

Gulf Oil Exploration and Production Company

R. C. Anderson
PRODUCTION MANAGER, HOBBS AREA

March 25, 1980

P. O. Box 670
Hobbs, NM 88240

Re: Vivian Lease, Tank Battery #1,
Section 30-T22S-R38E, Lea County,
New Mexico, Proposed Surface Com-
mingling of South Brunson Abo Pool
with Drinkard, Tubb and Wantz
Granite Wash Pools

Mr. Joe D. Ramey
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Sir:

Gulf Oil Corporation's Vivian No. 4 was recently plugged and abandoned in the Wantz Granite Wash Oil and recompleted in the South Brunson Abo Oil. In order to avoid considerable expense in constructing and maintaining a new tank battery on the subject lease, Gulf hereby seeks an amendment to Administrative Order PC-486 to allow Gulf to surface commingle newly developed South Brunson Abo Oil from the Vivian #4 with the commingled Drinkard, Tubb and Wantz Granite Wash Oil. The wells producing Drinkard Oil are the Vivian No. 1, 3, 8, 10 and 11. Tubb Oil is produced from the Vivian No. 1 and 2. Wantz Granite Wash Oil is produced from the Vivian No. 8, 9, 10, 11 and 12. All wells are tested periodically for allocation of production.

The attached tabulation shows the volumes, gravities and monetary values of the liquid hydrocarbons from the individual pools, as well as commingled production. The tabulation also shows total average daily production for a 61 day period and the results of recent production tests for the new completion.

The calculated revenue from the commingled production is approximately 35 cents per day less than the total revenue from the individual pools.

Also attached is a schematic diagram of the storage facilities for the commingled production and a lease plat. Texaco, Inc. has agreed to purchase the commingled oil as proposed herein.

This commingling proposal is in the interest of conservation in that it prevents unnecessary waste and production expense.

Yours very truly,


R. C. ANDERSON

RHB/jr

Attachments



A DIVISION OF GULF OIL CORPORATION

GULF OIL CORPORATION
Vivian Lease, Tank Battery No. 1
Section 30-T22S-R38E
Lea County, New Mexico

<u>Well and Pool</u>	<u>Production</u>		<u>Total</u>	<u>Average BOPD</u>
	<u>Nov 79</u>	<u>Dec 79</u>		
Vivian #1, 3, 8, 10 & 11 Drinkard Pool	541	535	1076	17.6
Vivian #1 & #2 Tubb Gas	205	185	390	6.4
Vivian #8, 9, 10, 11 & 12 Wantz Granite Wash Pool	1895	1809	3704	60.7
Vivian #4*- South Brunson Abo Pool	-	-	-	15.0

*Test Production (12-16-79)
(15 BOPD & 1 BWPD)

