

PRICE 000
GULF OIL CORPORATION
P. O. BOX 670
Hobbs, New Mexico 88240
APR 23 AM 8 18

DHC - 41

Rec May 13

April 21, 1970

Re: Scarborough Estate No. 1
Unit A, Section 31-22S-38E,
Lea County, New Mexico

Mr. A. L. Porter, Jr.
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Sir:

Your administrative approval is respectfully requested for an exception to Rule 303-A to permit down hole commingling of marginal production in the subject dually completed well. We believe the Blinbry Oil and Drinkard Oil have compatible characteristics, and that waste or reservoir damage will not result from commingling in the well bore. Ownership in the two pools is common and correlative rights will not be violated. Down hole commingling will increase the flowing efficiency and productive life of the well. Should secondary operations become practical in the future, the two pools could be dually completed.

Information on this matter, as outlined in Order R-3845, is attached for your consideration.

Yours very truly,


C. D. BORLAND

Area Production Manager

ELR:ptg
Att'd.

cc: Oil Conservation Commission, Hobbs, N.M.
Texaco, Inc., P. O. Box 728, Hobbs, N.M.
Pan American Petroleum Corporation, P. O. Box 68, Hobbs, N.M.
Western Oil Fields, Inc., 112 North First St., Artesia, N.M.
Aztec Oil and Gas Co., P. O. Box 847, Hobbs, N.M.
Cities Service Oil Co., P. O. Box 69, Hobbs, N.M.
C. W. Briggs, Box 1150, Midland, Texas
M. I. Taylor, Roswell, New Mexico

1. Operator: Gulf Oil Corporation
P. O. Box 670
Hobbs, New Mexico 88240
2. Lease and well number: Scarborough Estate No. 1
660' FM&EL Section 31-22S-38E,
Lea County, New Mexico
3. Pools Dualled: Elinebry Oil and Drinkard Oil
OCC Order MC-1072, June 25, 1961
4. Decline Curve: Attached
5. Measured BHP:

	<u>Hrs SI</u>	<u>Datum</u>	<u>Depth</u>	<u>Pressure At Datum</u>
Elinebry	98	2410	5763	667
Drinkard	48	3050	6403	674

