

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

April 18, 1963

1963 APR 11 PM 1 35

Re: Mark Owen Lease, SE/4
Section 34-21S-37E,
Lea County, New Mexico

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

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

Dear Sir:

Gulf has recompleted its Mark Owen No. 4 in the Hlinebry Oil Pool. This is the only Hlinebry Oil production on the Mark Owen Lease and Gulf would like to commingle the Hlinebry and Paddock crude oil production to eliminate the need for additional treating and storage facilities.

Gulf hereby seeks administrative approval from the Oil Conservation Commission to commingle the Hlinebry and Paddock crude oil production on the Mark Owen Lease. Attached is a schematic diagram of the proposed installation along with a plat of the Mark Owen Lease. Since both of the wells involved are marginal producers, the production from each well and from each pool will be determined from well tests conducted periodically as the Commission prescribes in the order authorizing the commingling. Also attached is a 60 day production tabulation for the Paddock Pool and since the Hlinebry well has no production record, the allowable test for the Hlinebry well.

The following tabulation shows the volumes, gravities and monetary values of the liquid hydrocarbons from the individual pools as well as the commingled production:

<u>Pool</u>	<u>Bbls/Day</u>	<u>Gvty</u>	<u>\$/Bbl.</u>	<u>Bbl/Day x \$/Bbl.</u>
Hlinebry	15	39.9	\$2.99	\$ 44.85
Paddock	6	35.5	\$2.91	\$ 17.46
				\$ 62.31
Commingled	21	38.6	\$2.97	\$ 62.37

The actual commercial value of the commingled production will be slightly more than the sum of the values of the production from the individual pools.

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

Yours very truly,

C. D. Borland
C. D. BORLAND
Area Production Manager

LCS:ptg
Att'd.

cc: D. L. Williams, Denver
Oil Conservation Commission, Hobbs

GULF OIL CORPORATION

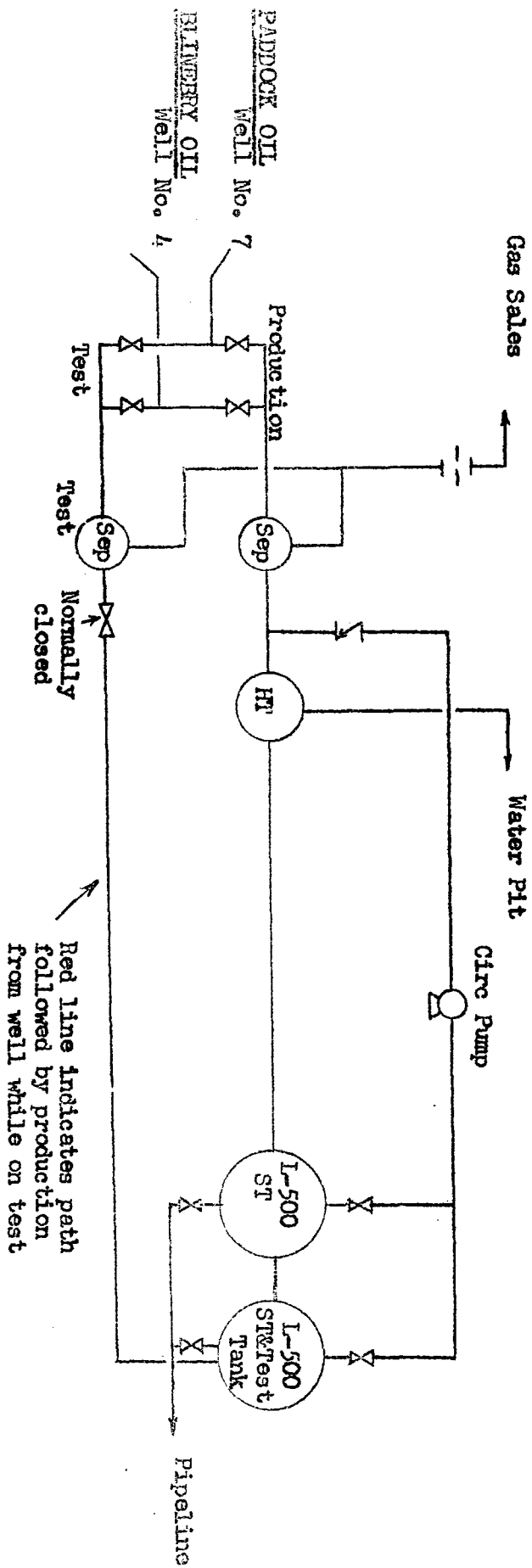
PADDOCK POOL, MARK OWEN LEASE, 60-DAY PRODUCTION PERIOD RECORD

<u>Period</u>	<u>Well No.</u>	<u>Total Bbls Prod.</u>	<u>Total Alw. Bbls.</u>	<u>No. Days Prod</u>	<u>Top Pool Alw-bpd</u>	<u>Avg. Daily Prod. BPD</u>
February 1963	7	259	224	28	48	9.25
March 1963	7	181	248	20	48	9.05

