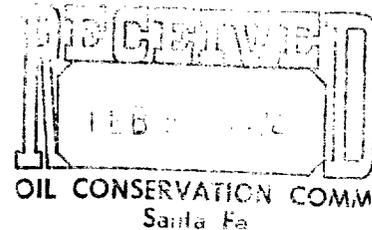


TEXAS PACIFIC OIL COMPANY, INC.

P. O. Box 1069  
Hobbs, New Mexico 88240

February 25, 1974

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



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

Re: Surface Commingling of Production  
Will Cary Lease - Sec.22, T-22-S;  
R-37-E Lea County, New Mexico  
S.McCormack Silurian & Blinebry

Dear Sir:

Texas Pacific Oil Co., Inc. requests administrative approval of exception to Rule 303(a) of the Commission Rules and Regulations to permit the surface commingling of production from the Blinebry and South McCormack Silurian Pools on this lease, without separately metering the production from each pool.

In April 1964, the Blinebry interval in Well No. 7 was perforated and treated but was considered non-commercial and was never produced. Due to improved economic incentives, we have returned this well to producing status. Well No. 9 was drilled and completed as a Silurian producer on April 29, 1971. These two wells are the only producers on this lease at this time. Neither well is capable of producing top allowable. Ownership in both zones is identical.

The current price of the 44.0° API gravity Silurian oil is \$5.31 per barrel. The posted price of the 40.2° API gravity Blinebry oil is \$5.20 per barrel. Gravity of the combined oils is expected to be 42° API. The value of the commingled production will not be less than the sum of the values of the production from each source.

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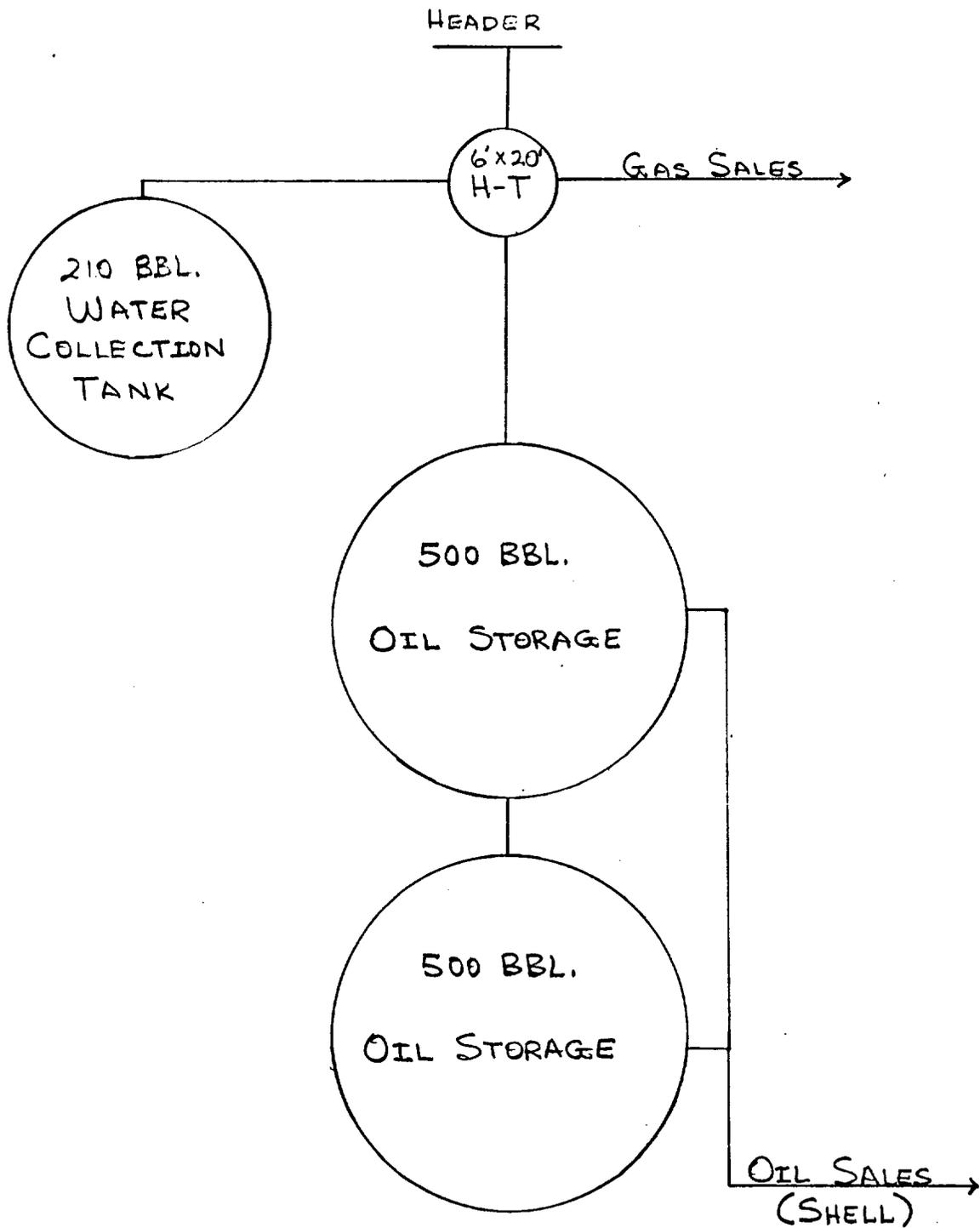
Production from the Silurian in Well No. 9 averaged 33.1 BOPD during 1972, and in December 1973 averaged 23.4 BOPD. The Blinebry zone in Well No. 7 was potential tested for 12 BOPD on February 18, 1974.

