



SINCLAIR OIL & GAS COMPANY

Hobbs, New Mexico

P. O. Box 1920

April, 23, 1965

Oil Conservation Commission

P. O. Box 2088

Santa Fe, New Mexico

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

Gentlemen:

Sinclair Oil & Gas Company requests an exception to Statewide Rule 303-A and administrative approval to commingle the oil from the Teas Bone Spring Pool and the Teas Pennsylvanian Gas Pool on its Mahaffey-Federal lease, the NW/4 Sec. 14, T 20 S, R 33 E, Lea County, New Mexico.

It is further requested that the commingling be allowed without metering as the production from both zones is marginal, and ownership is common. The individual well production from each pool is to be apportioned by periodic well tests as required by the Commission.

The gravity of the Bone Springs oil is 39.6 and is valued at \$2.99 per barrel. The Pennsylvanian distillate is 51.6 gravity and valued at \$2.87 per barrel.

The average gravity of the combined mixture will be 45.2 API, since the Bone Spring produces approximately 53% of the liquids. The per barrel price is \$2.99.

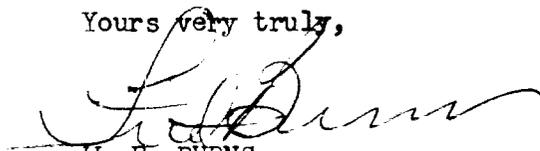
The following data illustrates the marginal status of the production.

	February	Daily Av.	March	Daily Av.
BONE SPRING	888.88	31.7	934.40	30.1
PENN	885.67	31.6	819.32	26.4

Attached is USGS approval and a plat showing the location of the only producing well and a schematic of the tank battery installation.

If additional information is required please advise.

Yours very truly,


W. F. BURNS
Superintendent



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Drawer 1857
Roswell, New Mexico 88201

April 21, 1965

Sinclair Oil and Gas Company
P. O. Box 1920
Hobbs, New Mexico

Attention: Mr. W. F. Burns

Gentlemen:

Your letter of April 15 requests approval to commingle oil production from the Teas Bone Spring Pool and liquid hydrocarbon production from the Teas Pennsylvanian Gas Pool in the NW $\frac{1}{4}$ sec. 14, T. 20 S., R. 33 E., Lea County, New Mexico, lease Las Cruces 065658.

The method of commingling described by the diagram attached to your letter is hereby approved. You are required 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

SINCLAIR OIL & GAS COMPANY

Proposed Commingling Installation
Mahaffey--Federal Lease
Lea County, New Mexico

