

TEXAS PACIFIC OIL COMPANY

P. O. Box 1069
Hobbs, New Mexico 88240

March 21, 1969

69 MAR 25 AM 8 24

90-373

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

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

Re: State "A" a/c-2 Lease
Commingling of Arrowhead
and South Eunice Production
Section 11, T-22-S, R-36-E
Lea County, New Mexico

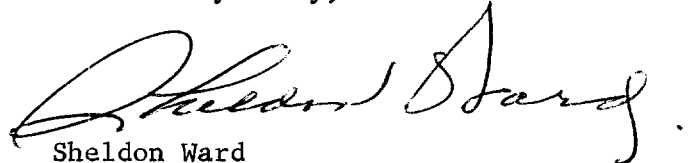
Gentlemen:

Texas Pacific Oil Company respectfully requests administrative approval of exception to Rule 303 (Segregation of Production from Pools) for its State "A" a/c-2, Well No. 14, South Eunice Seven-Rivers Queen and State "A" a/c-2, Wells No. 13, 15 and 16, Arrowhead Grayburg, Lea County, New Mexico to permit the commingling in common facilities the commonly owned production from the two pools. State "A" a/c-2 No. 14 has recently been recompleted from Eumont Gas to South Eunice oil and Jalmat gas dual.

Attached is a tabulation giving the comparative gravity of the liquid hydrocarbons, the volumes presently produced from the above wells, the value of the hydrocarbons and the expected gravity and values of the commingled production.

The wells in each pool are marginal and are physically incapable of producing top allowable from their respective pools; therefore, commingling will be accomplished, as designed on attached schematic. Production will be allocated from each well on the basis of well tests conducted periodically.

Yours very truly,


Sheldon Ward
Area Superintendent

SW:nb

Attachment

cc: N. M. O. C. C. - Hobbs
Commissioner of Public Lands - Santa Fe

TEXAS PACIFIC OIL COMPANY
Hobbs Area
Table I - Production Data

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Arrowhead Grayburg - State "A" A/c-2 #13 - 15 - 16

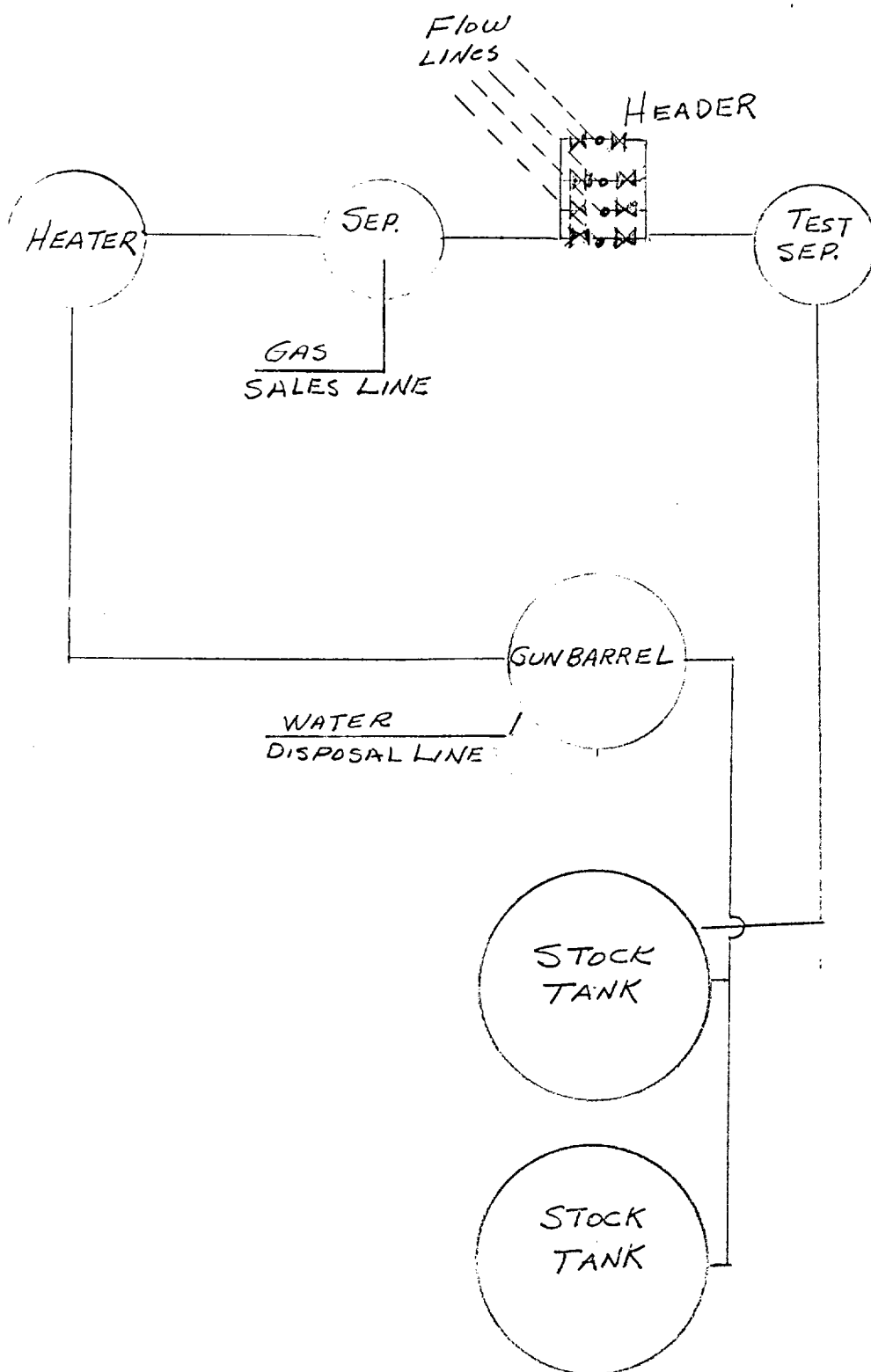
<u>Month</u>	<u>Avg. BOPD</u>	<u>API Grav. (Degrees)</u>
December, 1968	24	31.4
Janaury, 1969	27	31.4
February, 1969	19	31.4