BLINERY POOL, MARK OWEN LEASE, WELL NO. 4, SPECIAL GOR & ALLOWABLE TEST

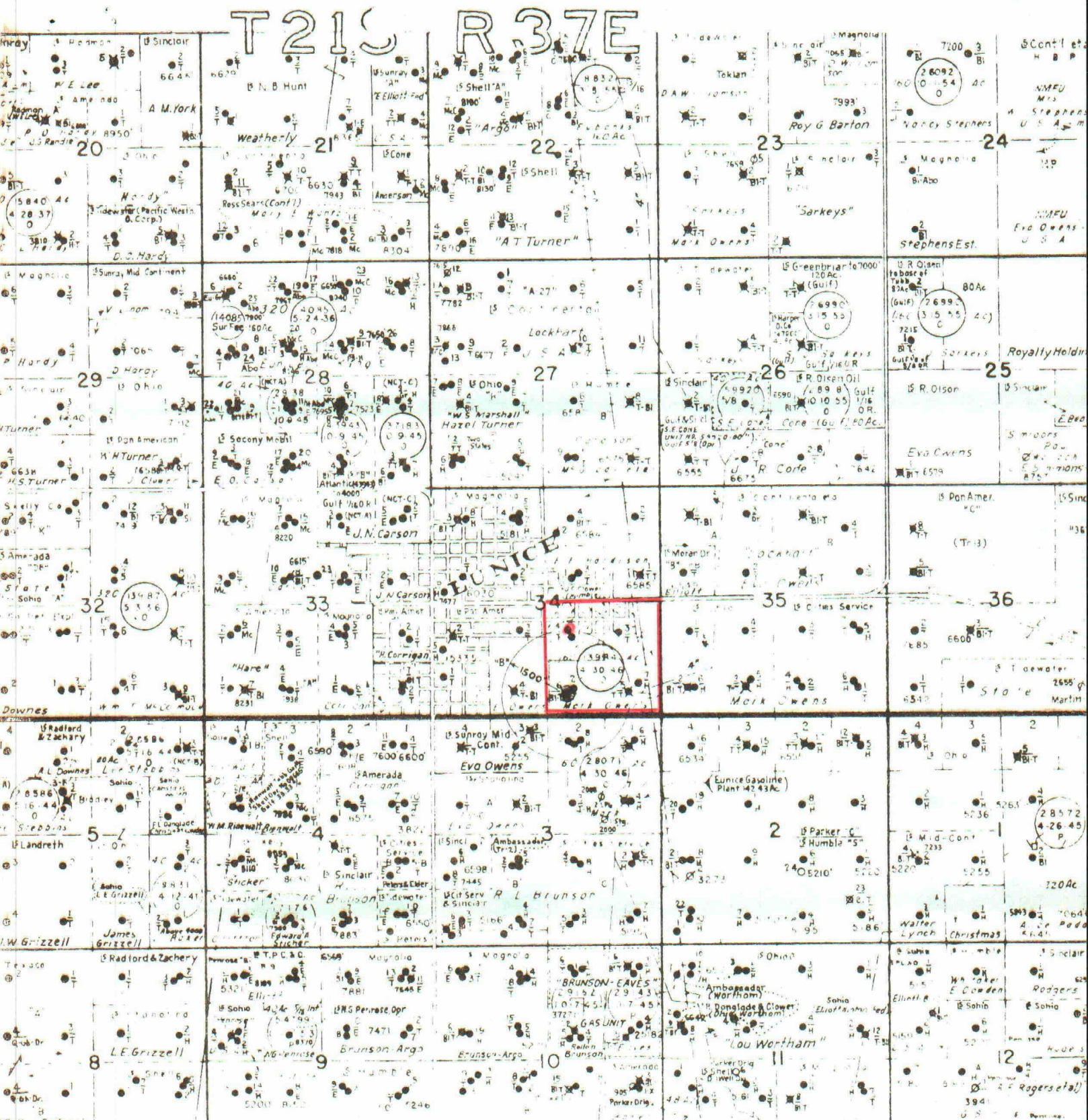
<u>Date</u>	<u>BOPD</u>	<u>BWPD</u>	<u>Choke</u>	<u>Plate Size</u>	<u>GV</u>	<u>GOR</u>	<u>Tubing Pressure</u>
3-30-63	15	Trace	16/64"	1-1/4"	153.0 MCF	10,200	225#

Daily allowable effective 4-1-63 - 15 bopd



Red line indicates path
followed by production
from well while on test

SCHMATIC DIAGRAM
PROPOSED COMMINGLING INSTALLATION
MARK OWEN LEASE



LEASE PLAT

MARK OWEN LEASE BLINBERRY GAS POOL

Lea County, New Mexico

- LEGEND -

- Proposed Non-Standard Unit
- Pertinent Well

GULF OIL CORPORATION