A schematic diagram of production facilities and a lease plat are attached.

Sincerely,  
Texas Pacific Oil Co., Inc.

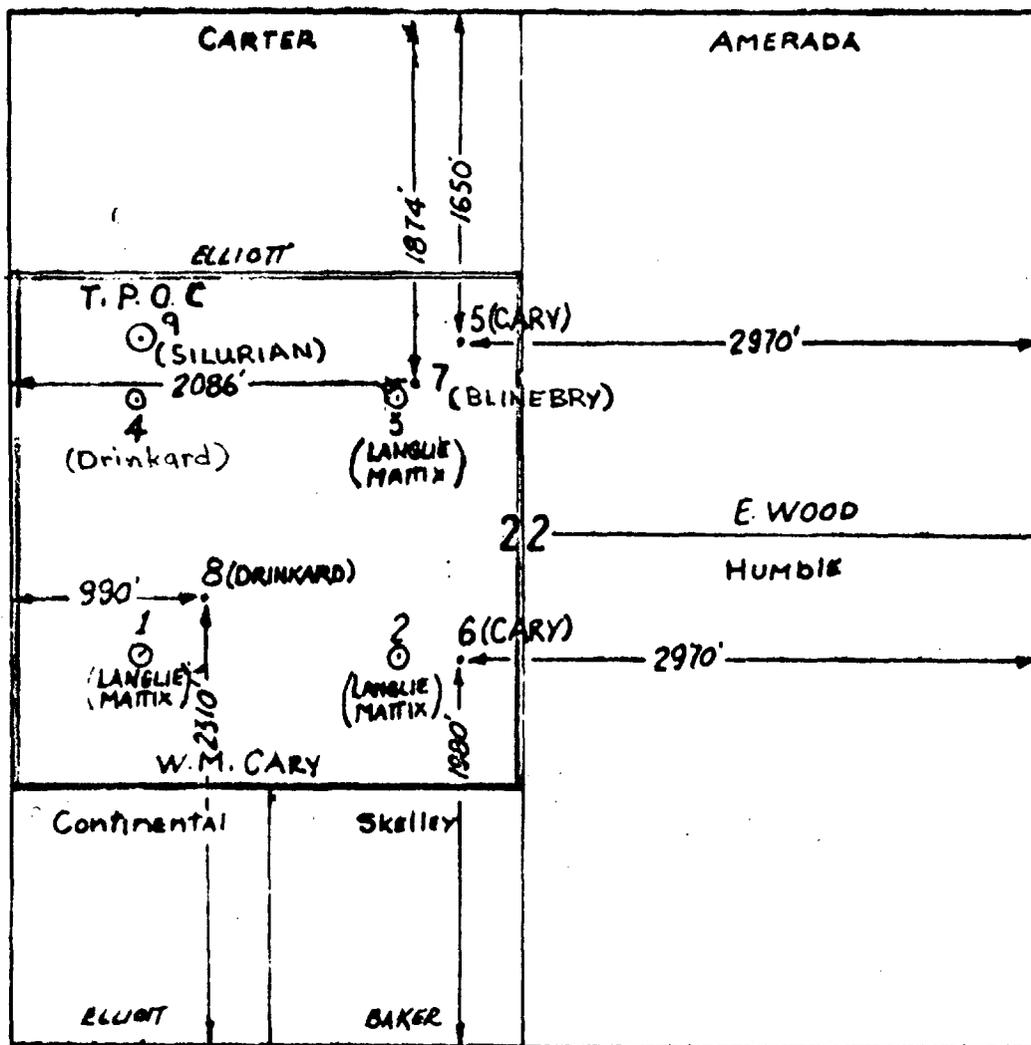
  
Lloyd A. Wright  
Area Superintendent

LAW:tk  
cc: O.C.C. - Hobbs  
Attachments (2)



WILL CARY LEASE BATTERY  
TEXAS PACIFIC OIL Co., INC.  
SEC 22, T22S, R37E  
LEA COUNTY, NEW MEXICO

2-25-74



WILL CARY LEASE, SEC. 22, T-22-S, R-37-E  
 TEXAS PACIFIC OIL Co., INC.  
 LEA COUNTY, NEW MEXICO

(Langlie Mattix zone committed to Anadarko water flood.)