



SINCLAIR OIL & GAS COMPANY

Hobbs, New Mexico
P. O. Box 1920
April 26, 1965

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

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

Dear Sir:

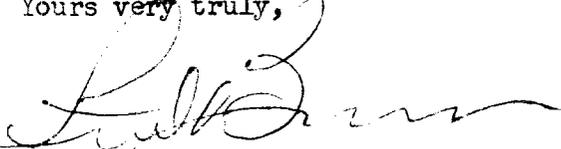
Sinclair Oil & Gas Company requests an exception to Statewide Rule 303 and administrative approval to comingling of oil produced from the Blinebry Oil Pool and Drinkard Oil Pool on the State 367 Lease located in the N/2 of the S/2, SW/4 of SW/4 and E/2 of NE/4 all in Section 36, T-21-S. R-37-E, Lea County, New Mexico.

It is expected that the Drinkard Oil will be top allowable but restricted because of high gas-oil ratio, whereas the Blinebry production is top allowable. It is proposed to meter the production from the Drinkard Oil and use the subtraction method to determine the Blinebry Oil production.

The gravity of the Blinebry Oil is 36° API and is valued at \$2.93 per barrel. The Drinkard Oil is 38° API and is valued at \$2.97 per barrel. The commercial value of the comingled production is calculated to be not less than the sum of the values of the production from each source.

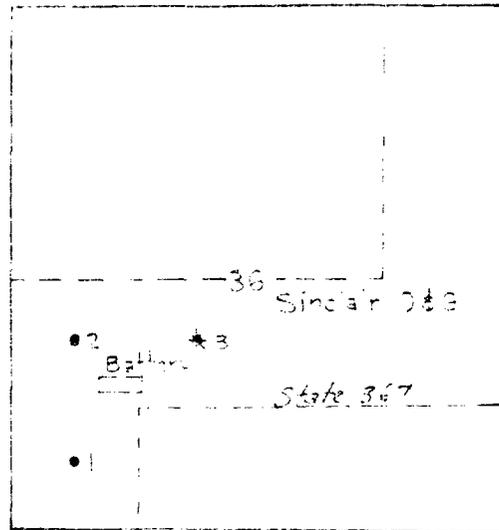
An early approval of this application will be appreciated.

Yours very truly,


W. F. BURNS,
Superintendent

Revised Copy
WFB/DP/bd

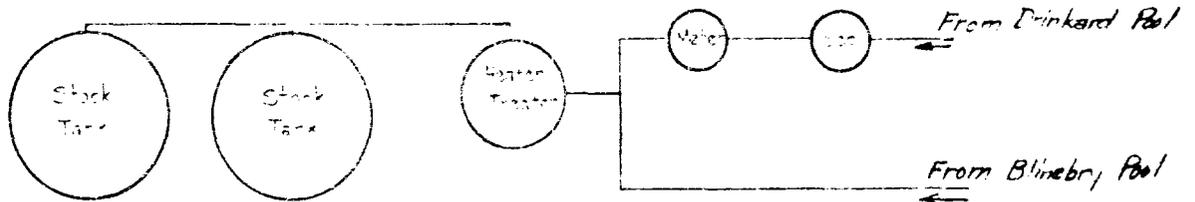
SINCLAIR OIL & GAS COMPANY
 STATE 367 LEASE
 LEA COUNTY, NEW MEXICO
 PROPOSED COMMINGLING INSTALLATION



Section 36, T-21-S, R-37-E
 LEA COUNTY

Sinclair, State 367 Lease
 Consists of: N $\frac{1}{2}$ of S $\frac{1}{2}$,
 SW $\frac{1}{4}$ of SW $\frac{1}{4}$, and
 E $\frac{1}{2}$ of NE $\frac{1}{4}$ of Sec 36

DETAIL OF BATTERY





SINCLAIR OIL & GAS COMPANY

Hobbs, New Mexico

P. O. Box 1920

April 26, 1965

**Mr. E. S. Johnny Walker
Commissioner of Public Lands
P. O. Box 1148
Santa Fe, New Mexico**

Dear Sir:

Sinclair Oil & Gas Company requests your consent to the commingling of the oil produced from the Blinbry Oil Pool and the Drinkard Oil Pool on the State 367 Lease in Section 36, T-214S, R-37-E, Lea County, New Mexico. Your attention is called to the enclosed plat for details of the lease as well as to the method proposed for commingling. Also, attached is a copy of the application to the Oil Conservation Commission.

If further information is necessary, please advise..

Yours very truly,

**W.F. Burns,
Superintendent**

FB/DP/bd

**cc: OCC
cc: State Lands
cc: RFS: FILE**



SINCLAIR OIL & GAS COMPANY

Hobbs, New Mexico
P. O. Box 1920
May 4, 1965

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

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

Dear Sir:

Enclosed is a copy of the letter from the New Mexico Commissioner of Public Lands granting permission to comingling Blinbry and Drinkard Oil on the Sinclair Oil & Gas Company, State 367 Lease in Section 36, T 21 S, R 37 E, Lea County, New Mexico.

You will note that they refer to it as "State Lease B-11614" in the copy mailed you April 30, 1965. This is to call your attention to the fact that this is the same lease referred to in our request for exception to Statewide Rule 303 and administrative approval to comingling on our State 367 Lease mailed you April 26, 1965.

Another copy of the Commissioner of Public Lands letter is included herewith, so that your early consideration can be given the matter.

Yours very truly,

W. F. Burns
Superintendent

WFE/DF/jh

State of New Mexico



Commissioner of Public Lands

GUYTON B. HAYS
COMMISSIONER



P. O. BOX 1148
SANTA FE, NEW MEXICO

April 30, 1965

Sinclair Oil & Gas Company
Post Office Box 1920
Hobbs, New Mexico

Att: W. F. Burns

In RE: Request to commingle
production from Blinebry
& Drinkard Oil Pools
State Lease B-11614
Sec. 36-T21S-R37E,
Lea County, New Mexico

Gentlemen:

The above captioned request is hereby granted by us since ownership is common throughout, and since there will be no loss of revenue to the State of New Mexico.

This approval is given with the understanding that the Commissioner of Public Lands reserves the right to amend or withdraw his approval at any time should a loss of revenue occur through this installation.

Very truly yours,

GUYTON B. HAYS,
Commissioner of Public Lands

By *Ted Bilberry*

TED BILBERRY, Director,
Oil and Gas Department

GBH/RGM/TB/kcl

w/cc to:

Oil Conservation Commission
Oil and Gas Accounting Commission