

Gulf Oil Exploration and Production Company

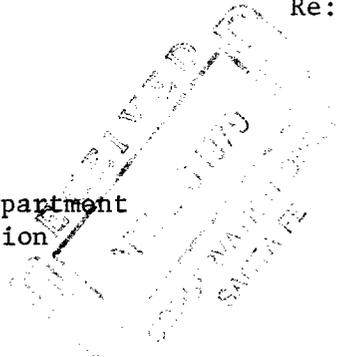
April 11, 1979

R. C. Anderson
PRODUCTION MANAGER, HOBBS AREA

P. O. Box 670
Hobbs, NM 88240

Re: C. E. LaMunyon Lease, Tank Battery
No. 1, Section 28-T23S-R37E,
Lea County, New Mexico, Proposed
Surface Commingling of Undesignated
Abo and Teague Blinebry Pools

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



Dear Sir:

In order to avoid considerable expense in constructing and maintaining a new tank battery for the subject lease, Gulf hereby seeks an exception to Rule 303-A. This exception will allow Gulf to surface commingle newly developed Undesignated Abo oil from C. E. LaMunyon Well No. 48 with Teague Blinebry oil from C. E. LaMunyon Wells No. 14, 20, 21, 22, 23, 24, 25, 26, 28, 29, 30, 32, 33, 34, 35, 37, 38, 39, 41, 42 and 44. All wells will be tested periodically for allocation of production.

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 59 day period and the results of recent production tests for the new completion.

The calculated revenue from the commingled production is approximately 64 cents per day more 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. Shell Pipe Line Corporation has agreed to purchase the commingled oil as proposed herein.

The C. E. LaMunyon Lease is located on Federal lands (Federal Lease LC-030187). The U. S. Geological Survey has consented to the proposed commingling per conversation between Gulf's L. B. Ivanhoe and Mr. Brown of the U. S. G. S. on April 10, 1979.

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



GULF OIL CORPORATION

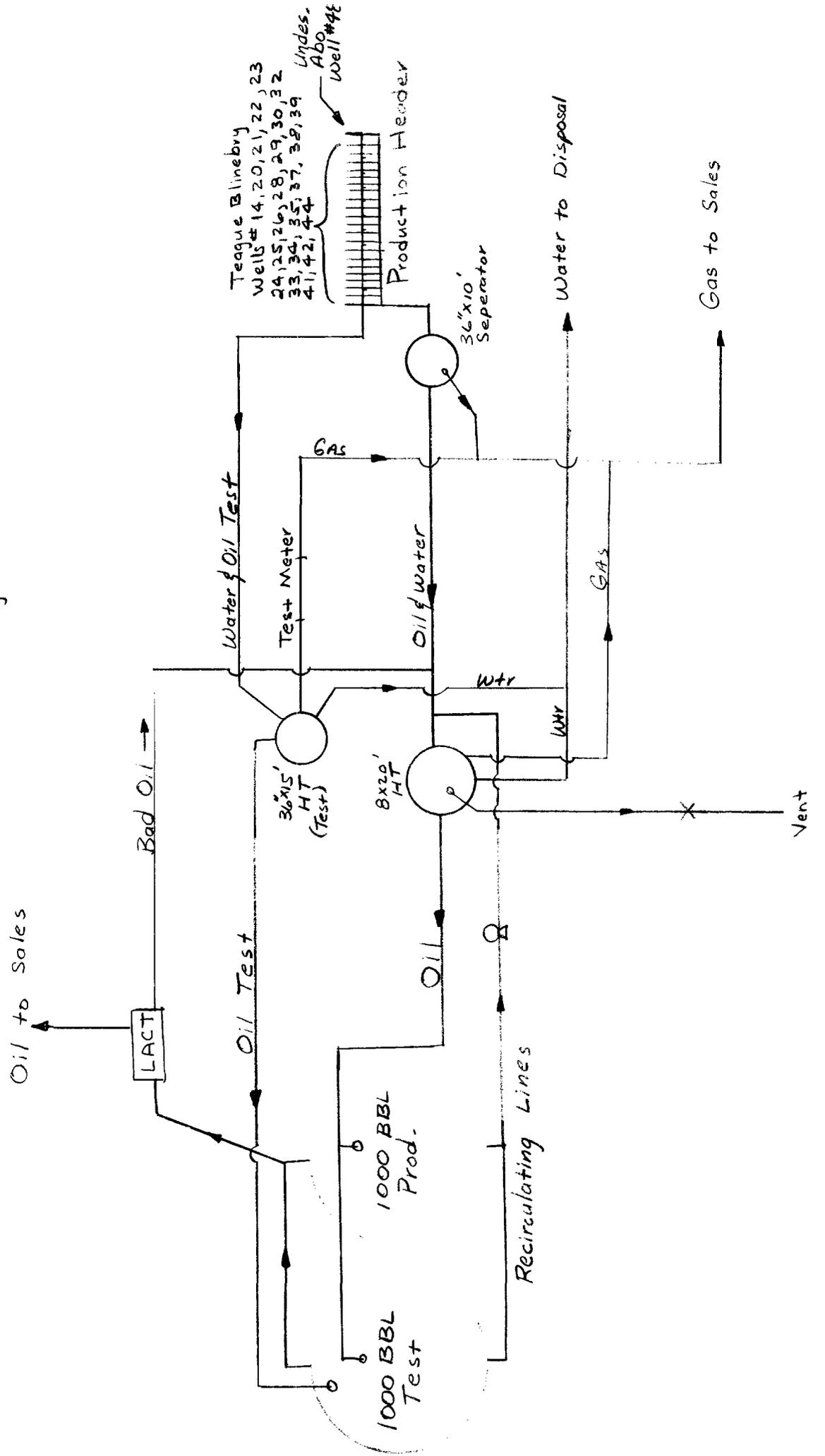
C. E. LaMUNYON LEASE, TANK BATTERY NO. 1
 Section 28-T23S-R37E
 Lea County, New Mexico

