

Gulf Oil Company - U.S.

HOBBS PRODUCTION AREA

C. D. Borland
AREA PRODUCTION MANAGER

April 23, 1971

P. O. Box 670
Hobbs, New Mexico 88240

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

Re: Surface Commingling, Watkins Lease
Drinkard Oil, Blinebry Oil and
Tubb Gas Condensate

Dear Sir:

Your administrative approval is respectfully requested for an exception to the Rule 303-A to permit surface commingling in common facilities of the marginal production of Blinebry Oil, Drinkard Oil, and Tubb Gas Condensate on our Watkins lease. This 80-acre, two-well lease comprises the $S\frac{1}{2}$ of the SE/4 of Section 29, Township 22 South, Range 38 East, Lea County, New Mexico. These pools are surface commingled on our T. R. Andrews lease directly to the south of the Watkins lease under OCC Administrative Order PC-38.

You will notice from the attached tabulations of gravities and prices that the commingled production will have a slightly higher value (\$.10/day). Also attached is a schematic diagram of the proposed installation and a plat of the involved area.

Yours very truly,


C. D. BORLAND
Area Production Manager

KWR:ec
Att'd.

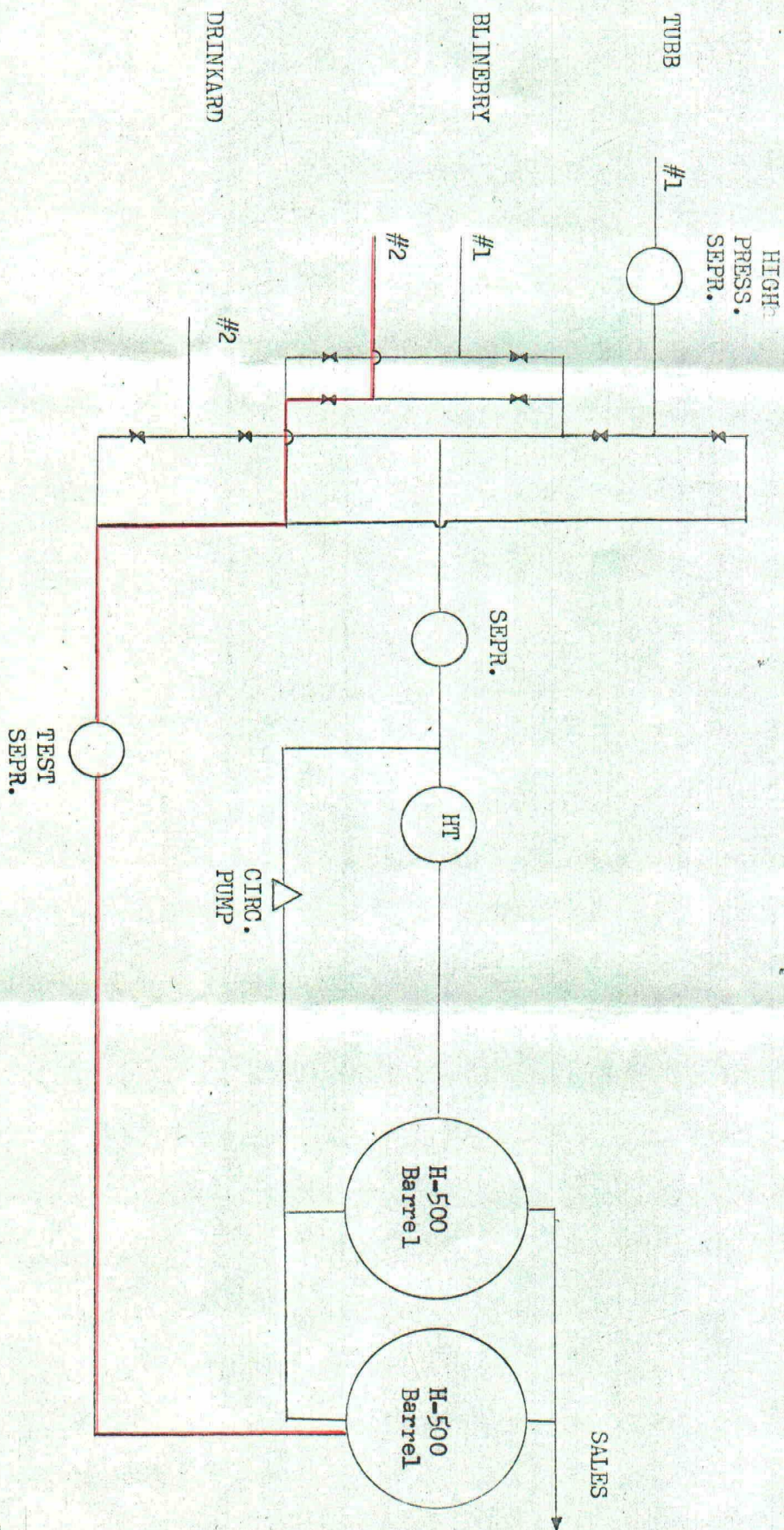


A DIVISION OF GULF OIL CORPORATION

COMINGLING APPLICATION - GULF OIL CO. - U. S.

WATKINS LEASE, S₂¹ OF THE SE₄¹ SECTION 29-22S-38E

LEA COUNTY, NEW MEXICO



RED LINE INDICATES PATH FOLLOWED BY PRODUCTION FROM WELL ON TEST

GULF OIL CO. - U.S. - WATKINS LEASE

<u>POOL</u>	<u>BBLs/DAY</u>	<u>API GVTY. @ 60°</u>	<u>\$/BBL.</u>	<u>REVENUE/DAY</u>
Blinebry Oil	8	36.0°	\$3.48	\$27.84
Drinkard Oil	6	37.8°	\$3.50	\$21.00
Tubb Gas Condensate	<u>1</u>	<u>48.5°</u>	<u>\$3.56</u>	<u>\$ 3.56</u>
				<u>\$52.40</u>
Commingled	15	37.0°	\$3.50	52.50
				<u>\$.10 +</u>

