

TEXAS PACIFIC OIL COMPANY

P. O. Box 1069
Hobbs, New Mexico 88240

June 6, 1968

AC-355
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. A. L. Porter, Jr., Secretary-Director

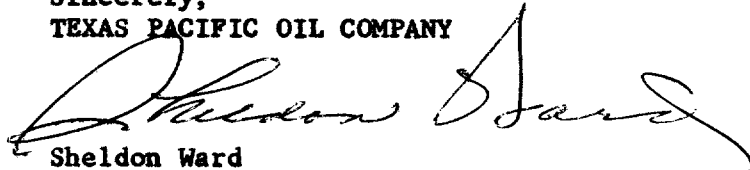
Re: Sarkey Lease - Commingling
of Tubb Oil, Blinebry Oil,
and Blinebry Gas (distillate)
Sec. 25, T-21-S; R-37-E
Lea County, New Mexico

Gentlemen:

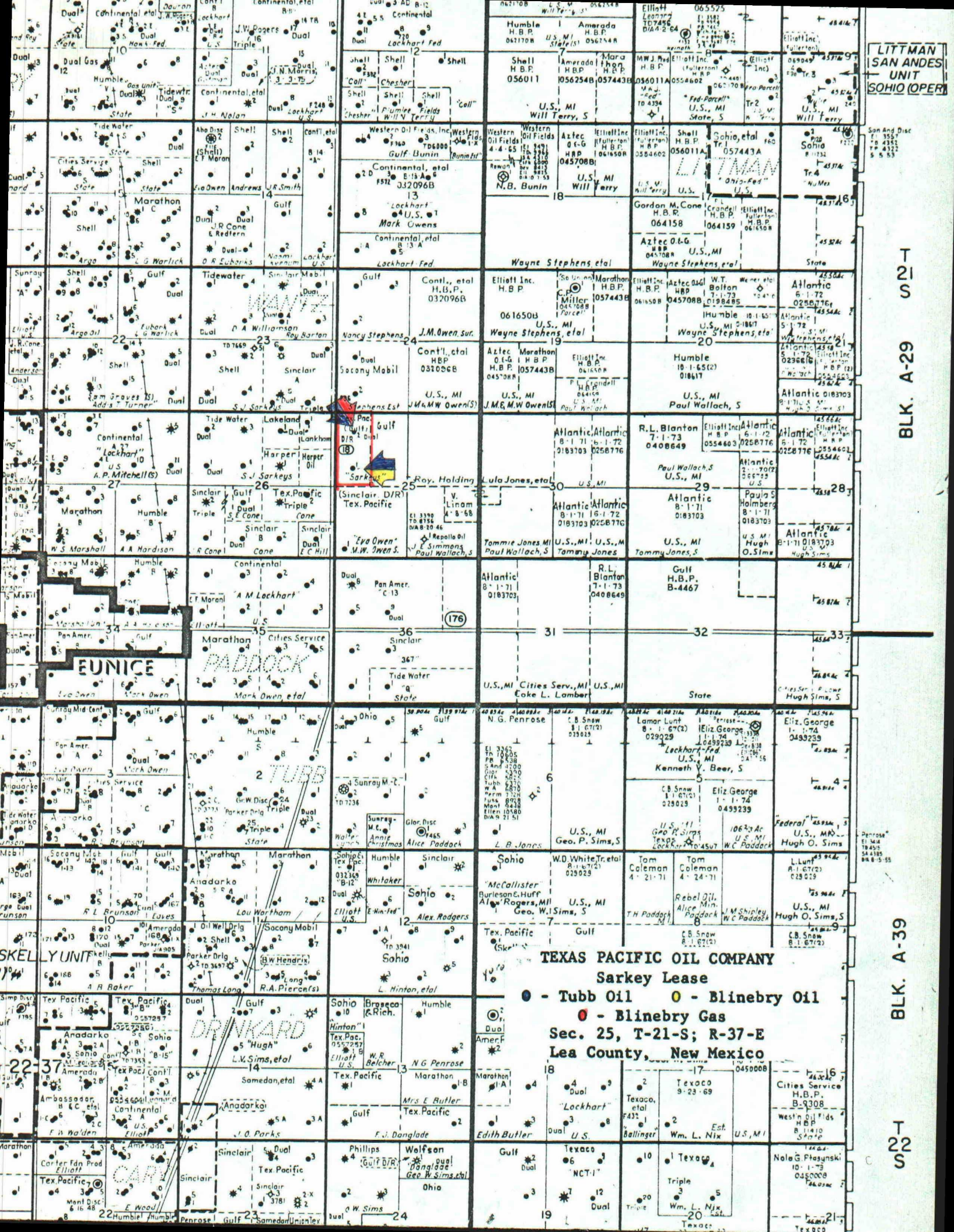
Texas Pacific Oil Company, respectfully requests administrative approval of exception to Rule 303 (Segregation of Production from Pools) for its Sarkey No. 1 - Blinebry Oil and Tubb Oil, and No. 2 - Tubb Oil and Blinebry Gas (distillate) in Lea County, New Mexico, to permit the commingling in common facilities the commonly owned production from these pools. Attached herewith is a tabulation which gives the comparative gravity of the liquid hydrocarbons, the volumes presently produced from each pool from the above wells, the values of the hydrocarbons and the expected gravity and value of the commingled production.

