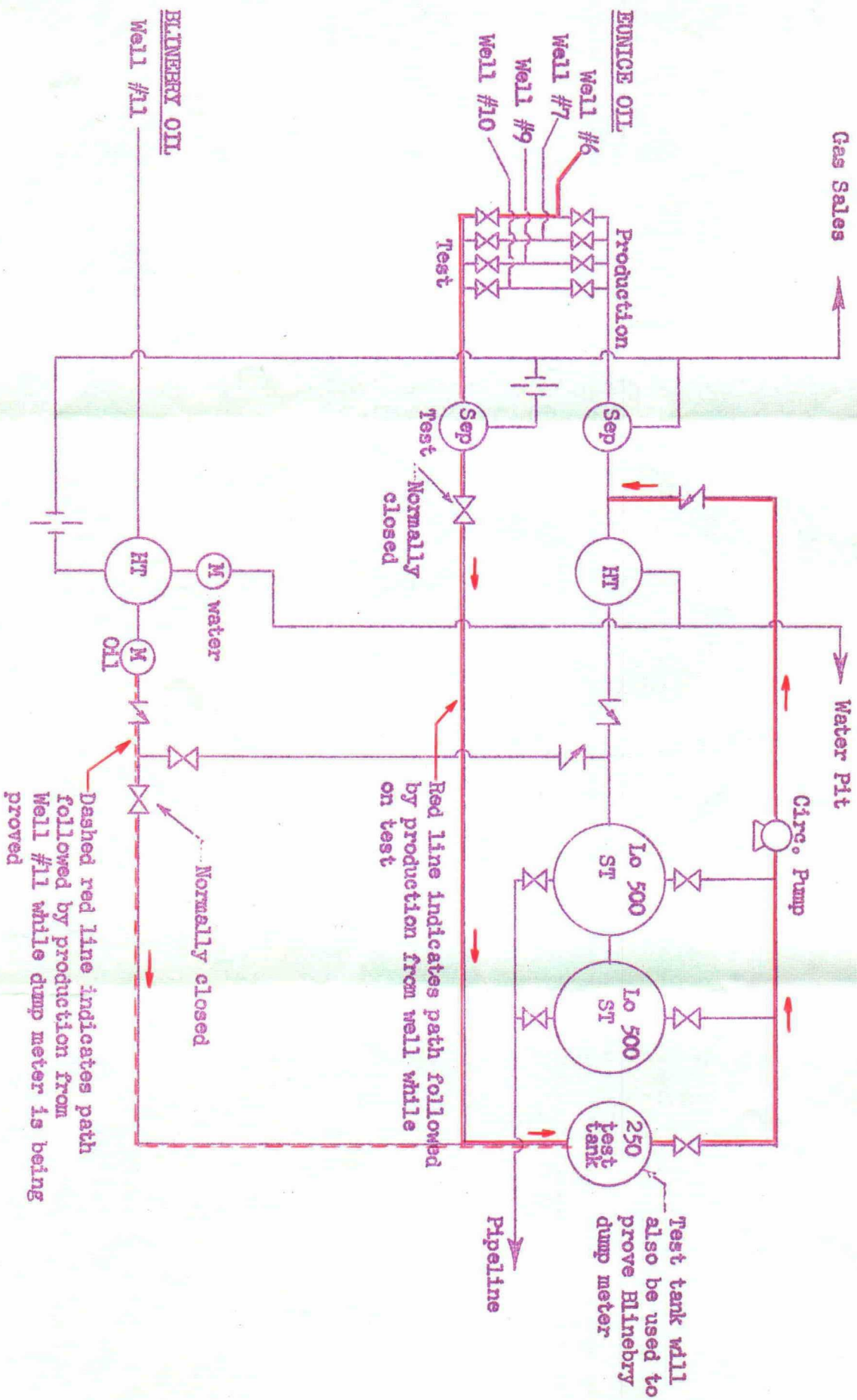
This commingling proposal is in the interest of conservation in that it prevents unnecessary waste.