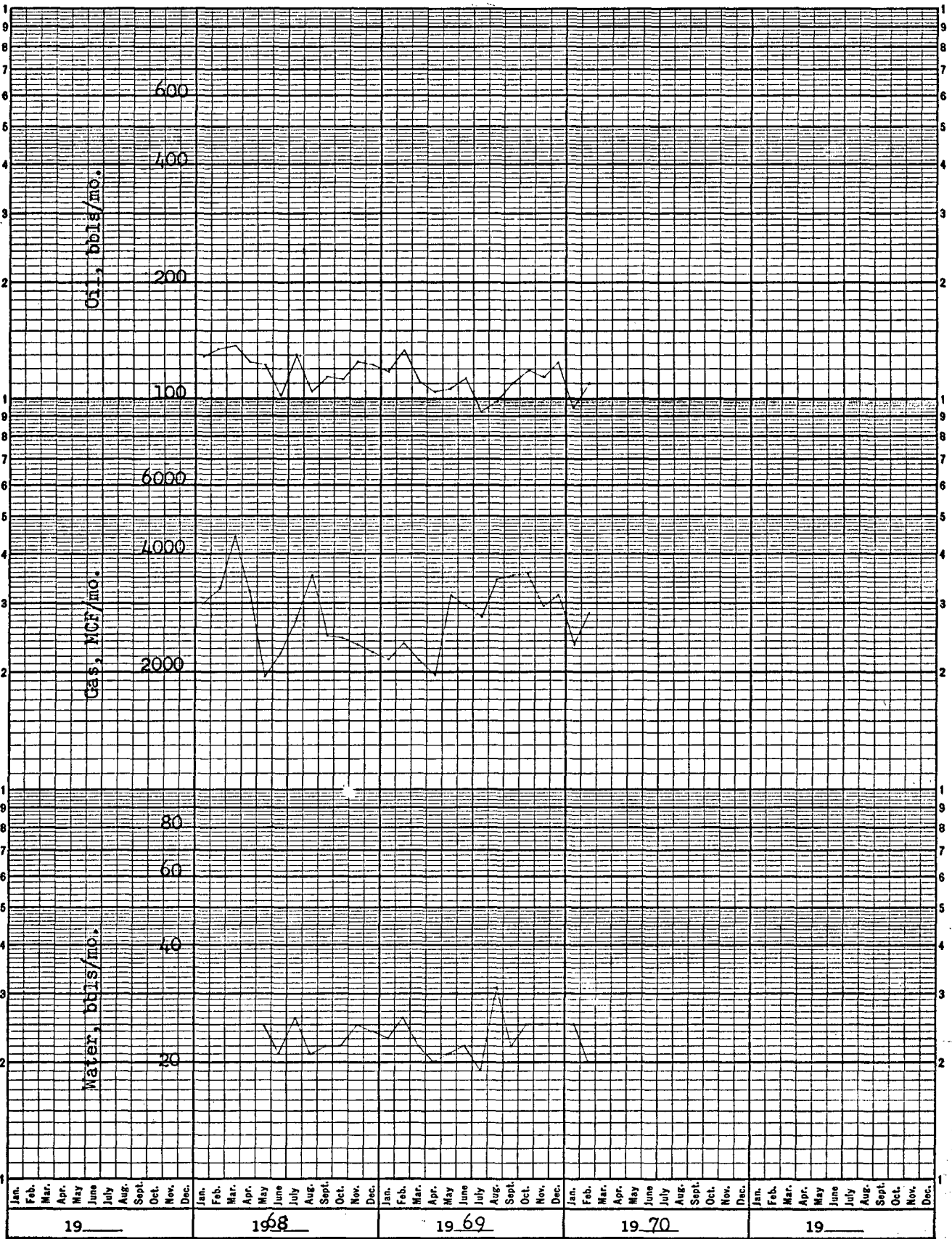
(Ran 4-17-70 by New Mexico Oil & Gas Engineering Committee)
6. Fluid Characteristics: Drinkard and Elinebry production is presently being surface commingled on our Drinkard (NCT-B) Lease in Section 30-22S-38E, Order PC-383. Incompatibility has not been evidenced on this lease which directly offsets our Scarborough Estate Lease.
7. Value of Commingled Fluids:

	<u>BOPD</u>	<u>API Cnty @ 60°</u>	<u>\$/Bbl.</u>	<u>Rev/Day</u>
Drinkard	5	41.8°	\$3.36	\$16.80
Elinebry	<u>9</u>	<u>37.9°</u>	<u>\$3.30</u>	<u>\$29.70</u>
				\$46.50
Commingled:	14	39.1°	\$3.34	\$46.76
Difference:				\$00.26+
8. Current Tests: Elinebry (4-14-70) 9 bopd, 2 bwpd, GOR 26,111 67
 Drinkard (4-13-70) 5 bopd, 1 bwpd, GOR 25,600 35

Both zones flow
9. All offset operators have been notified by copy of attached letter.

