



CONTINENTAL OIL COMPANY

P. O. BOX 460

HOBBS, NEW MEXICO

March 2, 1965

1001 NORTH TURNER
TELEPHONE: EX 3-4141

PRODUCTION DEPARTMENT
HOBBS DISTRICT
JACK MARSHALL
DISTRICT MANAGER
G. C. JAMIESON
ASSISTANT DISTRICT MANAGER

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

Gentlemen:

Re: Application for
Authority to Commingle
Lockhart A-27 Lease

We forward herewith application, in triplicate, for authority to commingle oil produced from the Drinkard and Blinbry formations with the gas well liquids produced from the Tubb and Blinbry formations on our Lockhart A-27 Lease located in Section 27, T-21S, R-37E, Lea County, New Mexico. There is attached to each application a copy of the letter from the United States Geological Survey consenting to this commingling.

Your review and approval of this application will be sincerely appreciated.

Yours very truly,

JM-DFW
Enc.

cc: NMOCC-Hobbs RGP GW JWK

CONTINENTAL OIL COMPANY
P. O. BOX 460
DOBBS, NEW MEXICO

January 7, 1965

New Mexico Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico

Attention of Mr. A. L. Barber, Jr., Secretary-Director

Gentlemen:

Re: Application of Continental Oil Company for Exception to Rule 303(a) in Order to Commingle the Oil Produced From the Drinkard and Blinebry Oil Pools with Gas Well Liquids from the Tubb and Blinebry Gas Pools on its Lockhart A-27 Lease Located in Section 27, T-21S, R-37E, Lea County, New Mexico

Continental Oil Company requests an exception to Rule 303 (a) for permission to commingle liquids produced from the captioned lease and in support thereof submits the following data:

1. Applicant's Lockhart A-27 Lease consists of the N/2 of Section 27, T-21S, R-37E, Lea County, New Mexico. A plat attached hereto, shows the lease, the wells thereon and the battery site.
2. Mineral rights under the above described lease are held by the U. S. Government.
3. Production from the Drinkard Pool will be metered and that from the Blinebry Pool will be determined by the subtraction method. Gas liquids will be metered by individual zone meters. A calculation attached hereto shows the latest test on each well and the average production during the period from September 1, 1964 to December 1, 1964.
4. The gravity of the Drinkard-Blinebry production is approximately 40° API with a value of \$2.95, while the gas well liquid gravity is approximately 60° API with a value of \$2.73. The commercial value of the commingled production for the lease will be approximately \$1.31 per day more than it is at the present time.
5. One test facility (separator, meter, sampler) will be used for testing all oil wells. The gas wells can be tested

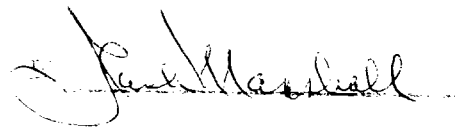
2. which will be provided to the public
in 2

individually to each of the individuals. The staff provide
collate each of the individuals of each individual
will be subject to the same rules as the proposed
installation. As a result, the individuals will be required
to be of the same type as the individuals in the Operation of
the existing installation. (See page 3, 1961)

Consequently, the individuals will result in the pro-
tection of each of the individuals in the individual rights.

In view of the above, the individuals will be required
fully requested that the individuals be 301 (a) be granted
permitting the same type of individuals from the reserves
as the individuals in the individuals as described above.

CONTINENTAL OIL COMPANY



12-10-61

One

COMMINGLING DATA
LOCKHART A-27 LEASE

<u>Well No.</u>	<u>Date</u>	<u>BOPD</u>	<u>BWPD</u>	<u>MCFGPD</u>	<u>Avg. Daily Oil Prod.</u> <u>9-1-64 to 12-1-64</u>
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Drinkard

5	4-25-64	3	0	59	2.9
6	10-15-64	5	3	46	4.8
7	10-10-64	5	2	60	4.8
8	4-23-64	3	2	11	2.9
9	5-1-64	5	2	252	2.9
10	2-5-64	16	0	318	8.1
11	11-28-64	10	3	465	7.7

34.1

Blinebry

1	9-10-64	10	5	9	7.7
11	9-18-64	300	20	722	45.9

53.6

87.7

87.70 X 2.95

\$258.71

Blinebry Gas Distillate

5	5-7-64	30	0	3,511	
8	11-12-64	32	0	1,634	Avg. Grav. 56°

Tubb Gas Distillate

10	9-3-64	7	0	398	
12	Shut-in for overproduction			Avg. Grav. 64°	

Estimated daily avg. liquid prod. 14 bbls. 58° grav.

