



Amoco Production Company
P. O. Box 367
Andrews, Texas 79714

August 28, 1974

File: CHJ-LF x 986.63NM-525

Re: Application for Surface Commingling of
Gillully "B" Federal R/A A Lease Oil
Production, Monument-Tubb Oil Pool
Monument-Paddock Oil Pool,
Lea County, New Mexico

New Mexico Oil Conservation Commission (3)
P. O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

Amoco Production Company respectfully submits this request for Administrative Approval to permit the commingling of oil production from the Gillully "B" Federal R/A A Lease wells producing from the Monument-Tubb and Monument-Paddock Oil Pools, Lea County, New Mexico.

In support of our request for exception to Rule 303.A., to permit commingling of production from two sources of supply, the following is submitted:

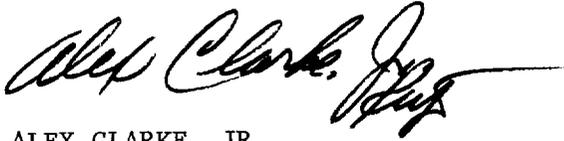
1. Gillully "B" Federal Lease plat showing all wells thereon and formation in which each is completed.
2. Schematic diagram of the proposed commingling facility, "Gillully B Commingled Battery", located in Unit G, Section 21, T-20-S, R-37-E, Lea County, New Mexico

It is proposed that the production be allocated on the basis of periodic well tests since all wells are of a marginal nature. The commercial value of the production will be substantially the same since the Tubb is stripper production and the Paddock is new oil. Crude gravities are near the same and is expected to fluctuate between 35° to 36.5°. There is no diversity of ownership.

Due to the limited total volume of production (approximately 20 - 25 barrels a day) from both supply sources, it is not economically feasible to establish separate storage facilities.

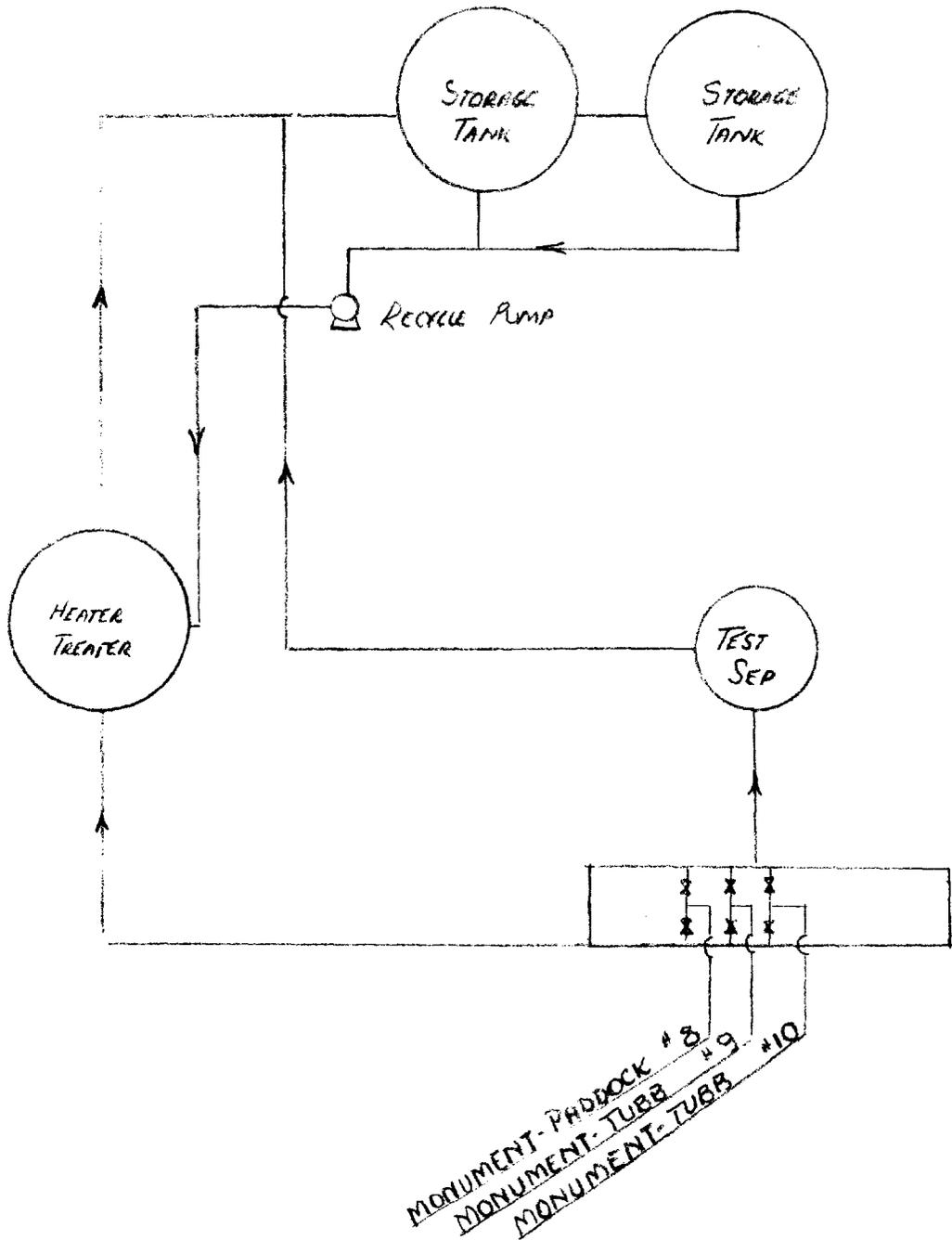
Your early consideration of this request shall be appreciated.

