

Gulf Oil Exploration and Production Company

R. C. Anderson
PRODUCTION MANAGER, HOBBS AREA

February 8, 1980

P. O. Box 670
Hobbs, NM 88240

Re: Harry Leonard (NCT-C) Lease,
Tank Battery No. 10, Section 36-
T21S-R36E, Lea County, New
Mexico, Proposed Surface Commingling of Tubb Pool with Blinebry and Drinkard Pools

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

Dear Sir:

Harry Leonard (NCT-C) No. 19 was recently temporarily abandoned in the Drinkard Oil and recompleted in the Tubb Oil. In order to avoid considerable expense in construction and maintaining a new tank battery for the subject lease, Gulf hereby seeks an amendment to Administrative Order PC-512 to allow Gulf to surface commingle newly developed Tubb Oil with the commingled Blinebry and Drinkard Oil. The wells producing from all pools are marginal and will be tested periodically for allocation of production as directed by the commingling order.

The attached tabulation shows the volumes, gravities, and monetary values of the liquid hydrocarbons from 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 42 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. Gulf Oil Corporation's Crude Oil Department has agreed to purchase the commingled oil as proposed herein.

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

Yours very truly,


R. C. ANDERSON

Attachments

RHB/jr

cc: Oil Conservation Division
P. O. Box 1980
Hobbs, NM 88240



A DIVISION OF GULF OIL CORPORATION

GULF OIL CORPORATION

HARRY LEONARD (NCT-C) LEASE, TANK BATTERY NO. 10
 Section 36-T21S-R36E
 Lea County, New Mexico

<u>Wells and Pool</u>	<u>Production</u>		<u>Total</u>	<u>Average BOPD</u>
	<u>Nov 79</u>	<u>Dec 79</u>		
Harry Leonard (NCT-C) #10 Blinebry Oil Pool	300	300	600	9.8
Harry Leonard (NCT-C) #12, 13 14, 15, 16, 17 and 18 Drinkard Oil Pool	2,813	2,002	4,815	78.9
Harry Leonard (NCT-C) #19 * Tubb Pool	-	-	-	16.0

*Test Production (12-11-79)
 16 BOPD, 14 BWPD, 58 MCFPD

<u>Pool</u>	<u>BOPD</u>	<u>Gravity</u>	<u>\$/Bbl</u>	<u>\$/Day</u>
Blinebry Oil	9.8	37.5	\$ 39.15	\$ 330.36
Drinkard Oil	78.9	38.2	14.35	1,114.86
Tubb Oil	<u>16.0</u>	<u>34.8</u>	<u>39.79</u>	<u>636.64</u>
TOTAL	104.7			\$ 2,081.86
Commingled	104.7	37.6	\$ 19.88	\$ 2,081.44
		Difference Per Day		(\$ - 0.42)

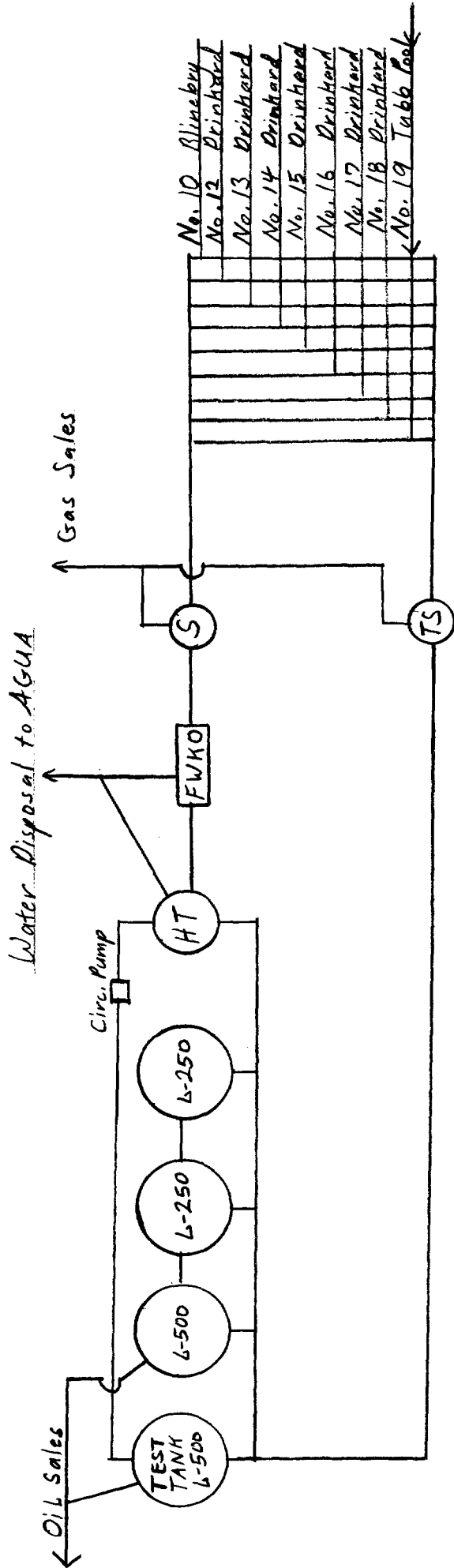
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 SANTA FE