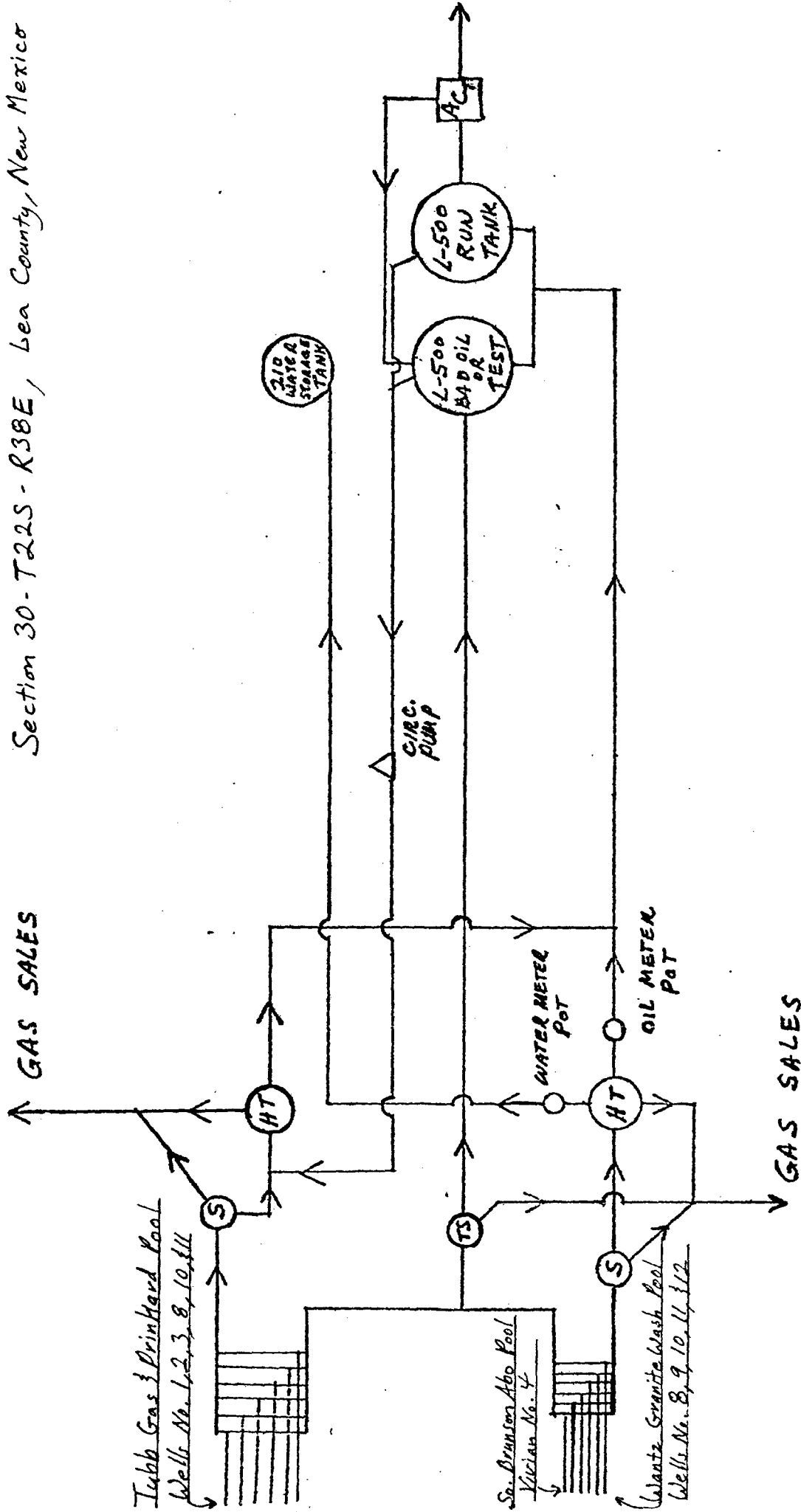
<u>Pool</u>	<u>BOPD</u>	<u>Gravity</u>	<u>\$/Bbl</u>	<u>\$/Day</u>
Drinkard	17.6	36.1	39.41	693.61
Tubb	6.4	45.2	39.39	252.09
Wantz Granite Wash	60.7	37.9	39.52	2398.86
South Brunson Abo	15.0	36.0	39.33	589.95
Total	99.7			3934.51
Commingled	99.7	37.8	39.46	3934.16
Difference Per Day				(-0.35)