Yours very truly,

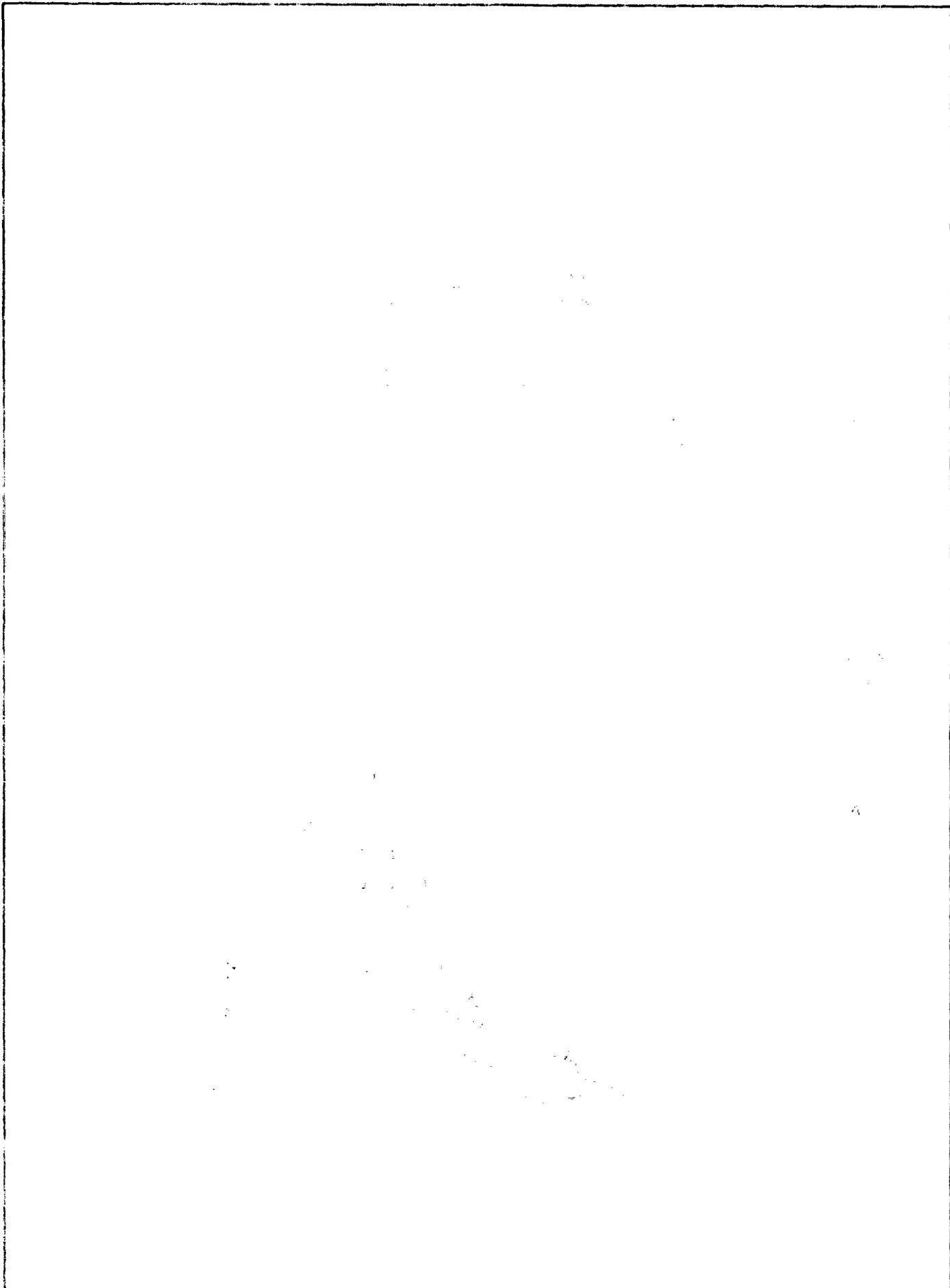
A handwritten signature in cursive script, appearing to read "Alex Clarke, Jr.", with a long horizontal flourish extending to the right.

ALEX CLARKE, JR.
Area Superintendent

cc: New Mexico Oil Conservation Commission, Box 1980, Hobbs, N.M. 88240
cc(2): United States Geological Survey, Box 1157, Hobbs, N.M. 88240 w/letter



Amoco Production Company		SCALE:
PROPOSED COMMINGLING INSTALLATION (SWANEA 21-20-37)		DRG. NO.
GILLULLY B FED LEASE (GILLULLY B COMMINGLED BATTERY)		



SCALE	Amoco Production Company
NO.	PROPOSED COMMINGLED INSTALLATION & SWANSEA ST-50-3
DR.	GIRTRY B FED LEASE / GIRTRY B COMMINGLED BATTERY



United States Department of the Interior

GEOLOGICAL SURVEY

P. O. Box 1157
Hobbs, New Mexico 88240

September 20, 1974

Amoco Production Company
P. O. Box 367
Andrews, Texas 79714

Gentlemen:

Your letter of August 28 requests approval to modify the commingling system approved by our letter of October 8, 1968. You now propose to commingle only Tubb production, from Gillully "B" wells Nos. 9 and 10, and Paddock production from Gillully "B" well No. 8, in the N $\frac{1}{2}$ sec. 22, T. 20 S., R. 37 E., Lea County, New Mexico, lease Las Cruces 031736(b).

The commingling system described in the attachments to your letter is hereby approved subject to like approval by the New Mexico Oil Conservation Commission.

The addition of any wells or leases to the commingling facility must be approved by this office prior to their being added to the facility.

Please notify this office when the above modification is completed so that a field inspection of the system can be made.

Sincerely yours,

Arthur R. Brown
District Engineer