



SINCLAIR OIL & GAS COMPANY

Box 1920
Hobbs, New Mexico
July 10, 1964

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New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

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

PC-219

Dear Sir:

Sinclair Oil & Gas Company requests an exception to Statewide Rule 303 to permit commingling of oil produced from the Drinkard and Blinebry Oil Pools on the S. J. Sarkeys lease in the SE/4 of Sec. 23 - T 21 S - R 37 E, Lea County, New Mexico. The Sarkeys lease currently has permission to commingle without separate measurement, the distillate production from the Tubb Gas Pool, the distillate production from the Blinebry Gas Pool, the oil production from the Wantz Abo Pool and the oil production from the Drinkard Pool. The Blinebry Gas well (No. 1) is being recompleted as a Blinebry Oil - Drinkard oil-oil dual. The Wantz Abo well (No. 3) is to be recompleted as a Blinebry Oil - Drinkard oil-oil dual. The Blinebry is expected to produce top allowable and the Drinkard is expected to produce top allowable from one well and marginal from the others.

It is requested that administrative approval be granted to commingle the oil from the Blinebry Oil Pool with the oil from the Drinkard Pool by metering the Blinebry Oil and using the subtraction method to determine the oil production from the Drinkard Pool. It is proposed to use a separate facility for the distillate from the Tubb Gas zone. The individual well production from each Pool is proposed to be apportioned by periodic well tests as required by the Commission. Well tests are to be accomplished by shutting in all other wells while testing another.

The gravity of the Blinebry oil is 39° API and is valued at \$2.99 per barrel. The Drinkard oil is 41° API gravity and is valued at \$3.01 per barrel. The gravity of the crude mixture will be 39.6° API since the Drinkard will produce only 33% of the total production. The resulting price of the mixture will be \$2.99 per barrel.

An early approval of this application would be appreciated. Upon approval of this application please cancel the previous commingling order which is Case No. 2247, Order No. R-1945.



SINCLAIR OIL & GAS COMPANY

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If additional information is necessary, please advise.

Very truly yours,

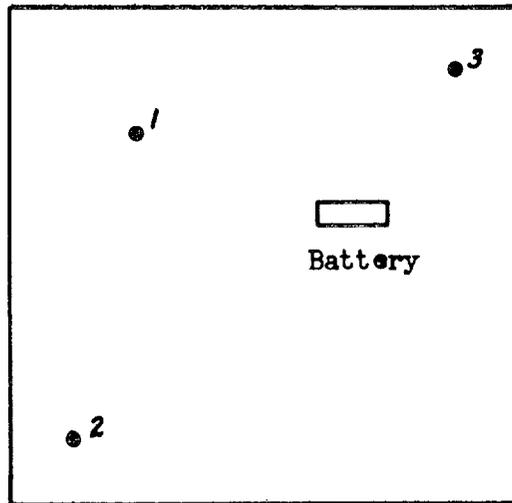
SINCLAIR OIL & GAS COMPANY


Fred Burns,
District Superintendent

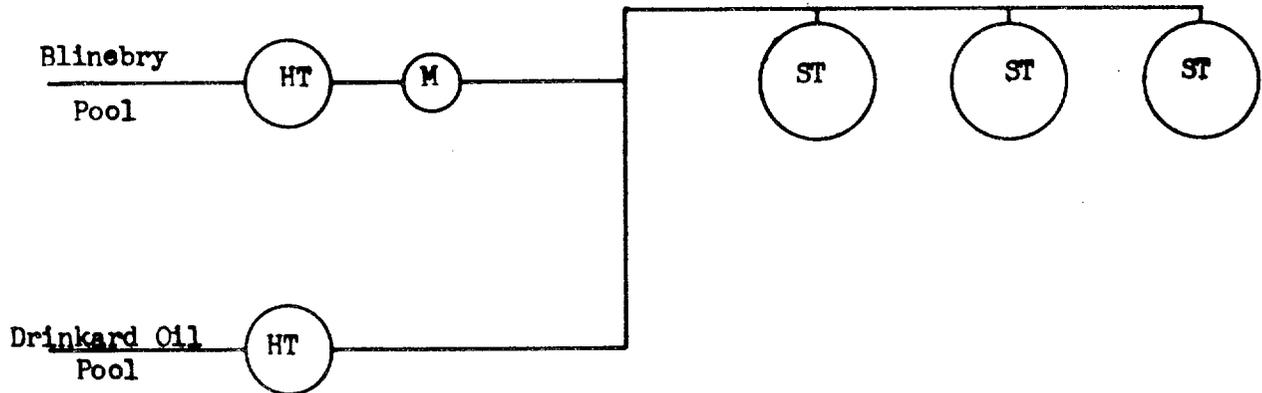
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Orig. & 2 cc: CCC-Santa Fe
cc: RFS, file

SINCLAIR OIL & GAS COMPANY
PROPOSED COMMINGLING INSTALLATION
S. J. SARKEYS LEASE
LEA COUNTY, NEW MEXICO



SE/4 of Sec. 23
T 21 S - R 37 E





SINCLAIR OIL & GAS COMPANY

Box 1920
Hobbs, New Mexico, 88240

October 9, 1964

Mr. A. L. Porter, Jr.
Secretary-Director
New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Dear Sir:

The following is furnished in accordance and compliance with Oil Conservation Commission Memo No. 10-61.

At 7:00 AM October 9, 1964, Sinclair Oil & Gas Company commenced commingling of production from the Drinkard and Blinebry Zones on the S. J. Sarkeys Lease, comprising the SE/4 of Section 23, Township 21 South, Range 37 East, Lea County, New Mexico.

Commingling of the above leases authorized by New Mexico Oil Conservation Commission Administrative Order PC-219, dated August 3, 1964.

At 7:00AM October 9, 1964, Sinclair Oil & Gas Company commenced commingling of production from the Wantz Abo, Blinebry Oil and Tubb gas distillate on the Roy Barton Lease located in the S/2 and NW/4 NE/4 of Section 23, Township 21 South, Range 37 East, Lea County, New Mexico.

Commingling of the above leases authorized by New Mexico Oil Conservation Commission Administrative Order PC-66, dated September 23, 1964.

Yours Truly,


Fred Burns
District Superintendent

Orig & cc: OCC-Santa Fe
cc: OCC-Hobbs
DTF-Tulsa (Systems & Procedures Dept)
RFS-Midland
WIS-Midland
TMPL-Midland
File

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OCT 13 1964