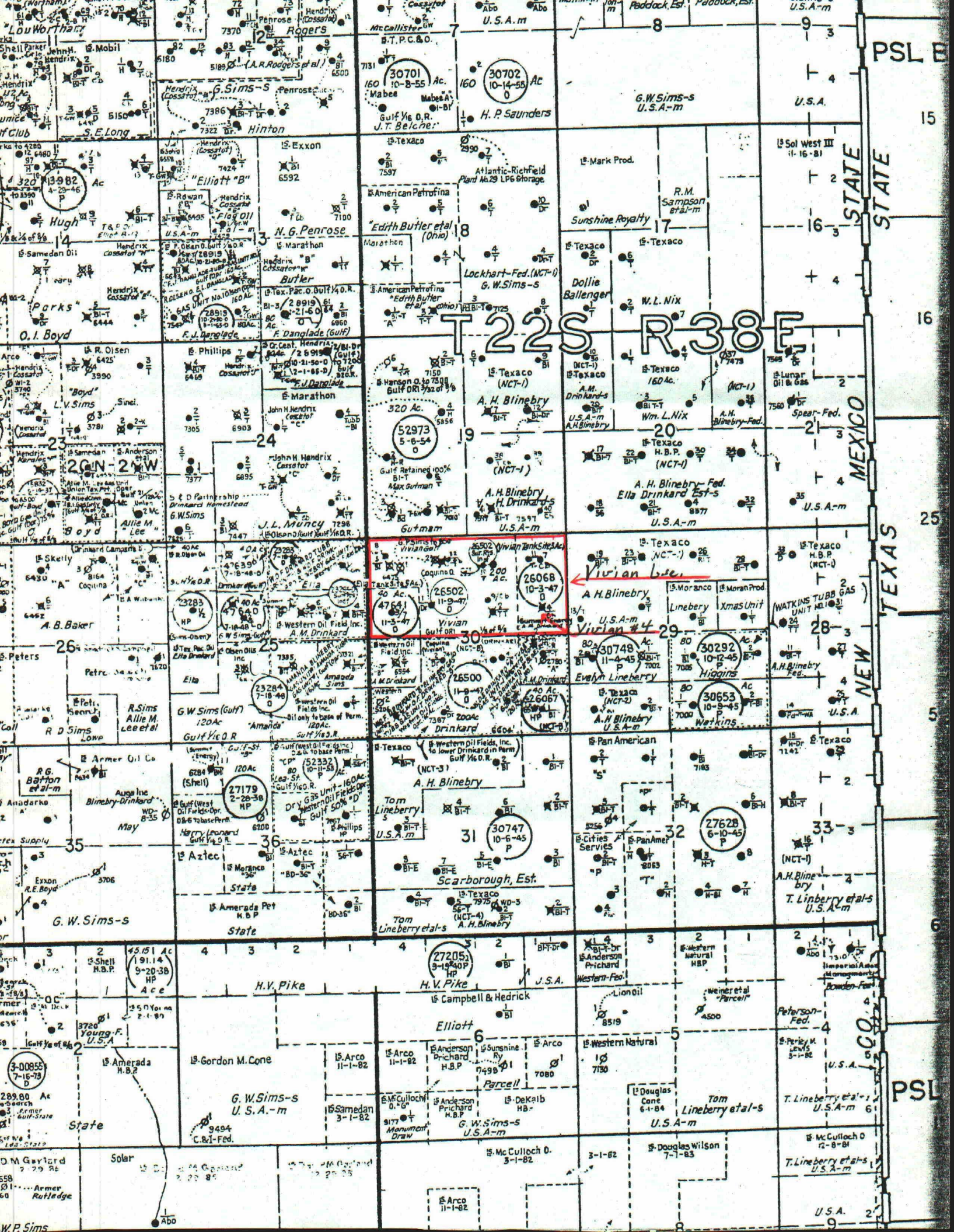
GULF OIL CORPORATION

Proposed Commingled Tank Battery

Vivian Battery No. 1

Section 30-T22S-R38E, Lea County, New Mexico







PETROLEUM PRODUCTS

PETROLEUM PRODUCTS DEPT.-U. S. A.

March 11, 1980

TEXACO INC.
P. O. BOX 52332
HOUSTON, TEXAS 77052
713-225-2233

DRINKARD, TUBB GAS & WANTZ
GRANITE WASH POOL
LEA COUNTY, NEW MEXICO

Gulf Exploration and Producing
P. O. Box 670
Hobbs, New Mexico 88240

Attention: Mr. Robert Baty

Gentlemen:

Reference is made to the commingled production from the Drinkard, Tubb Gas & Wantz Granite Wash Pool and the addition of the production from the Brunson South Abo Field and Brunson South Granite Wash Pool.

Pursuant to your request, this letter was written to convey our intent to continue to purchase the production from the above commingling facility.

J. C. Lee
J. C. LEE 1/378

RJC/rmw:1/2

cc: Gulf Oil Company
P. O. Box 1150
Midland, Texas 79701
Attention: Mr. R. T. Henry

C. L. Bowen
T-NMPL Co.
Hobbs, New Mexico