

Gulf Oil Exploration and Production Company

R. C. Anderson
PROJECT MANAGER
HOBBS, NM

October 4, 1982

P. O. Box 670
Hobbs, NM 88240

Re: C. E. LaMunyon Tank Battery #6
Section 22-T23S-R37E - Proposed
Surface Commingling of Teague Abo
and Teague Devonian Production

called 11/15/82

Mr. Joe D. Ramey
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 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 Administrative Rule No. 303. This will allow Gulf to commingle production from the Teague Abo Gas pool with the Teague Devonian Pool. 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 tabulations also shows total average daily production for a 2 month period and the results of recent production tests for the new completion. The calculated revenue from the commingled production is approximately \$9.92 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 Oil Company has agreed to purchase the commingled production 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
R. C. ANDERSON

MWC/skc

cc: OCD-Hobbs
C. F. Kalteyer-Midland



A DIVISION OF GULF OIL CORPORATION

*Call Gulf -
They don't intend to
sell the gas well gas
w/ the casing head gas
(for casing head price)
do they? Or is
the price the
same?*

September 27, 1982

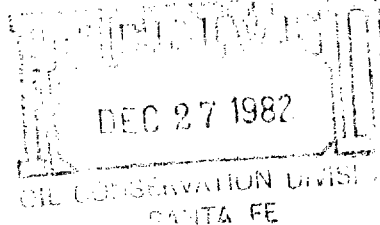
Shell Oil Company



600 N. Marientfeld

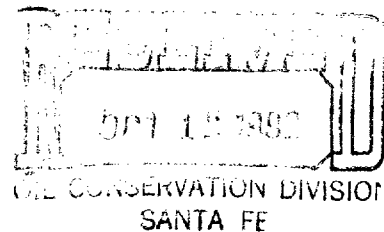
SEP 30 1982

Midland, Texas 79701



Gulf Oil Corporation
P. O. Box 670
Hobbs, New Mexico 88240

Gentlemen:



GULF OIL CORPORATION
C. E. LA MUNYON LSE.
TEAGUE (ABO) & TEAGUE, NORTH (DEVONIAN) FLD.
LEA COUNTY, NEW MEXICO
SHELL I.D. #X88859C00

This is to confirm the phone conversation between your Mr. Randy Robles and the undersigned concerning the subject lease.