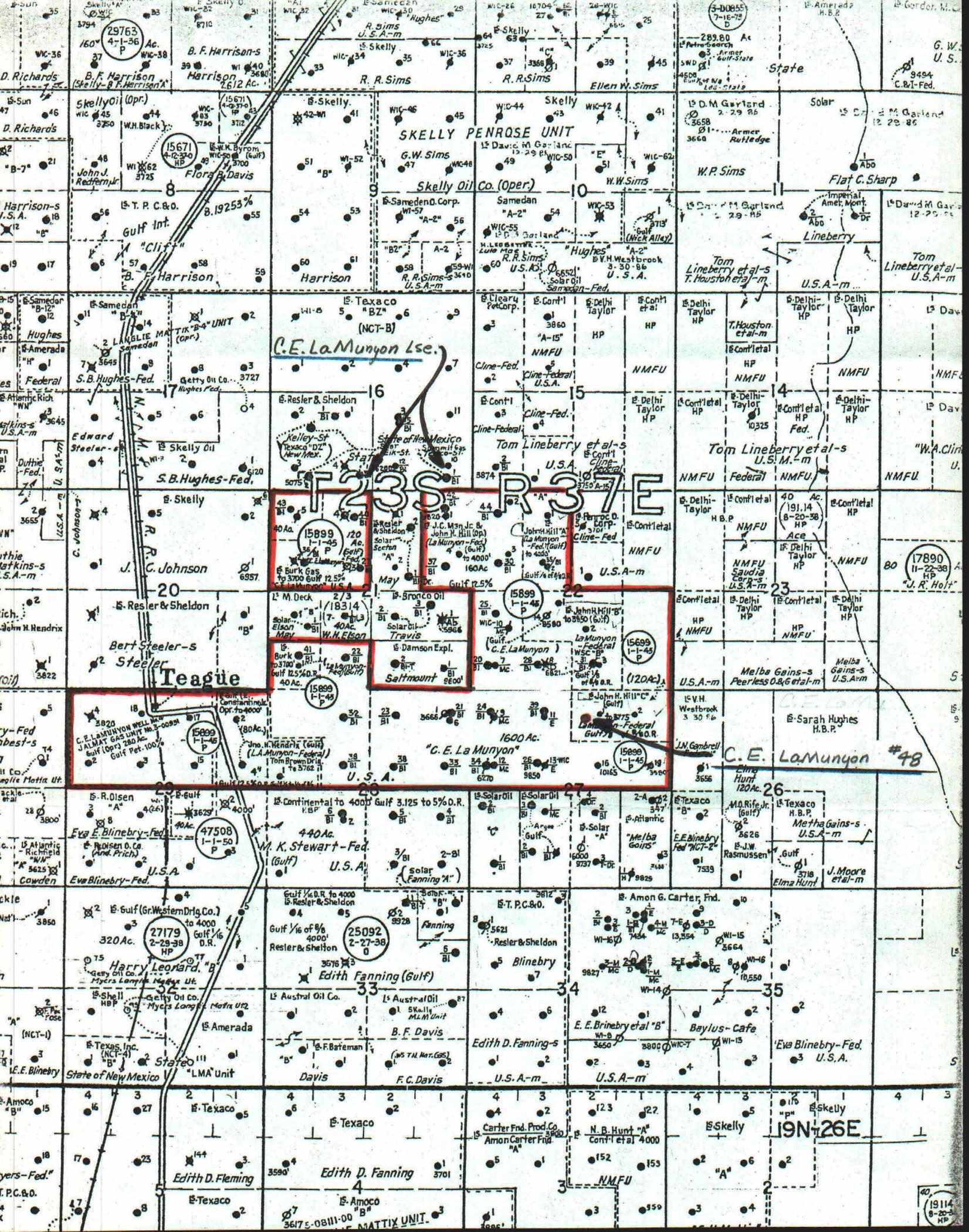
<u>Wells and Pool</u>	<u>Production</u>		<u>Total</u>	<u>Average BOPD</u>
	<u>Jan 79</u>	<u>Feb 79</u>		
C. E. LaMunyon 14, 20, 21, 22, 23, 24, 25, 26, 28, 29, 30, 32, 33, 34, 35, 37, 38, 39, 41, 42 and 44 Teague Blinebry Pool	3,126	2,997	6,123	103.8
C. E. LaMunyon No. 48 Undesignated Abo*	-	-	-	<u>16.0</u>
				119.8