Value prior to commingling:

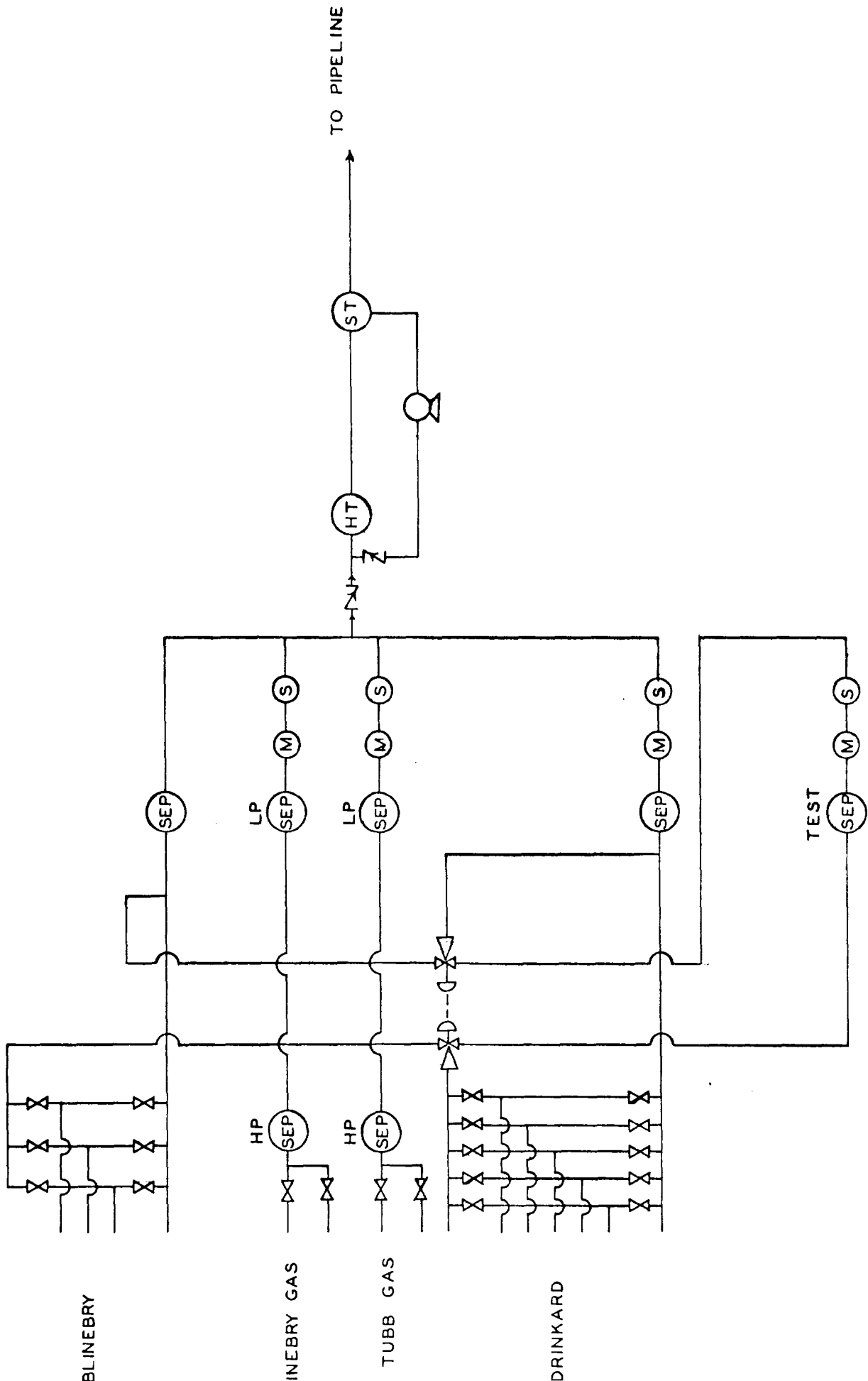
87.7 @ \$2.95	\$258.71
14.0 @ \$2.73	<u>38.22</u>
	\$296.93

