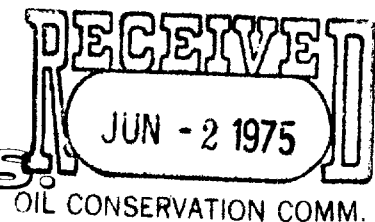


Gulf Oil Company - U.S.

PRODUCTION DEPARTMENT
HOBBS AREA

May 28, 1975

C. D. Borland
AREA PRODUCTION MANAGER



P. O. Box 670
Hobbs, New Mexico 88240

Mr. A. L. Porter, Jr.
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Sir:

Oil Conservation Commission Order No. R-1797 and Administrative Orders No. PC-41 and No. PC-358 authorized surface commingling into separate tank batteries of (1) Blinebry Gas condensate and Tubb Gas condensate, and (2) Paddock, Penrose Skelly and Blinebry Oil on our Eunice King lease, comprising the N/2 of Section 28, Township 21 South, Range 37 East, Lea County, New Mexico.

At the present time we have one Blinebry Gas well and two Tubb Gas wells producing into the condensate tank battery. The other sour tank battery on this lease has five Paddock wells, four Penrose Skelly wells and five Blinebry Oil wells producing at the present time.

Gulf Oil Corporation requests your administrative approval to amend the previous Commission orders to permit commingling of the Blinebry Gas condensate, Tubb Gas condensate, Paddock, Penrose Skelly and Blinebry Oil on this lease into one common tank battery. All wells are marginal. Production will be allocated on the basis of periodic well tests.

This is fee land, and approval from the State Land Commissioner is not required.

The attached tabulations show the average daily production for the 61-day period of March and April, 1975. You will notice from the tabulations that the actual commercial value of the fully commingled production will be slightly lower (\$0.14 per day).

Attached is a plat of the lease as well as a schematic diagram of the proposed commingled tank battery.

Your early reply to this application will be appreciated.

Yours very truly,

C. D. BORLAND

By: B. J. Barakat

CRK:ec
Att'd.

cc: OGC Hobbs
A. J. Evans - Midland
G. N. Briggs - Midland



GULF OIL CORPORATION

EUNICE KING LEASE

PRODUCTION DATA

<u>Pool</u>	<u>Bbls./Day</u>	<u>Corr. Gravity</u>	<u>\$/Bbl.</u>	<u>Bbls./Day x \$/Bbl.</u>
Blinebry Gas Condensate and Tubb Gas Condensate Commingled	1.82	56.8	\$ 5.20	\$ 9.46
Paddock, Penrose Skelly and Blinebry Oil Commingled	175.90	36.1	\$ 5.12	\$ 900.61
			TOTAL	\$ 910.07
Blinebry Gas Condensate, Tubb Gas Condensate, Paddock, Penrose Skelly and Blinebry Oil Commingled	177.72	36.3	\$ 5.12	\$ 909.93
			DIFFERENCE -	\$ 0.14 per day

Blimbry #

8 H	5
13 A	7
19 C	45
24 E	3
25 D	10

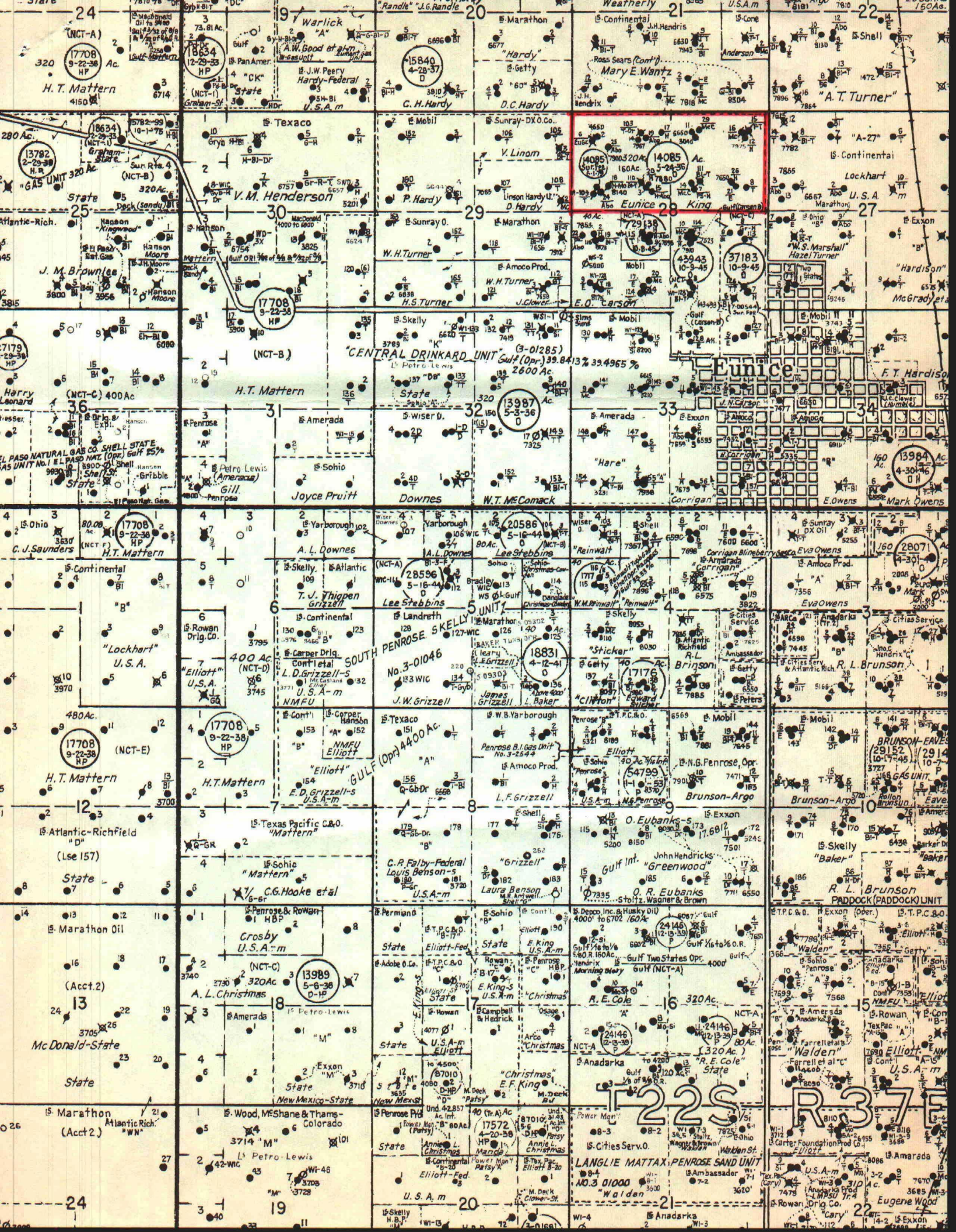
Paddock #

7 B	32
10 B	16
17 C	54
20 F	14
26 H	4

P-S #

1 E	5
3 F	3
6 D	12
11 B	10

Allow



GULF OIL CORPORATION
 PROPOSED COMMINGLED TANK BATTERY-- EUNICE KING LEASE
 PADDOCK, PENROSE SKELLY, BLINBRY OIL, BLINBRY GAS AND TUBB GAS POOLS

