LANKHAM OIL COMPANY
P. 0. Box 3500
Fort Worth, Texas

765 Nov 24 AHI

November 23, 1965

Mr. A. L. Porter, Jr. Secretary-Director Oil Conservation Commission P. O. Box 871 Santa Fe, New Mexico

Re: Lankham Oil Company
S. J. Sarkeys No. 1
Unit "A"
Section 26-215-37E
Lea County, New Mexico
Permit to Commingle
Blinebry and Drinkard Oil

Dear Mr. Porter:

Lankham Oil Company requestfully request that they be granted, by administrative action, approval to commingle the oil produced from the Blinebry oil zone and Drinkard oil zone from their S. J. Sarkeys No. 1 in a common storage facility located on the above named lease.

Attached find detailed information as to gravities of the oils, values per barrel, gravities of the commingled oils and its value per barrel, a schematic diagram of the installation, a plat of the well, acreage, and producing pools.

It is our opinion that the actual commercial value of the commingled products from these common sources of supply will be equal to the sum of the values of production from each common source of supply.

Respectfully submitted,

San WHogan

Sam W. Hogan, Engineer Lankham Oil Company

SWH: 1 hm Encls.

## LANKHAM OIL COMPANY

# S. J. Sarkeys

## Detail Data on Gravities and Values

#### Gravities

Drinkard zone - Gravity 39° Blinebry zone - Gravity 39°

# Expected Volume Per Zone, Barrels per day

Drinkard - 70 bbls. Blinebry - 50 bbls.

## Dollar Value per Barrel

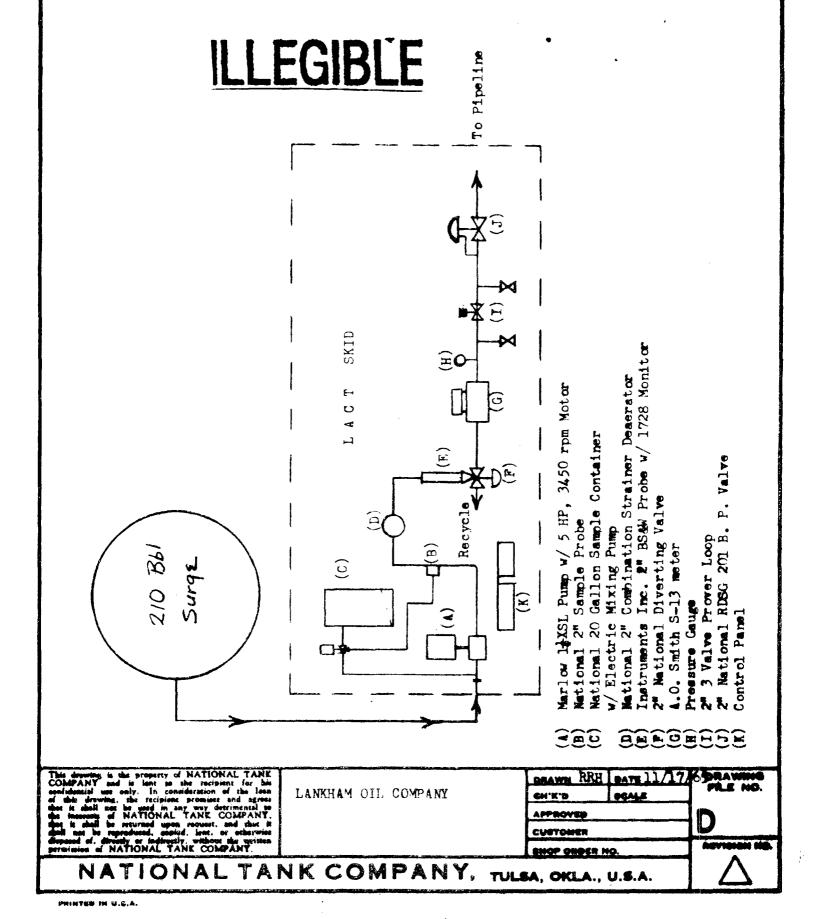
Drinkard - \$2.99 Blinebry - \$2.99

Weighted Average of Gravities - 39°

Weighted Average of Value per barrel - \$2.99

Average gravity of commingled oil - 39°

Average value of commingled oil - \$2.99 per barrel



LANKHAM OIL COMPANY S.J. Sarkeys No.1. NE/4 NE/4 Sec 26-21-5-37E Lea County, N.M

Unit A

No1

Drinkard And Blinebry Zones To Produce into ACT Unit.