Yours very truly,

J. M. Russell
J. M. RUSSELL
Area Production Manager

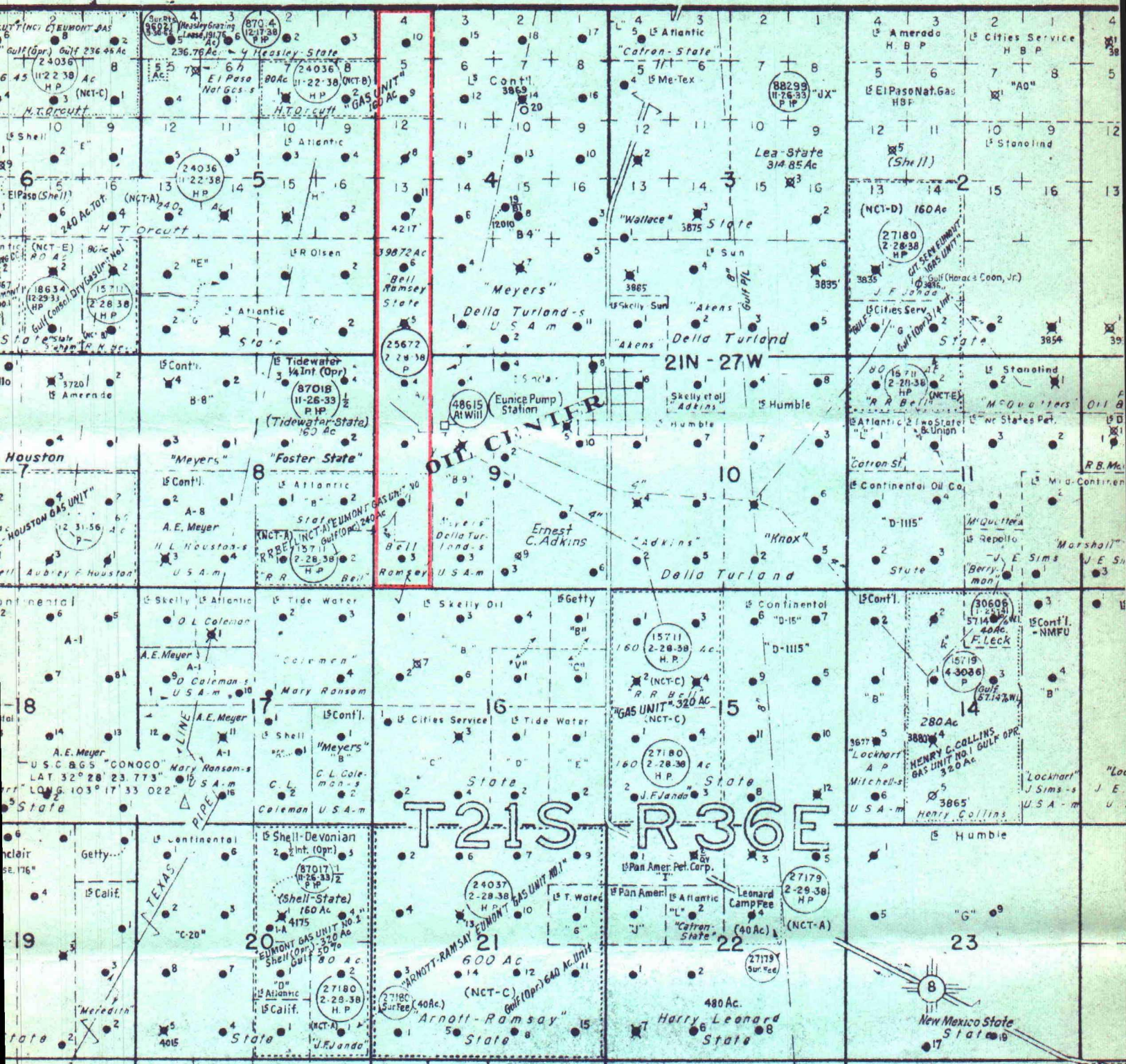
DGB:ptg
Encl.

cc: Oil Conservation Commission, Hobbs, New Mexico
Gulf Refining Company
State Land Commissioner



SCHEMATIC DIAGRAM
 PROPOSED COMMINGLING INSTALLATION
 BELL RANSAY (NCT-A) LEASE

T. 20 S. - R. 37 E.



LEASE PLAT
BELL RAMSAY "A" LEASE
Lea County, New Mexico

- LEGEND -

Pertinent Lease