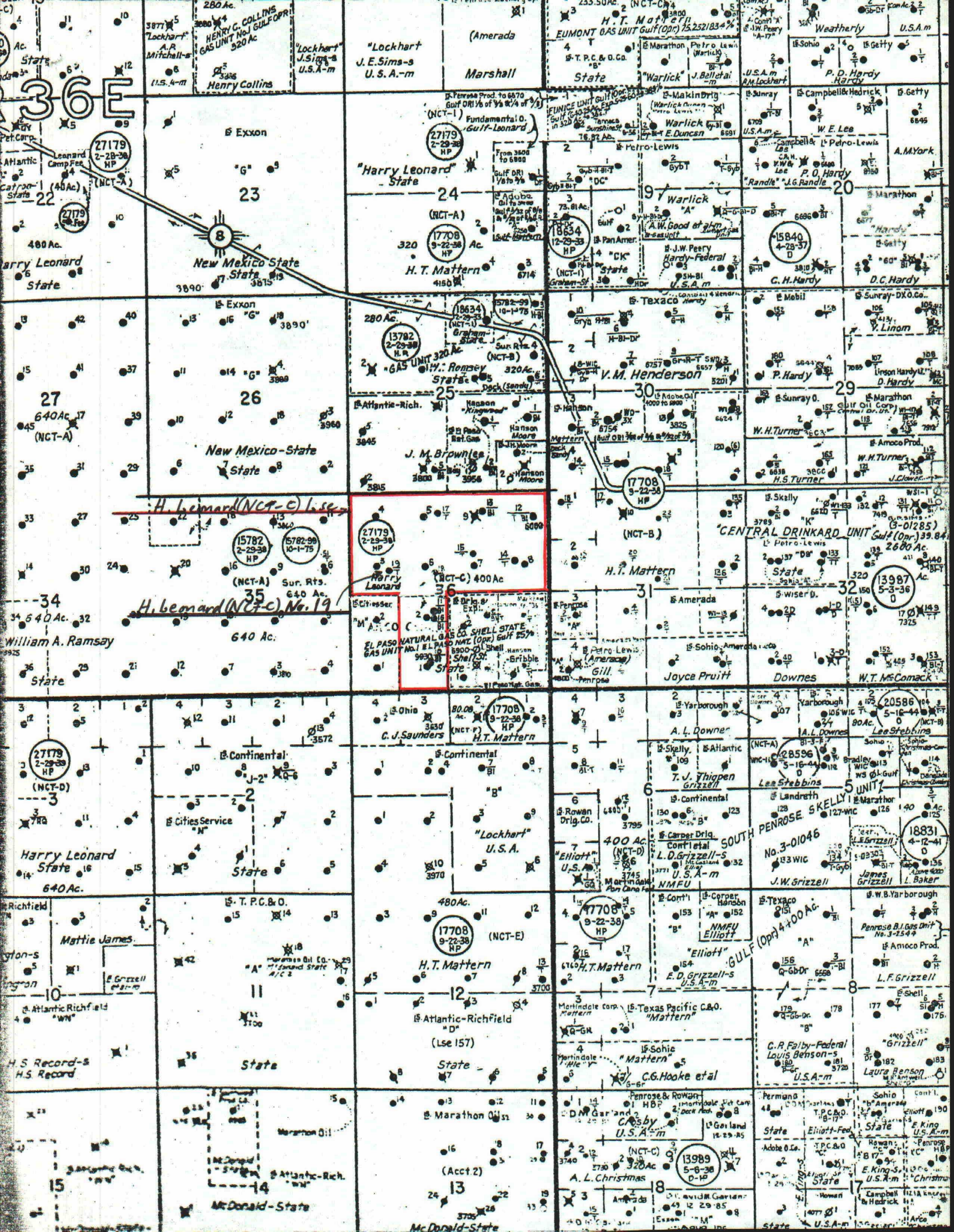
GULF OIL CORPORATION

Proposed Commingled Tank Battery

Harry Leonard (NCT-C) Lease, Tank Battery No. 10

Section 36-T21S-R36E, Lea County, New Mexico





FROM

R. T. Henry

AT

Midland

TO

R. C. Anderson

AT

Hobbs

IN REPLY
REFER TO

DATE 10-4-79

Re: Commingling of Tubb Pool Production on the
Gulf Oil Corporation - Harry Leonard (NCT-C) Lease
Section 36-21S-36E
Lea County, New Mexico

It is agreeable with Gulf Oil Corporation's Crude Oil Department to purchase the Tubb Pool production from Well No. 19 which is to be commingled with existing commingled Drinkard and Blinebry Oil Pools on the subject lease, with connection by Texas-New Mexico Pipe Line Company's Intermediate facilities.

If I can be of any further assistance please advise.

RTH:bmr

R. T. Henry
for R. T. Henry