

Gulf Oil Company - U.S.

PRODUCTION DEPARTMENT
HOBBS AREA

C. D. Borland
AREA PRODUCTION MANAGER

P. O. Box 670
Hobbs, New Mexico 88240

January 30, 1975

Mr. A. L. Porter, Jr.
New Mexico Oil Conservation Commission
P.O. 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 commingling of the Drinkard and Blinebry Oil production on our S. E. Cone Lease, comprising the NE/4 of the SW/4 of Section 26, Township 21 South, Range 37 East, Lea County, New Mexico.

At the present time there is one well producing from the Drinkard Pool and one well producing from the Blinebry Oil Pool. Both wells are marginal. Production will be allocated on the basis of periodic well tests.

This is fee land and approval of the State Land Commissioner is not required.

The attached tabulations show the average daily production for the 61-day period for November and December, 1974. You will notice from the tabulations that the actual commercial value of the commingled production will not change.

Attached is a plat of the lease as well as a schematic diagram of the proposed installation.

Your early reply to this application will be appreciated.

Yours very truly,

C. D. Borland
C. D. BORLAND

CRK:ptg
att'd.

cc: Oil Conservation Commission, Hobbs, N.M.
J. L. Pike, Midland
C. W. Briggs, Midland



GULF OIL CORPORATION

S. E. CONE LEASE

<u>Pool</u>	<u>Bbls/Day</u>	<u>PRODUCTION DATA</u>		<u>Bbls./Day x \$/Bbl.</u>
		<u>Corr. Gravity</u>	<u>\$/Barrel</u>	
Blinebry Oil	9.2	39.7	\$ 11.54	\$ 106.17
Drinkard	15.3	39.6	\$ 11.54	<u>\$ 176.56</u>
	Total			\$ 282.73
Commingled	24.5	39.6	\$ 11.54	<u>\$ 282.73</u>
	Difference			\$ 0.00 per day

CRK:ptg
Hobbs, N.M.
1-30-75

GULF OIL CORPORATION
Proposed Commingled Tank Battery - S. E. Cone Lease
Drinkard & Blinebry Oil Pools