The wells in each pool to be commingled in this application are marginal and are physically incapable of producing top allowable from their respective pools; therefore, commingling will be accomplished without separately measuring production from each pool. We propose instead, to allocate production from each well, on the basis of well tests conducted periodically.

Sincerely,
TEXAS PACIFIC OIL COMPANY


Sheldon Ward
Area Superintendent

CRT:tk
Attach.

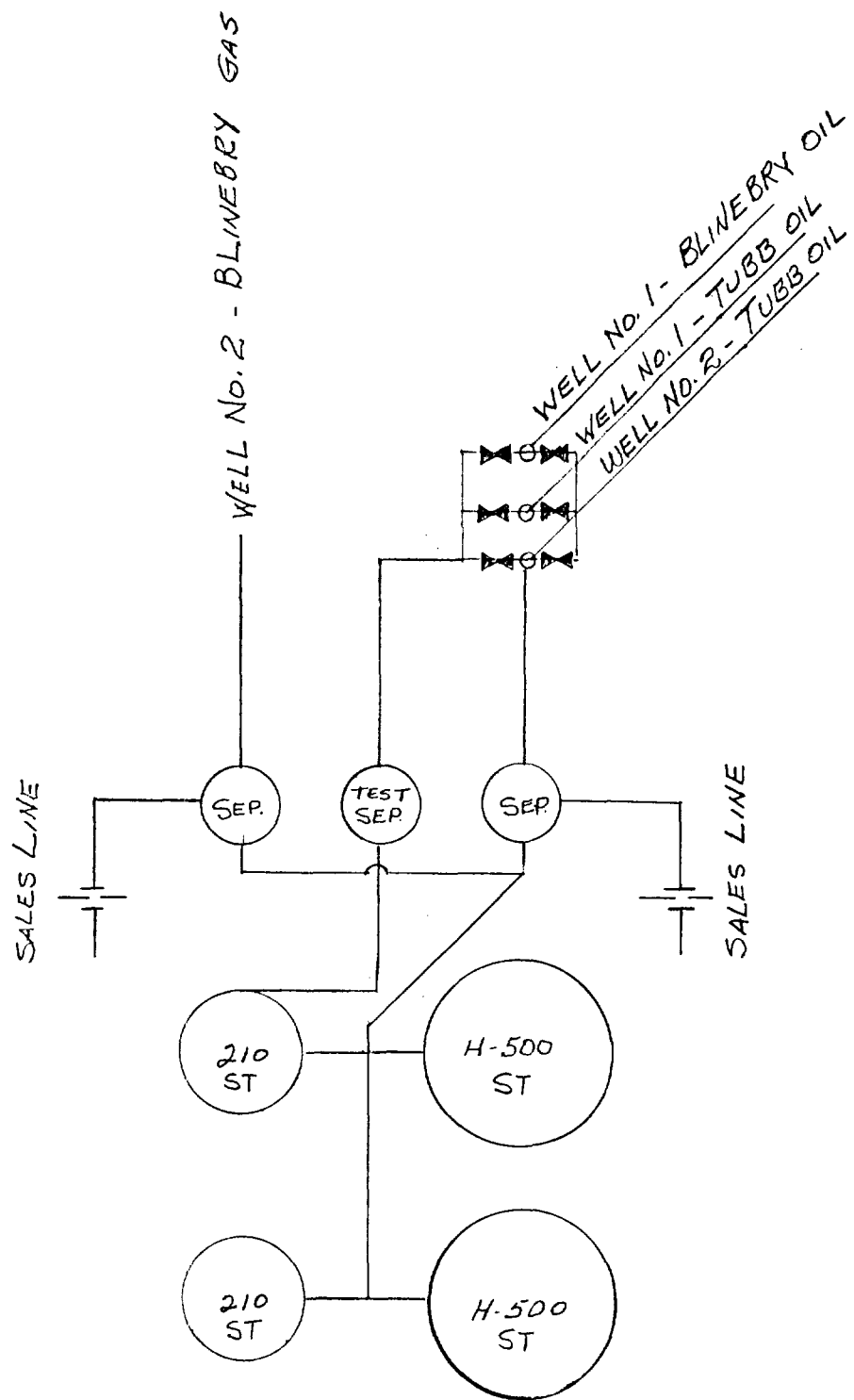


BLK. A-29
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21
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BLK. A-39

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TEXAS PACIFIC OIL COMPANY
 Proposed Commingling
 Sarkey Lease
 Sec. 25, T-21-S; R-37-E
 Lea County, New Mexico



TEXAS PACIFIC OIL COMPANY

HOBBS AREA

Table I

Production Data

SARKEY LEASE

<u>WELL NO. 1</u>	<u>Expected Avg. BOPD</u>	<u>Expected API Grav.</u>
Blinebry Oil	62	38.4

	<u>Avg. BOPD</u>	<u>API Grav.</u>
Tubb Oil		
March	1	38.5
April	1.5	38.5
May	.5	38.5

WELL NO. 2

	<u>Avg. BOPD</u>	<u>API Grav.</u>
Blinebry Gas		
March	4	41.1
April	2	41.1
May	7	41.1

	<u>Avg. BOPD</u>	<u>API Grav.</u>
Tubb Oil		
March	2	38.5
April	2	38.5
May	.5	38.5

Wtd. Avg. Gravity = 39.1 (Based on production runs from both pools)
Value of hydrocarbons will remain unchanged.

CRT:tk
6-6-68