*Test Production (4-7-79)
 16 BOPD, 4 BWPD & 60 MCFGPD

<u>Pool</u>	<u>BPD</u>	<u>Gravity</u>	<u>\$/Bbl</u>	<u>\$/Day</u>
Teague Blinebry	103.8	38.1	\$ 15.80	\$ 1,640.04
Undesignated Abo	<u>16.0</u>	<u>35.7</u>	<u>15.76</u>	<u>252.16</u>
TOTAL	119.8			\$ 1,892.20
Commingled	119.8	36.9	\$ 15.80	\$ 1,892.84
			Difference Per Day	(\$ + 0.64)

Gulf Oil Corporation
 Proposed Commingled Tank Battery
 C.E. LaMunyon Btry # 1
 Sec 28-T235-R37E, Lea Co NM
 Abo-Teague Blinebry





29763
4-1-36
P
Ac.
B. F. Harrison-s
Skelly-B.F. Harrison

B. F. Harrison-s
Harrison
2.612 Ac.

R. R. Sims
U.S.A-m
Skelly

R. R. Sims
U.S.A-m
Skelly

R. R. Sims
U.S.A-m
Skelly

Ellen W. Sims
U.S.A-m
Skelly

28980 Ac
W.P. Sims
U.S.A-m
Skelly

State
Solar
U.S.A-m
Skelly

G. W. U.S.
U.S.A-m
Skelly

Skelly Oil (Opr.)
W.H. Black
John J. Redfern Jr.
W.I. 62
3725
W.I. 52
3700
Flora B. Davis

Skelly
W.I. 42
41
W.I. 34
35
W.I. 36
45
W.I. 44
43
W.I. 42
41

SKELLY PENROSE UNIT
G.W. Sims
13 David M. Garland
12-29-86
W.I. 49
W.I. 50
W.I. 51
W.I. 52

Skelly Oil Co. (Oper.)
W.W. Sims
W.I. 53
W.I. 54
W.I. 55
W.I. 56
W.I. 57
W.I. 58
W.I. 59
W.I. 60

W.P. Sims
W.I. 61
W.I. 62
W.I. 63
W.I. 64
W.I. 65
W.I. 66
W.I. 67
W.I. 68

15 D.M. Garland
Solar
12-29-86
W.I. 69
W.I. 70
W.I. 71
W.I. 72
W.I. 73
W.I. 74
W.I. 75
W.I. 76

Flat C. Sharp
Imperial
Amet. Mont
Dr
W.I. 77
W.I. 78
W.I. 79
W.I. 80
W.I. 81
W.I. 82
W.I. 83
W.I. 84

