

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

June 11, 1965

re: Harry Leonard (NCT-C) Lease
Section 36-21S-36E, Lea
County, New Mexico

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

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

Dear Sir:

Gulf recently drilled and completed its Harry Leonard (NCT-C) No. 11 as a producer from the Undesignated Blinebry Oil Pool. This is presently the only Blinebry Oil production on this lease and Gulf would like to commingle this oil with the oil produced from Harry Leonard (NCT-C) Well No. 10 which produces from the Arrowhead Drinkard Pool. The commingling would eliminate the need for an additional tank battery on this lease.

Gulf hereby seeks administrative approval from the Oil Conservation Commission to commingle the Blinebry and Arrowhead Drinkard crude oil production on the Harry Leonard (NCT-C) Lease. Attached is a production record tabulation which is indicative of the production capabilities of the two wells involved in this request, a lease plat showing the lease, well locations and a schematic diagram of the proposed installation. Since neither of the wells is presently capable of top allowable production, Gulf proposes to commingle without separate measurement and based on allocation by frequent well tests in accordance with the "Manual for the Installation and Operation of Commingling Facilities".

The following tabulation shows the volumes, gravities and monetary values of the liquid hydrocarbons from the individual pools as well as the calculated commingled production.

<u>Pool</u>	<u>Bbl/day</u>	<u>Gvty</u>	<u>\$/Bbl.</u>	<u>\$/Day</u> (BPD x \$/bbl)
Blinebry Oil	26	38.8	\$2.89	\$ 75.14
Arrowhead Drinkard	<u>18</u>	35.2	<u>\$2.80</u>	<u>\$ 50.40</u>
TOTALS	44			\$ 125.54
Commingled	44	37.6	\$2.86	<u>\$ 125.84</u>
		Net Difference +		\$.30

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
Area Production Manager

ILLEGIBLE

LCS:ptg

cc: OCC, Hobbs. R. M. Wiese
Commissioner of Public Lands

GULF OIL CORPORATION

PRODUCTION RECORD

60 Day Production Tabulation

<u>Lease</u>	<u>Well No.</u>	<u>Pool</u>	<u>Period</u>	<u>Production bopd</u>	<u>Well Alw. bopd</u>	<u>Top Alw. Bopd</u>
H. Leonard (NCT-C)	10	Arrowhead Drk.	April 1965	18	18	68
"	"	"	May 1965	18	18	68
Average bopd for 60 days period				18		

24 Hour Pumping Production Tests (new Well)

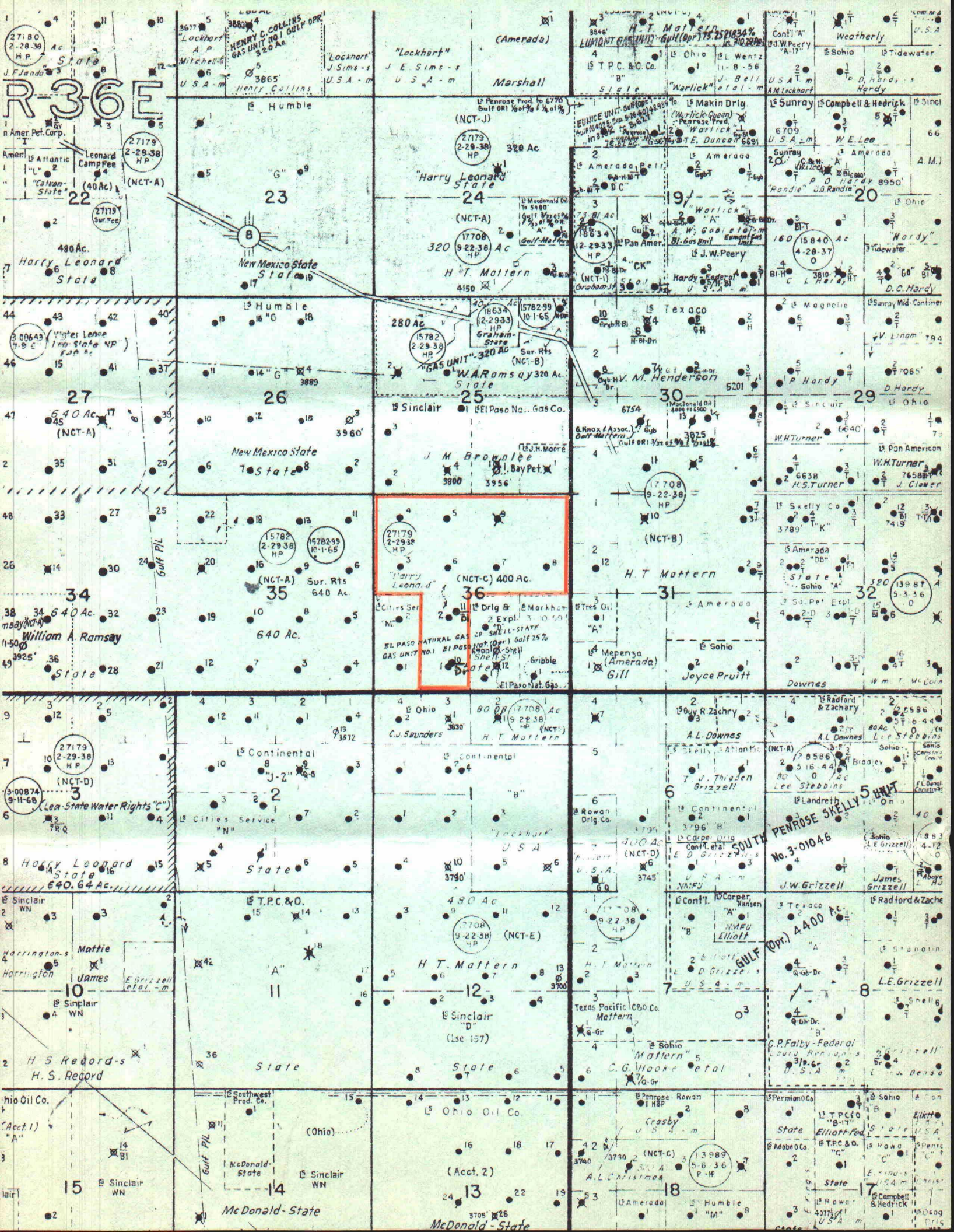
H. Leonard (NCT-C)	11	Unders. Bl.	5-26-65*	96	None	51
"	"	"	5-31-65	34	51	51
"	"	"	6-1-65	40	50	50
"	"	"	6-4-65	26	50	50
"	"	"	6-5-65	26	50	50
"	"	"	6-6-65	26	50	50
"	"	"	6-7-65	28	50	50
"	"	"	6-8-65	32	50	50
"	"	"	6-9-65	24	50	50
Average bopd from last 8 well tests				29.5		

*Allowable test

ILLEGIBLE

LCS:ptg
Hobbs, N.M.
6-11-65

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GULF OIL CORPORATION
SCHEMATIC TANK BATTERY DIAGRAM
Harry Leonard (NCT-C) TB #10

Lot K, Section 36-21S-36E, Lea County, New Mexico

