State of New Mexico







Commissioner of Public Lands
September 14, 1983

P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148

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

Recd Dec. 28,1983

Re: Request for permission to Surface Commingle the oil from the Lea "CK" State (NCT-B) and Lea "VF" leases Lea County, New Mexico

ATTENTION: Mr. R. C. Anderson

Gentlemen:

Reference is made to your letter dated August 24, 1983, wherein you have requested approval to surface commingle the oil from the Lea "CK" State (NCT-B) Well No. 1 and the Lea "VF" State Well Nos. 1 and 2 which are currently producing from the Saunders Upper Permo Penn pool.

You are hereby given approval to the above request. Any deviation from your proposed request will be reason to cancel our approval. This approval is subject to like approval and all requirements of the New Mexico Oil Conservation Division.

Your filing fee in the amount of Ten (\$10.00) Dollars has been received.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: RAY D. GRAHAM, Director Oil and Gas Division AC 505/827-5744

JB/RDG/pm
encls.

cc: OCD-Santa Fe, New Mexico

OGAD-Santa Fe, New Mexico

State of New Mexico Lease Nos. LG-3224 and B-10363

Gulf Oil Exploration and Production Company

R. C. Anderson
PRODUCTION MANAGER
HOBBS AREA

August 24, 1983

P. O. Box 670 Hobbs, NM 88240

Re: Lea "CK" State (NCT-B) and Lea "VF" State Surface Commingling

Commissioner of Public Lands Oil and Gas Division P. O. Box 1148 Santa Fe, New Mexico 87501

Attention: Ray D. Graham

Gentlemen:

AUG 31 | 10 54 AH 83
STATE LAND THERE
SANTAFE, N. M.

We request your permission to surface commingle the oil from the Lea "CK" State (NCT-B) and the Lea "VF" State Leases. We request your permission in order to avoid the considerable expense of maintaining two tank batteries for the subject leases. All wells will be tested periodically for allocation of production. Attached is the required ten dollar filing fee, as well as all required plats.

Yours very truly,

R. C. ANDERSON

CNB/skc Att'd

COMMISSIONER OF FUELIC LANDS



KTT) CLM

00002

FROM B. M. Ragsdale

La fat

Midland

IN REPLY REFER TO

DATE 8-17-83

R. C. Anderson

AT Hobbs

Gulf Oil Corporation - Lea "VF" State Lease - Lea "CK" State (NCT-B) Lease Section 16-14S-33E

Saunders (Permo-Penn. Upper) Pool Lea County, New Mexico



Mr. Chris Bezner has advised of plans to request Oil Conservation Commission Approval to commingle production from the subject leases.

The Crude Supply and Transportation Department is agreeable to purchasing this commingled production.

B. M. Ragsdale

Crude Oil Representative

B. W. Kagedale

BMR:cs

STATE LAND THESE

1 (=: 11)

Lea "VF" State Tank Battery Section 16-T14S-R33E Lea County, New Mexico

- 1. Lease Name Lea "CK" State (NCT-B)
 State Lease Number B10363
 Legal Description Section 16-T14S-R33E
 State Beneficiary Common School Fund
 Lessee of Record Gulf Oil Corporation
- 2. Lease Name Lea "VF" State
 State Lease Number LG322
 Legal Description Section 16-T14S-R33E
 State Beneficiary Common School Fund
 Lessee of Record Gulf Oil Corporation

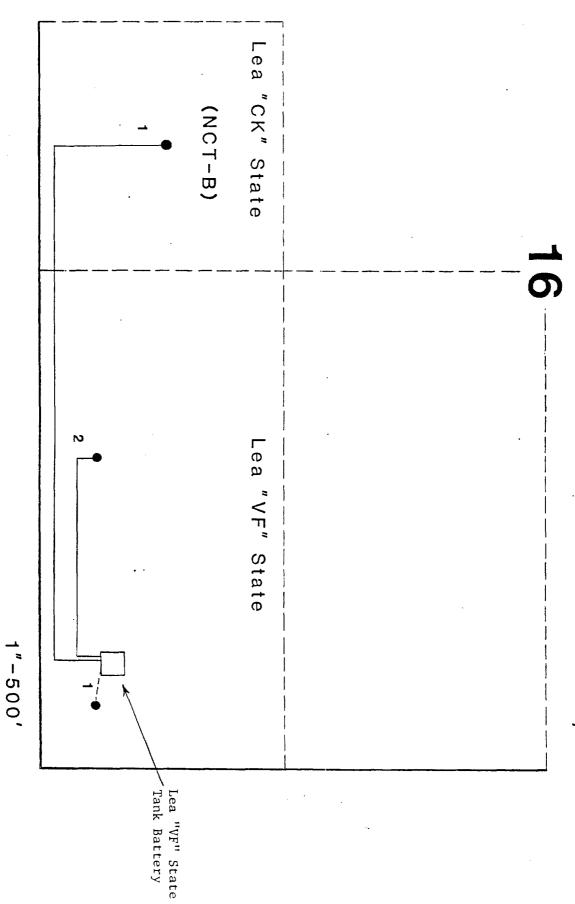


Lea "VF" State Tank Battery Section 16-T14S-R33E Lea County, New Mexico

	Production			
Wells and Pools	April 83	May 83	<u>Total</u>	BOPD
Lea "CK" State (NCT-B) #1 Saunders Upper Permo Penn				125
Lea "VF" State #1, 2 Saunders Upper Permo Penn	5092	6415	11,507	188.6
<u>Lease</u>	ВОРЮ	Gravity	\$/Bb1_	\$/Day_
Lea "CK" State (NCT-B)	125	42.8	\$29.56	\$3695.00
Lea "VF" State	188.6	42.2	29.54	5571.24
Total				9266.24
Commingled	313.6	42.4	29.55	\$9266.88
			Difference PI	0.64



Lea "CK" State (NCT-B) and Lea "VF" State Section 16-T14S-R33E Lea County, New Mexico



--- Buried Flowline

- Above Ground Flowline

LEA "VF" STATE TANK BATTERY Section 16-T14S-R33E Lea County, New Mexico