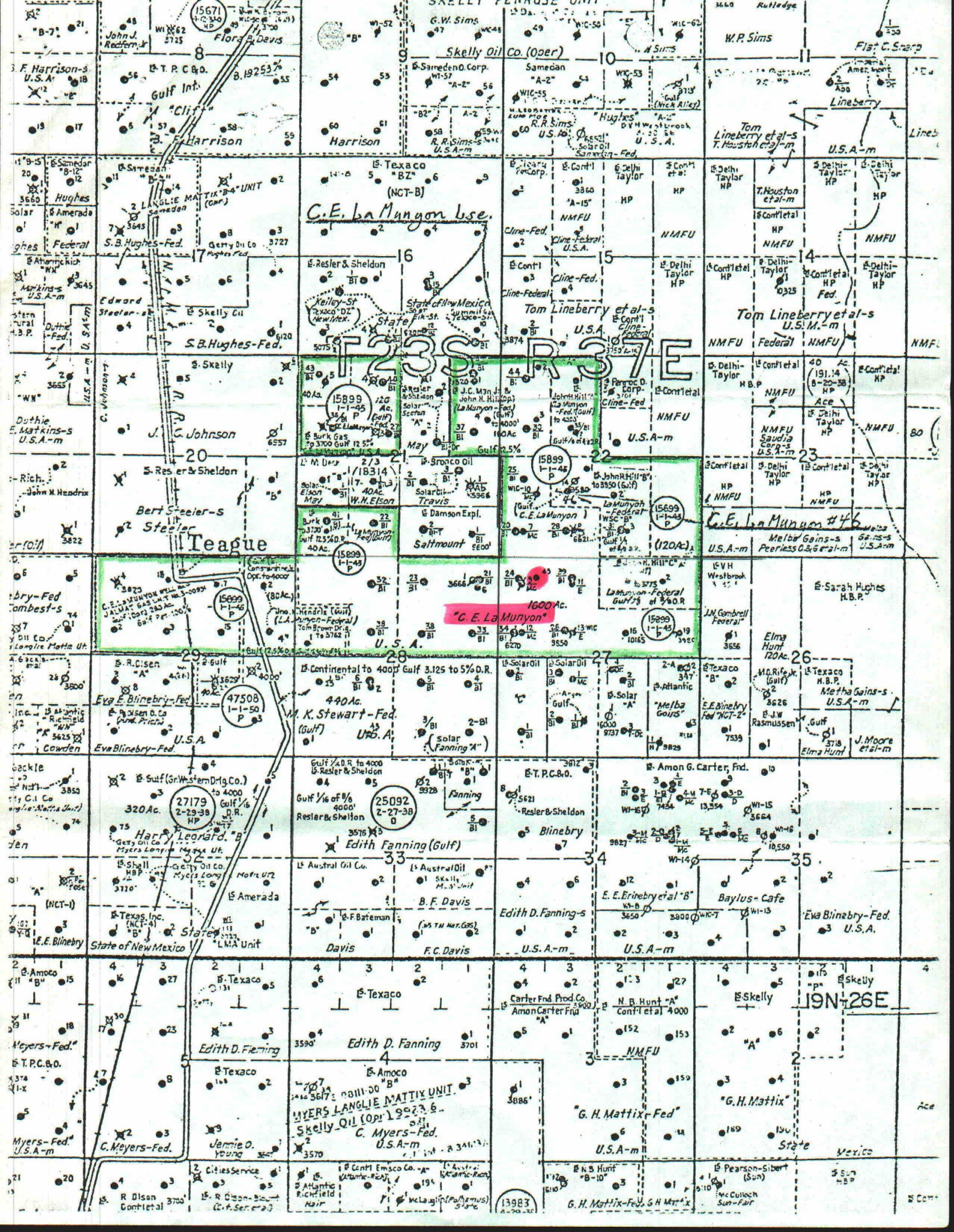
As discussed, we will continue to purchase the commingled production from the Teague (Abo) & Teague, North (Devonian) formations.

Yours very truly,

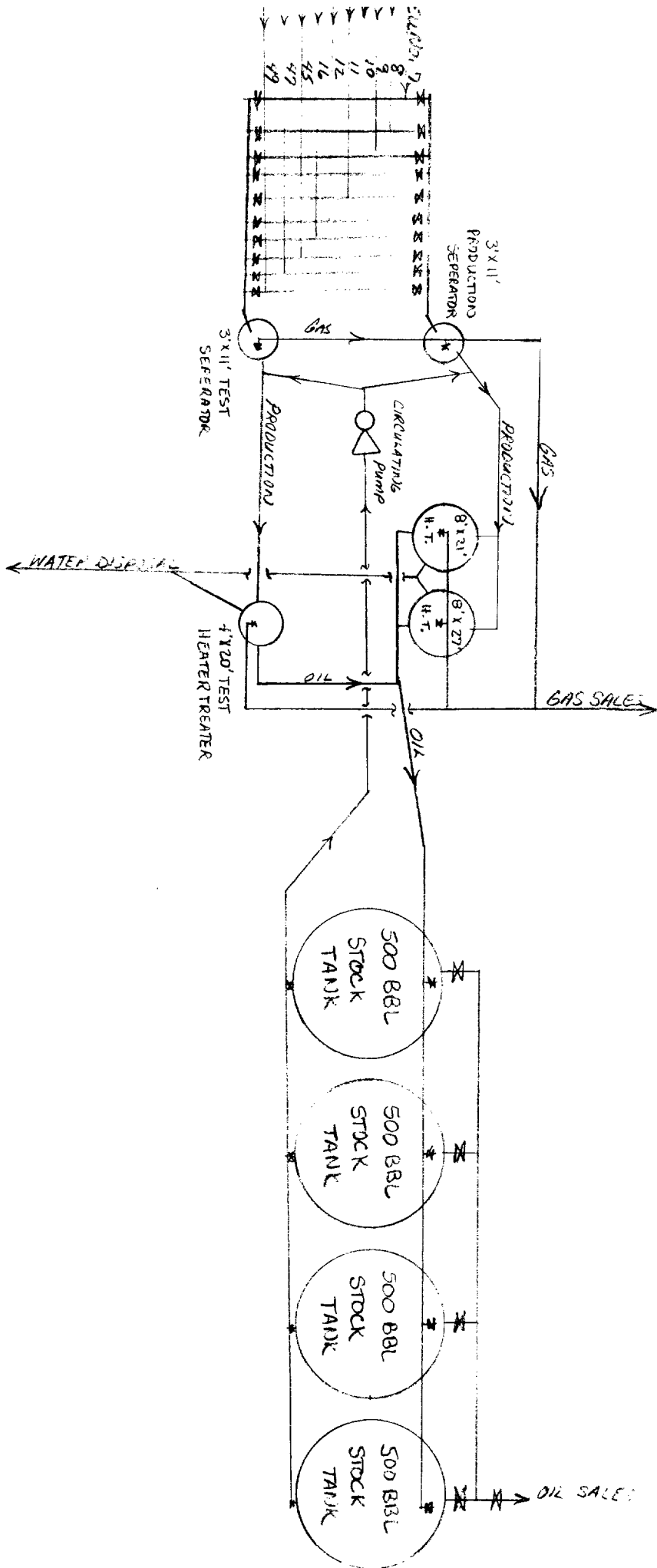
R. R. Minus, Jr.
Crude Oil Representative
Midland Office