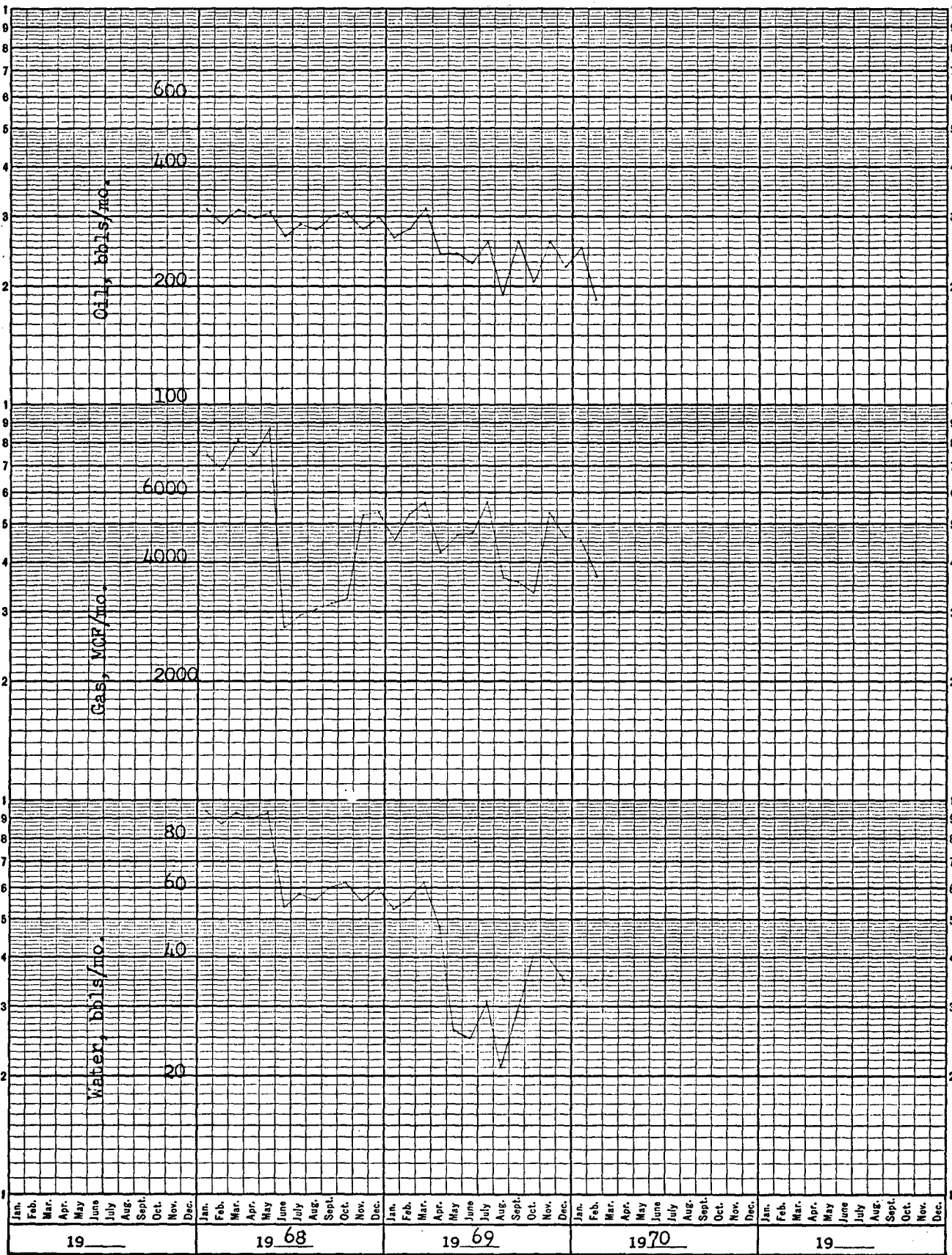
KLR:ptg
Hobbs, N.M.
4-21-70

K&E 5 YEARS BY MONTHS 46 6693
 X 3 LOG CYCLES
 MADE IN U.S.A.
 KEUFFEL & ESSER CO.



Gulf Oil Corporation
 Scarborough Estate No. 1
 Monthly Production - Drinkard

K&E 5 YEARS BY MONTHS 46 6693
 X 3 LOG CYCLES
 MADE IN U. S. A.
 KEUFFEL & ESSER CO.



Gulf Oil Corporation
 Scarborough Estate No. 1
 Monthly Production - Blinbry