Tom Lineberry et al-s
U.S.A-m
W.I. 85
W.I. 86
W.I. 87
W.I. 88
W.I. 89
W.I. 90
W.I. 91
W.I. 92

Gulf Int.
"Cliff"
B. F. Harrison
S.T.P.C.&O.
B. 19253%

Harrison
Samedan
W.I. 57
W.I. 58
W.I. 59
W.I. 60
W.I. 61
W.I. 62
W.I. 63
W.I. 64

C.E. LaMunyon Lse.
Samedan
W.I. 65
W.I. 66
W.I. 67
W.I. 68
W.I. 69
W.I. 70
W.I. 71
W.I. 72

Tom Lineberry et al-s
U.S.A-m
W.I. 73
W.I. 74
W.I. 75
W.I. 76
W.I. 77
W.I. 78
W.I. 79
W.I. 80

Tom Lineberry et al-s
U.S.A-m
W.I. 81
W.I. 82
W.I. 83
W.I. 84
W.I. 85
W.I. 86
W.I. 87
W.I. 88

Tom Lineberry et al-s
U.S.A-m
W.I. 89
W.I. 90
W.I. 91
W.I. 92
W.I. 93
W.I. 94
W.I. 95
W.I. 96

Tom Lineberry et al-s
U.S.A-m
W.I. 97
W.I. 98
W.I. 99
W.I. 100
W.I. 101
W.I. 102
W.I. 103
W.I. 104

Tom Lineberry et al-s
U.S.A-m
W.I. 105
W.I. 106
W.I. 107
W.I. 108
W.I. 109
W.I. 110
W.I. 111
W.I. 112

S.B. Hughes-Fed.
Edward Steeler-s
Skelly Oil
J. C. Johnson
Bert Steeler-s
Teague

15899
1-1-45
P
Ac.
Burk Gas
to 3700 Gulf
12.5%
U.S.A-m

15899
1-1-45
P
Ac.
John Hill
C.E. LaMunyon
U.S.A-m

15899
1-1-45
P
Ac.
John Hill
C.E. LaMunyon
U.S.A-m

15899
1-1-45
P
Ac.
John Hill
C.E. LaMunyon
U.S.A-m

15899
1-1-45
P
Ac.
John Hill
C.E. LaMunyon
U.S.A-m

15899
1-1-45
P
Ac.
John Hill
C.E. LaMunyon
U.S.A-m

17890
11-22-38
HP
Ac.
J. R. Holt
U.S.A-m

15899
1-1-45
P
Ac.
John Hill
C.E. LaMunyon
U.S.A-m

15899
1-1-45
P
Ac.
John Hill
C.E. LaMunyon
U.S.A-m

15899
1-1-45
P
Ac.
John Hill
C.E. LaMunyon
U.S.A-m

15899
1-1-45
P
Ac.
John Hill
C.E. LaMunyon
U.S.A-m

15899
1-1-45
P
Ac.
John Hill
C.E. LaMunyon
U.S.A-m

15899
1-1-45
P
Ac.
John Hill
C.E. LaMunyon
U.S.A-m

15899
1-1-45
P
Ac.
John Hill
C.E. LaMunyon
U.S.A-m

15899
1-1-45
P
Ac.
John Hill
C.E. LaMunyon
U.S.A-m

47508
1-1-50
P
Ac.
Eve Blinbery-Fed.
U.S.A-m

440 Ac.
M. K. Stewart-Fed.
U.S.A-m

25092
2-27-38
P
Ac.
Edith Fanning (Gulf)
U.S.A-m

27179
2-29-38
HP
Ac.
Harry Leonard
U.S.A-m

Edith D. Fanning
U.S.A-m

Shell Oil Company



Two Shell Plaza
P.O. Box 2099
Houston, Texas 77001

April 2, 1979



Gulf Oil Company
ATTN R. C. Anderson
P. O. Box 670
Hobbs, NM 88240

Gentlemen:

C. E. LA MUNYON LEASE
ABO FIELD
LEA COUNTY, NEW MEXICO

Per phone conversation Cox/Cook of March 30, 1979, we are agreeable to commingling Abo into Teague Blinebry Battery on the subject lease. Shell will continue to purchase the commingled production.

Yours very truly,

A handwritten signature in cursive script, appearing to read "F. D. Couvillon".

F. D. Couvillon, Supervisor
Field Operations - Crude Oil Supply
Operations-Domestic Raw Materials Supply

SC/dg