ACT Unit

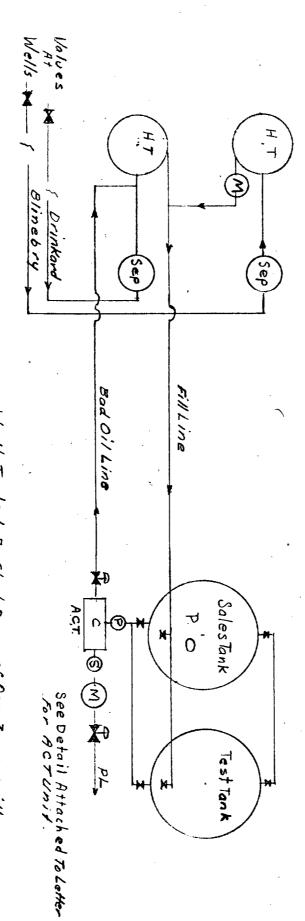
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Tanke Battery

S.J. Sarkeys

40 Acre Lease

LANKHAM OIL COMPANY
S.J. Sarkeys Lease Well No!
Schematic Diagram of
Commingling Installation
Electric Controls



Location: Unit'A' Sec 26-215-37E

Wells Tested By Shut Down of One Jone with control Vale At Wellhead.
Production By Subtraction Method.
Sales Meter Equipped with Allowable Set Stop Counter

#### OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE. NEW MEXICO

December 3, 1965

Lankham Oil Company P. O. Box 3500 Fort Worth, Texas

Attention: Mr. Sam W. Hogan

Gentlemen:

Reference is made to your application dated November 23, 1965, to commingle Blinebry and Drinkard oil from your S. J. Sarkeys No. 1 Well, Section 26, Township 21 South, Range 37 East, Lea County, New Mexico.

Although the schematic diagram of the automatic custody transfer system is included with your application, there is no schematic of the actual commingling installation. Before processing this application, we will need a schematic of the actual commingling installation including a diagram showing the header, testing facilities, and means of determining production from each of the two pools.

Very truly yours,

Daniel S. Nutter Chief Engineer

DSN: 8q

# OIL CONSERVATION COMMISSION

P O. BOX 2088
SANTA FE. NEW MEXICO

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Lenkham **01**1 Conjuny P. O. box 3300 Port Worth, Crxes

Actention: Mar. 1851. Ogs.

Gentlegen:

lefarence is made to your applanation dated Normier 25, 1135, to commind Blimsbry - 1 shirkerd of from your 6. J. Parkeys Po. i nell, Section 25, Tourship 21 south, Range 37 Bast, mes County, Nor Englos.

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Deniel S. Lutter Chief Englaser

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# LANKHAM OIL COMPANY P. 0. Box 3500 Fort Worth, Texas

December 6, 1965

Mr. Daniel S. Nutter Chief Engineer State of New Mexico Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico

Re: Application to Commingle Blinebry and Drinkard Oil S. J. Sarkeys No. 1 Well Section 26-21S-37E Lea County, New Mexico

Dear Mr. Nutter:

As requested in your letter of December 3, 1965, we are enclosing four copies of a schematic diagram of the actual commingling installation for the above named lease, for your approval.

Since this will be a one-well lease, no provision has been made for a header installation. Each of the zones may be properly tested by keeping the zone not under test shut in at the well head.

Production will be determined by the subtraction method on the two zones.

Detail drawing of the ACT unit was attached to our original request.

I trust that this information will fill the requirements for your approval of the commingling of these oils.

Yours very truly,

Sam W. Hogan

Engineer

SWH: 1 hm Encls.