

TEXAS PACIFIC OIL COMPANY

P. O. Box 1069
Hobbs, New Mexico 88240

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OCT 9 1968

October 8, 1968

N. M. Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

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

PC-361

Re: Commingling Installation
J. P. Collier Lease
N/2 Sec. 10, T-11-S; R-33-E
Lea County, New Mexico

Gentlemen:

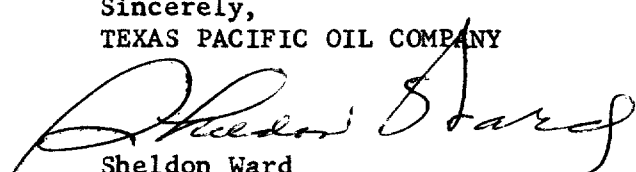
Texas Pacific Oil Company respectfully requests administrative approval of exception to Rule 303 "Segregation of Production from Pools" to permit commingling of production on the captioned lease as shown on the attached plat.

This lease contains four (4) wells. Well No. 1 is a Bagley Upper and Lower dual; No. 2 and No. 3 are Upper Penn Completions and No. 4Y is Lower Penn. It is proposed that these two pools be commingled to produce in common facilities, the commonly owned production, as shown on the attached schematic diagram.

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

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 value of the hydrocarbons and the expected gravity of the commingled production.

Sincerely,
TEXAS PACIFIC OIL COMPANY


Sheldon Ward
Area Superintendent

CRT:tk

cc: O.C.C. - Hobbs, New Mexico
Commissioner of Public Lands

TEXAS PACIFIC OIL COMPANY

Table I - Production Data - J. P. Collier Lease

NORTH BAGLEY LOWER PENN

<u>Month</u>	<u>BOPM</u>	<u>API Grav.</u>
June 1968	1166	46.7
July 1968	983	47.7
Aug. 1968	804	46.9

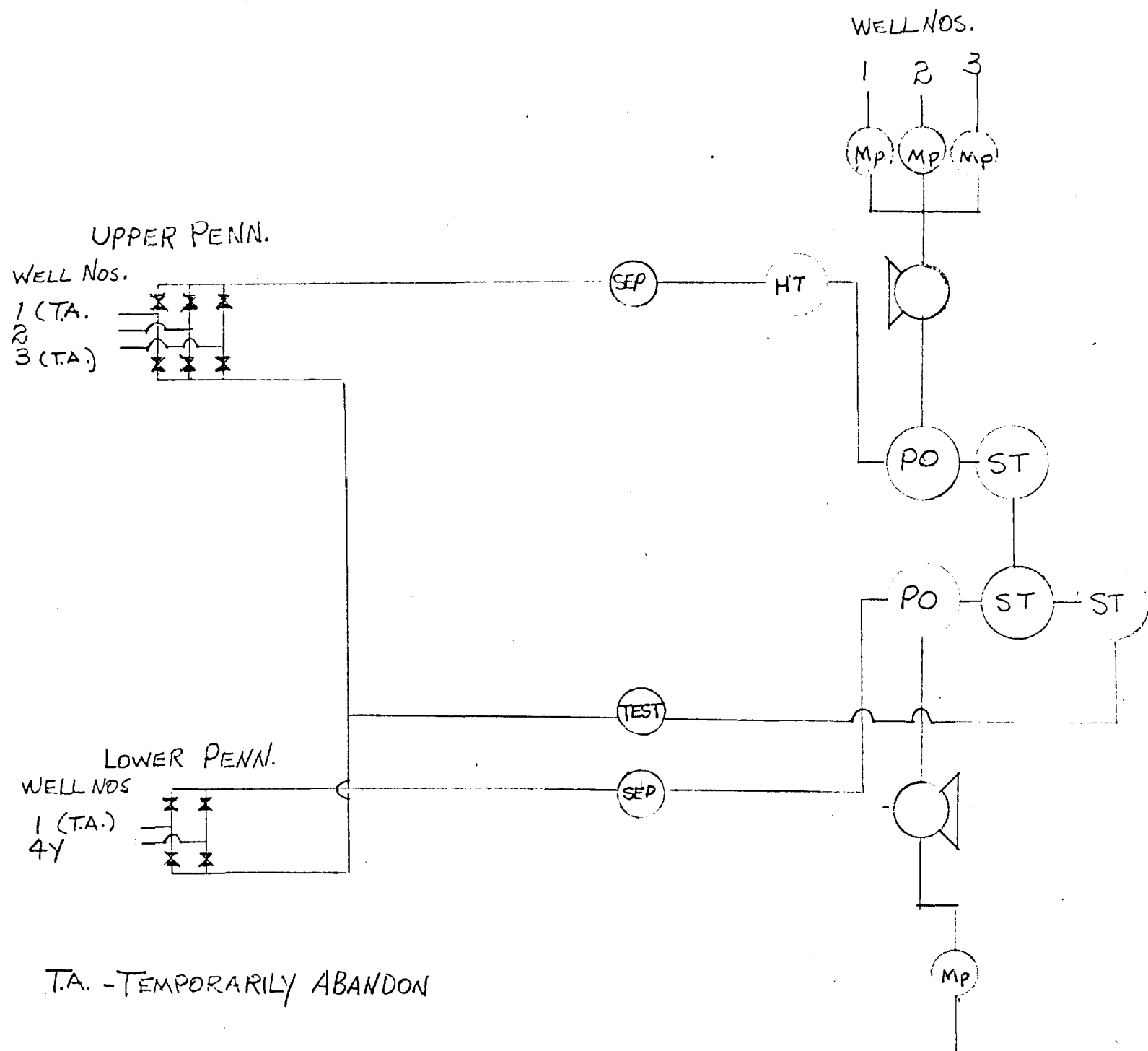
NORTH BAGLEY UPPER PENN

<u>Month</u>	<u>BOPM</u>	<u>API Grav.</u>
June 1968	794	46.7
July 1968	1223	47.7
Aug. 1968	1415	46.9

Wtd. Avg. Gravity - 47.1 (Based on production runs from both pools)

Value of hydrocarbons will remain unchanged.

[illegible]



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