South Eunice Seven-Rivers Queen - State "A" a/c-2 #14

Potential test - 2-10-69 5 BOPD 33.8⁰ API Gravity

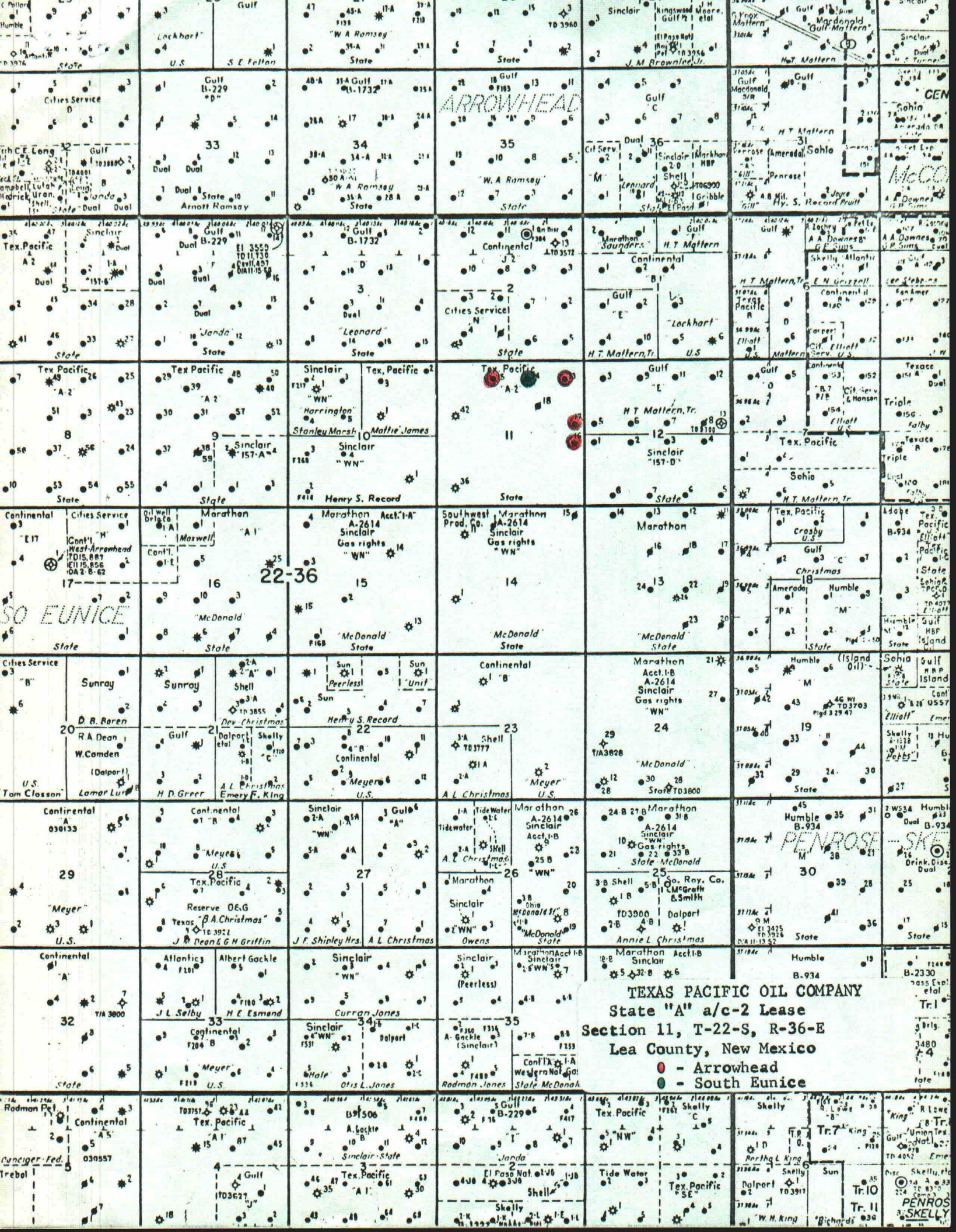
Wtd. avg. gravity = 32.6⁰

Value of hydrocarbons will remain unchanged



COMINGLING INSTALLATION
STATE "A" a/c-2 Well #14
TEXAS PACIFIC OIL COMPANY

3-24-69
CPT



March 28, 1969

Texas Pacific Oil Company
P. O. Box 1069
Hobbs, New Mexico 88240

Re: State "A" a/c - 2 Lease
Commingling of Arrowhead and
South Eunice Production
Sec. 11, T-22S, R-36E
Lea County, New Mexico
Lease No. A-983-1

Gentlemen:

The State Land Office has no objection to your above proposal, provided that you submit a \$10.00 filing fee.

This approval is granted with the understanding that the Commissioner of Public Lands reserves the right to withdraw his approval should the installation not prove feasible to the State of New Mexico. Also, this is subject to approval by New Mexico Oil Conservation Commission.

Yours very truly,

ALEX J. ARMIJO
Commissioner of Public Lands

By: *Ted Bilberry*
TED BILBERRY, Director
Oil and Gas Department

AJA:TB:RM:cw

cc: New Mexico Oil Conservation Commission ✓
New Mexico Oil & Gas Accounting Commission

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