RRM:ec

cc: Gulf Oil Corporation
Crude Oil Department
P. O. Box 1150
Midland, Texas 79701



C. E. LaMunyon Tank Battery #6
 Section 22-T23S-R37E





STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

December 16, 1982

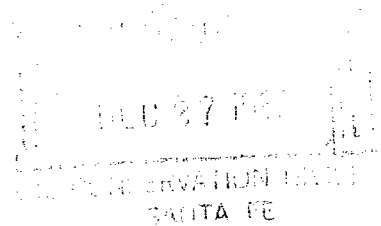
BRUCE KING
GOVERNOR

LARRY KEHOE
SECRETARY

Gulf Oil Exploration &
Production Company
P.O. Box 670
Hobbs, New Mexico 88240

Attention: R. C. Anderson

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434



RE: Applications for Administrative
Approval to Commingle Pool
Production as Provided for in
Rule 303-B C.E. LaMunyon Tank

Battery No. 6, Section 22, Township

23 South, Range 37 East, Lea

County.

Drar Mr. Anderson,

We may not process the subject application for surface commingling until the required information or plats checked on the reverse side of this letter are submitted.

Sincerely,

Michael E. Stogner
Petroleum Engineer

MES/dp

_____ Gravities of liquid hydrocarbons from each pool.

_____ Values of liquid hydrocarbons from each pool.

_____ Volumes of liquid hydrocarbons from each pool.

_____ Schematic diagram of the proposed installation.

XXXX Plat showing the location of all wells on the lease and the pool from which each well is producing. Please outline the C.E. Lamunyon Lease.

XXXXXXXXXX Please state whether the actual commercial value of such commingled production will be less than the sum of the values of the production from each common source of supply and, if so, how much less. Check over your calulations.

_____ Letter of approval from the Commissioner of Public Lands for the State of New Mexico.

XXXXXXXXXX Other: Do you intend to sell the Teague Abo gas production
with the casinghead Teague Devonian at casinghead price?

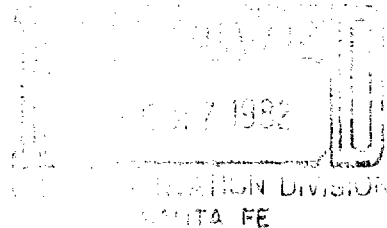
Gulf Oil Exploration and Production Company

R. C. Anderson
Manager, Oil Conservation
Division, BSEE

December 22, 1982

P. O. Box 670
Hobbs, NM 88240

Re: Application for Administrative
Approval to Commingle Pool
Production as Provided for in
Rule 303-B



Mr. Michael Stogner
Petroleum Engineer
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Sir:

The attached information is in regards to your letter of December 16, 1982. We have included a plat outlining the C. E. LaMunyon Lease, and a plat with the corrected calculations you requested. With regards to your question on pricing of the Teague Abo gas production, the gas production from C. E. LaMunyon #9, which is the Teague Abo gas well, is being metered and sold to El Paso Natural Gas Co. at the wellhead. If you have any further questions on this matter, please contact Tom Mueller at 505-393-4121 extension 200.

