

Gulf Oil Company - U.S.

PRODUCTION DEPARTMENT HOBBS AREA

C. D. Borland
AREA PRODUCTION MANAGER

August 22, 1974

P. O. Box 670
Hobbs, New Mexico 88240

Mr. A. L. Porter
New Mexico Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico 87501

Dear Sir:

Gulf Oil Corporation requests your administrative approval for an exception to Rule 303-A to permit surface commingling of the Blinebry oil, Drinkard oil, Wantz Granite Wash oil, Blinebry gas and Tubb Gas condensate production on our Vivian lease, comprising the NE/4, N/2 NW/4 and the SW/4 NW/4, Section 30, 22-S, 38-E, Lea County. At the present time there are four wells on this lease producing from the Blinebry oil zone, one Drinkard oil, one Wantz Granite Wash, one Blinebry Gas and two Tubb gas wells and all wells are marginal. Production would be allocated based on periodic well tests.

The following tabulations show the average daily production of each pool for June and July, 1974, gravities and monetary values of the liquid hydrocarbons from each pool, as well as the commingled production.

Pool	Bbls/day	Gravity	\$/bbl	Bbls/day X \$/bbl
Blinebry oil	17	36.3	5.23	\$ 88.91
Drinkard	20	38.0	5.27	\$105.40
Wantz Granite Wash	21	38.5	5.27	\$110.67
Blinebry Gas	2	52.0	5.31	\$ 10.62
Tubb Gas	4	42.0	5.31	\$ 21.24
			Total	\$336.84
Commingled	64	38.4	5.27	\$337.28

You will notice from the tabulations that the actual commercial value of the commingled production will be slightly higher (\$0.44/day).

Attached is a plat of the lease and also a schematic diagram of the proposed installation.

Your early consideration in this matter will be appreciated.

Yours truly,

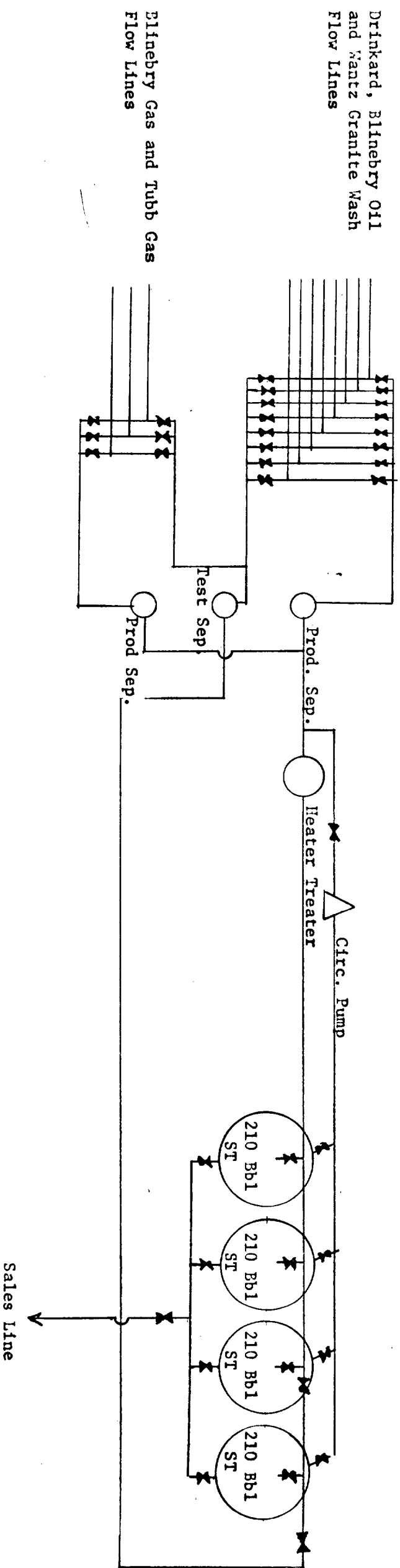


C. D. BORLAND

lwd:
Att'd
cc: EMOCC, Hobbs
J. L. Pike
C. W. Briggs



GULF OIL CORPORATION
 Proposed Commingled Tank Battery, Vivian Lease
 Blinbry, Drinkard, Wantz Granite Wash, Blinbry Gas and Tubb Gas



Drinkard, Blinbry Oil
 and Wantz Granite Wash
 Flow Lines

Blinbry Gas and Tubb Gas
 Flow Lines