

GULF OIL CORPORATION  
P. O. BOX 670  
Hobbs, New Mexico

January 17, 1961

Re: J. M. Carson (NCT-C) Lease  
Section 28-21S-37E, Lea  
County, New Mexico

Mr. A. L. Porter, Jr.  
Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

Dear Sir:

Gulf would like to commingle the crude oil production from the Paddock Pool and the Elinebry Pool on subject lease to eliminate the need for additional treating facilities.

Gulf hereby seeks administrative approval from the Commission to commingle the Paddock and Elinebry crude oil production on the J. M. Carson (NCT-C) Lease. Attached is a schematic diagram of the proposed installation along with a plat showing the Carson Lease. Since the wells involved are all 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 all wells involved.

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> |
|-------------|-----------------|-------------|----------------|--------------------------|
| Paddock     | 31              | 36.8        | \$2.95         | \$ 90.83                 |
| Elinebry    | 14              | 39.1        | \$2.99         | \$ 41.86                 |
|             |                 |             |                | <u>\$132.69</u>          |
| Commingled  | 45              | 37.5        | \$2.95         | \$132.75                 |

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.

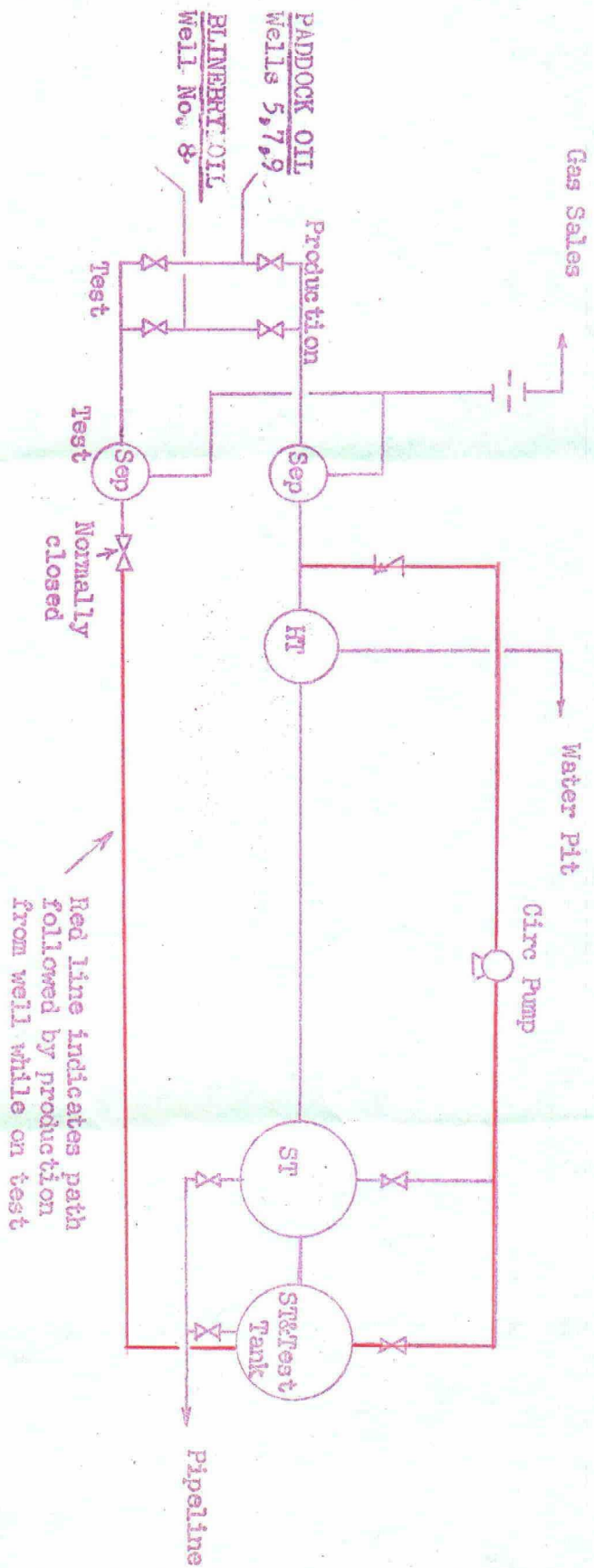
This commingling proposal is in the interest of conservation in that it prevents unnecessary waste.