Yours very truly,


for R. C. ANDERSON

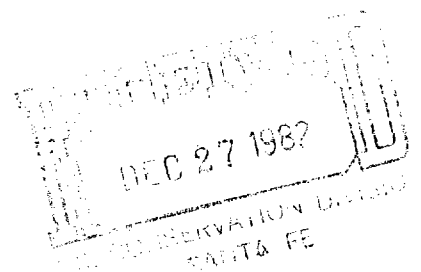
TSM/skc
Att'd



C. E. LAMUNYON TANK BATTERY #6
 Section 22-T21S-R37E
 Lea County, New Mexico

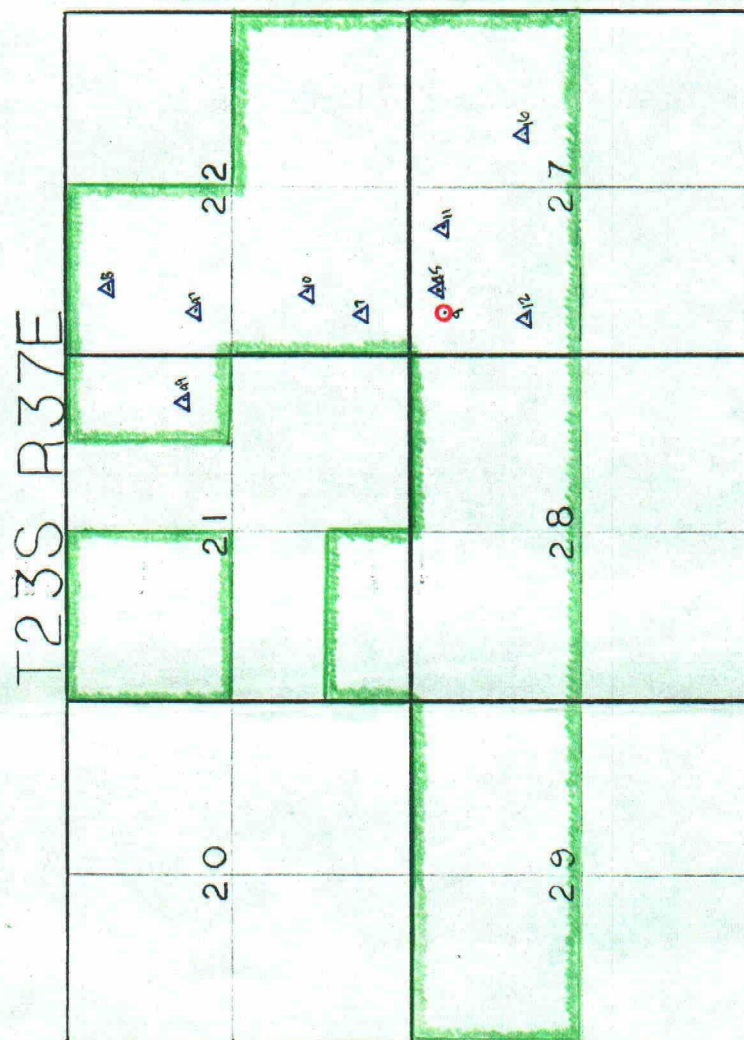
<u>Wells and Pool</u>	<u>Production</u>		<u>Total</u>	<u>Average BOPD</u>
	<u>July 82</u>	<u>Aug 82</u>		
C. E. LaMunyon #9 Teague Abo Gas Pool				5
C. E. LaMunyon #7, 8, 9, 10, 11, 12, 16, 45, 47, 49 Teague Devonian	3627	4097	7724	124

<u>Pool</u>	<u>BOPD</u>	<u>Gravity</u>	<u>\$/Bbl</u>	<u>\$/Day</u>
Teague Abo Gas	5	51.2	\$31.00	\$ 155.00
Teague Devonian	124	36.8	30.92	3834.08
Total				\$3989.08
Commingled	129	37.36	\$30.95	\$3992.18
			Difference	\$ 3.10



C. E. LAMUNYON TANK BATTERY #6
Section 22-T23S-R37E

Proposed Surface Commingling
of Teague Abo and Teague Devonian Production



Δ Teague Devonian Pool Wells

$\circ$ Teague Abo Gas Pool Wells