Commingled Liquids

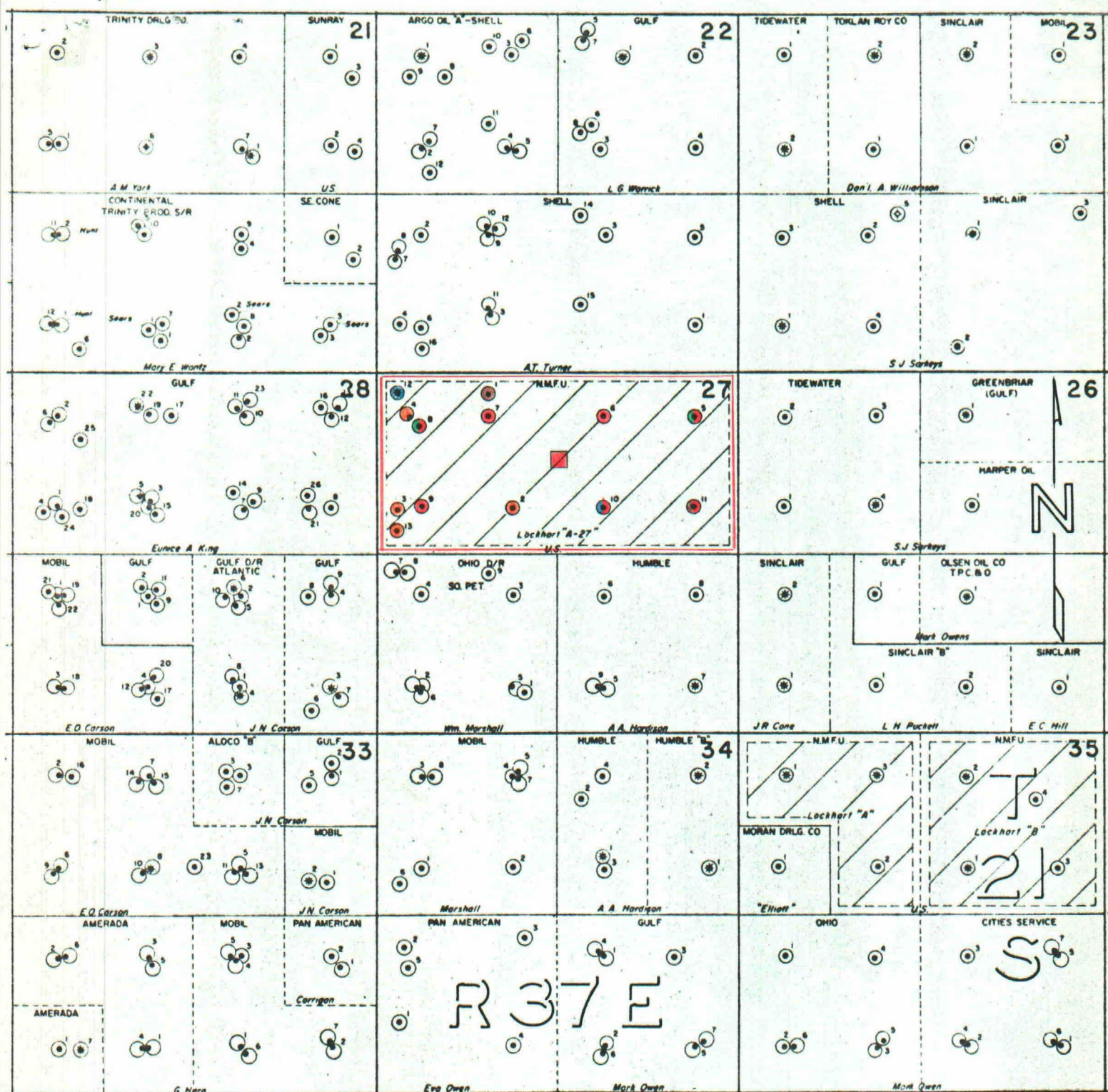
101.70 bbls. 42.5° Grav.

101.70 @ \$2.95 = \$298.24

Increase in Value \$1.31



CONTINENTAL OIL COMPANY
LOCKHART A-27 LEASE



CONTINENTAL OIL COMPANY
PRODUCTION DEPARTMENT
HOBBS DISTRICT

LOCKHART A-27 LEASE
LEA COUNTY, NEW MEXICO

Scale: 1" = 2000'

- Tank Battery
- Drinkard Completion
- Blinebry Oil Completion
- Blinebry Gas Completion
- Tubb Gas Completion
- Other Completion-Not Commingled



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Drawer 1857
Roswell, New Mexico 88201

IN REPLY REFER TO:

L *an* *o*

Continental Oil Company
P. O. Box 460
Hobbs, New Mexico

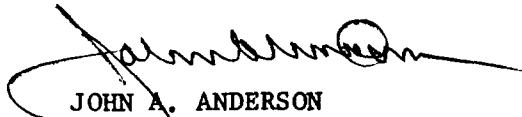
Attention: Mr. Jack Marshall

Gentlemen:

Your letter of February 15 requests approval to commingle gas well liquids from the Blinebry and Tubb Gas Pools with the presently commingled Blinebry and Drinkard Oil Pools in the N $\frac{1}{2}$ sec. 27, T. 21 S., R. 37 E., Lea County, New Mexico, lease Las Cruces 032096(a).

The method of commingling described by the diagram attached to your letter is hereby approved. You are requested to notify our Hobbs office when the installation is completed so that a field inspection of the system can be made.

Sincerely yours,


JOHN A. ANDERSON
Regional Oil and Gas Supervisor

*To be held in
copy of file
1:10*