Yours very truly,

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

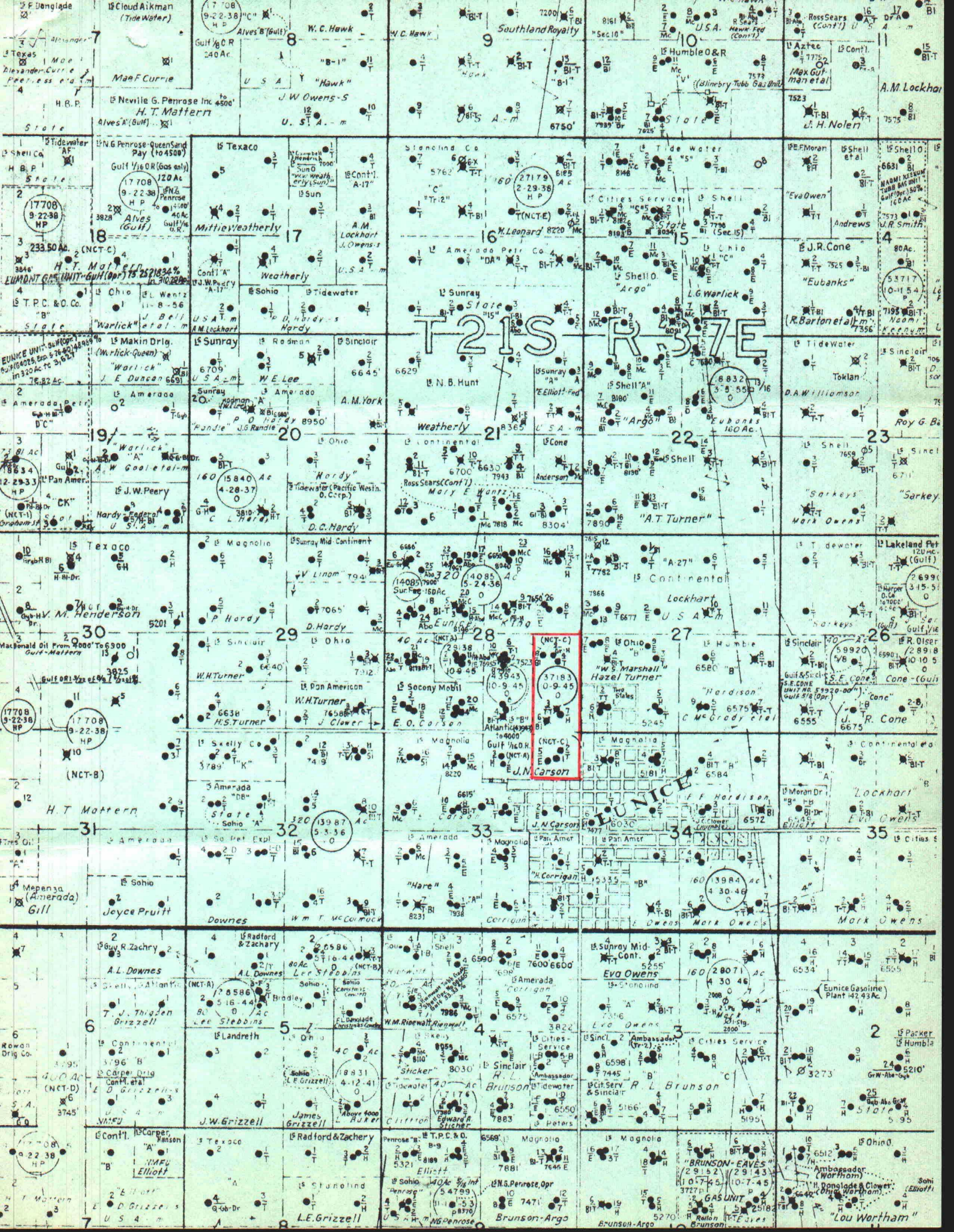
LCS:ptg

cc: Oil Conservation Commission, Hobbs, N.M.  
R. M. Wiese, Midland, Texas



SCHEMATIC DIAGRAM  
PROPOSED COMINGLING INSTALLATION

J. N. CARSON (NCT-C) LEASE



J. N. CARSON (NCT-C) LEASE - 60 DAY PRODUCTION RECORD

PADDOCK POOL

| <u>Period</u> | <u>Well No.</u> | <u>Total<br/>Bbls.Prod.</u> | <u>Total<br/>Alw. Bbls.</u> | <u>No.Days<br/>Prod.</u> | <u>Top<br/>Pool<br/>Alw.</u> | <u>Avg.Daily<br/>Prod. bpd</u> |
|---------------|-----------------|-----------------------------|-----------------------------|--------------------------|------------------------------|--------------------------------|
| November      | 5               | 180                         | 180                         | 29                       | 52                           | 6.2                            |
| 1963          | 7               | 733                         | 750                         | 29                       | 52                           | 25.3                           |
| (30)          | 9               | <u>150</u>                  | <u>150</u>                  | 28                       | 52                           | <u>5.4</u>                     |
|               |                 | 1063                        | 1080                        |                          |                              | 36.9                           |
| December      | 5               | 175                         | 186                         | 30                       | 52                           | 5.8                            |
| 1963          | 7               | 688                         | 775                         | 31                       | 52                           | 22.2                           |
| (31)          | 9               | <u>155</u>                  | <u>155</u>                  | 29                       | 52                           | <u>5.3</u>                     |
|               |                 | 1018                        | 1116                        |                          |                              | 33.3                           |

BLINEERY POOL

|          |   |     |     |    |    |      |
|----------|---|-----|-----|----|----|------|
| November | 8 | 517 | 420 | 30 | 52 | 17.2 |
| 1963     |   |     |     |    |    |      |
| (30)     |   |     |     |    |    |      |
| December | 8 | 346 | 434 | 27 | 52 | 12.8 |
| 1963     |   |     |     |    |    |      |
| (31)     |   |     |     |    |    |      |

ICS:ptg  
Hobbs, N.M.  
1-17-64