



TIDEWATER OIL COMPANY

P. O. Box 249
Hobbs, New Mexico

October 27, 1965

100-259
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New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

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

Re: Administrative Approval to Commingle Production
from the Drinkard & Penrose Skelly Pools on
Tidewater's GO D. C. Hardy Lease, Units O & P
Section 20, T21S, R37E, Lea County, New Mexico

Gentlemen:

Tidewater Oil Company respectfully requests approval to commingle oil produced from the Drinkard and Penrose Skelly Pools, Wells Nos. 2, 3 and 4 on its GO D. C. Hardy lease. Well No. 2 is a Penrose Skelly completion and Wells No. 3 and 4 produce from the Drinkard Pool. All three wells are marginal and physically incapable of producing top unit allowable.

In support of this application the following items are attached:

1. A tabulation of most recent production showing that average daily production over a 60 day period has been below top allowable for the subject pools.
2. A schematic diagram of the proposed commingling installation.
3. A plat showing the location of all wells on the GO D. C. Hardy lease and the pool from which each well is producing.

Royalty and working interest ownership are common for both pools. It is proposed to determine the production from each well and each pool from periodic well tests.

The hydrocarbon volume, value and gravity from each zone are as follows:

<u>Zone</u>	<u>Bbls./Day</u>	<u>API Gravity</u>	<u>Value \$</u>
Drinkard Pool	16	35.9	2.91
Penrose Skelly Pool	1	32.5	2.85

NMOCC - Santa Fe, N.M.
A. L. Porter, Jr.

(2)

10/27/65

The commingled production is expected to have a gravity of 35.6° API and the commercial value will be essentially the same as before.

Tidewater Oil Company respectfully requests approval to commingle oil production as described above in accordance with Commission Order No. R-2060 which revises Rules 303 and 309-B.

Very truly yours,

TIDEWATER OIL COMPANY

C. L. Wade
C. L. Wade
Area Superintendent

BMB/ep
Attachments

cc: NMOCC - Santa Fe (2)
Mr. R. H. Coe
Tidewater Oil Co.
Midland, Texas

TIDEWATER OIL COMPANY
GO D. C. HARDY LEASE

DRINKARD POOL - WELLS #3 & #4

Daily Production - Bbls. Oil

<u>Date</u>	<u>August</u>	<u>September</u>	<u>October</u>
1	27.07	10.81	32.43
2	5.42	16.21	32.43
3	27.07	5.40	8.12
4	10.83	32.41	10.82
5	21.65	5.41	35.19
6	5.40	5.41	13.53
7	27.03	32.47	9.47
8	21.62	27.06	8.12
9	16.21	5.41	35.18
10	10.81	0	18.94
11	21.62	25.67	10.82
12	21.62	24.34	5.41
13	2.70	8.12	32.47
14	18.95	8.12	21.64
15	10.82	29.78	
16	21.65	21.65	
17	21.65	5.41	
18	31.08	10.83	
19	24.36	32.48	
20	8.11	29.78	
21	8.11	10.82	
22	10.82	8.12	
23	21.65	27.07	
24	16.24	21.61	
25	27.06	6.76	
26	27.06	9.47	
27	27.06	32.48	
28	5.42	21.65	
29	21.61	6.76	
30	16.20	9.47	
31	<u>27.01</u>		

PENROSE SKELLY POOL - WELL #2

Daily Production - Bbls. Oil

<u>August</u>	<u>September</u>	<u>October</u>
0	0	.83
1.66	1.66	.41
1.65	1.65	0
0	0	0
1.65	0	2.90
0	0	.82
0	1.65	0
0	.82	0
0	0	3.73
1.66	0	0
0	1.24	0
0	.82	0
0	0	1.65
1.65	0	.82
.82	2.90	
0	0	
0	0	
2.48	0	
.82	1.65	
0	0	
0	0	
0	0	
1.66	3.31	
0	0	
0	0	
0	0	
0	0	
0	1.24	
.82	.41	
0	0	
0	0	
<u>1.66</u>		

Daily Averages

18.19

16.37

19.61

.53

.58

.80

TIDEWATER OIL COMPANY
(60)



D. C. HARDY

3/2 of SE/4 of Sec 20, T-21-S, R-37-E

- Bilmeby Gas
- Drinkard
- Penrose Skelly

**PROPOSED COMMINGLING FACILITIES
TIDEWATER OIL COMPANY
60 D. C. HARDY LEASE
LEA COUNTY, NEW MEXICO**

